

**City of Swartz Creek
AGENDA**

**Regular Council Meeting, Monday, March 25, 2019, 7:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473**

1. **CALL TO ORDER**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
4A. Council Meeting of March 11, 2019 MOTION Pg. 32
5. **APPROVE AGENDA:**
5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**

6A. City Manager's Report	MOTION	Pg. 3
6B. MDOT Warranty Guidelines		Pg. 37
6C. Comcast Change Notice		Pg. 74
6D. Trust Fund Maintenance Memorandum and Application Documentation		Pg. 75
6E. GCDC WWS Phosphorous Notice		Pg. 91
6F. Incentive Materials		Pg. 93
6G. Audit of Minimum Assessing Requirements		Pg. 157
6H. Monthly Reports		Pg. 162
6I. Assessing Reports		Pg. 178
6J. Gaming License Request		Pg. 180
7. **MEETING OPENED TO THE PUBLIC:**
7A. General Public Comments
8. **COUNCIL BUSINESS:**

8A. Trust Fund Grant Application	PUBLIC HEARING	
8B. DNR Trust Fund Grant Application	RESO	Pg. 17
8C. DNR Trust Fund Grant Memorandum	RESO	Pg. 18
8D. Swartz Creek Athletic Boosters Status	RESO	Pg. 19
8E-F. MDOT Warranty Program	RESO	Pg. 19-20
8G. Incentives	DISCUSSION	
8H. Utility Rates	RESO	Pg. 21
8I. City Council Vacancy Appointment	RESO	Pg. 31
9. **MEETING OPENED TO THE PUBLIC:**
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:** MOTION

Next Month Calendar

Swartz Creek Chamber:	Tuesday, March 26, 2019, 12:00 p.m., 3095 S. Dye Road
Metro Police Board:	Wednesday, March 27, 2019, 10:00 a.m., Metro Headquarters
Planning Commission:	Tuesday, April 2, 2019, 7:00 p.m., PDBMB
Park Board:	Wednesday, April 3, 2019, 5:30 p.m., PDBMB
City Council:	Monday, April 8, 2019, 7:00 p.m., PDBMB
Downtown Development Authority:	Thursday, April 11, 2019, POSTPONED, PDBMB
Fire Board:	Monday, April 15, 2019, 6:00 p.m., Public Safety Bldg
Zoning Board of Appeals:	Wednesday, April 17, 2019, 6:00 p.m., PDBMB
City Council:	Monday, April 22, 2019, 7:00 p.m., PDBMB
Swartz Creek Chamber:	Tuesday, April 23, 2019, 12:00 p.m., SC Middle School

City of Swartz Creek Mission Statement

The City shall provide a full range of public services in a professional and competent manner, assuring that the needs of our constituents are met in an effective and fiscally responsible manner, thus promoting a high standard of community life.

City of Swartz Creek Values

The City of Swartz Creek's Mission Statement is guided by a set of values which serve as a common operating basis for all City employees. These values provide a common understanding of responsibilities and expectations that enable the City to achieve its overall mission. The City's values are as follows:

Honesty, Integrity and Fairness

The City expects and values trust, openness, honesty and integrity in the words and actions of its employees. All employees, officials, and elected officials are expected to interact with each other openly and honestly and display ethical behavior while performing his/her job responsibilities. Administrators and department heads shall develop and cultivate a work environment in which employees feel valued and recognize that each individual is an integral component in accomplishing the mission of the City.

Fiscal Responsibility

Budget awareness is to be exercised on a continual basis. All employees are expected to be conscientious of and adhere to mandated budgets and spending plans.

Public Service

The goal of the City is to serve the public. This responsibility includes providing a wide range of services to the community in a timely and cost-effective manner.

Embrace Employee Diversity and Employee Contribution, Development and Safety

The City is an equal opportunity employer and encourages diversity in its work force, recognizing that each employee has unlimited potential to become a productive member of the City's team. Each employee will be treated with the level of respect that will allow that individual to achieve his/her full potential as a contributing member of the City staff. The City also strives to provide a safe and secure work environment that enables employees to function at his/her peak performance level. Professional growth opportunities, as well as teamwork, are promoted through the sharing of ideas and resources. Employees are recognized for his/her dedication and commitment to excellence.

Expect Excellence

The City values and expects excellence from all employees. Just "doing the job" is not enough; rather, it is expected that employees will consistently search for more effective ways of meeting the City's goals.

Respect the Dignity of Others

Employees shall be professional and show respect to each other and to the public.

Promote Protective Thinking and Innovative Suggestions

Employees shall take the responsibility to look for and advocate new ways of continuously improving the services offered by the City. It is expected that employees will perform to the best of his/her abilities and shall be responsible for his/her behavior and for fulfilling the professional commitments they make. Administrators and department heads shall encourage proactive thinking and embrace innovative suggestions from employees.

City of Swartz Creek
CITY MANAGER'S REPORT
Regular Council Meeting of Monday, March 25, 2019 - 7:00 P.M.

TO: *Honorable Mayor, Mayor Pro-Tem & Council Members*
FROM: Adam Zettel, City Manager
DATE: March 20, 2019

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **MICHIGAN TAX TRIBUNAL APPEALS** *(Update)*

Huizinga (office at 6195 Miller) – The appraisal has been done and submitted. We attempted a negotiation, but the petitioner is unwilling to communicate on the matter. A full tribunal is expected and I like our chances to fare better than the proposed offer.

Board of Review is pending, but commercial/industrial appeals go straight to the Michigan Tax Tribunal. We are not yet aware of any, but we will keep the council informed as we move through spring and early summer.

✓ **STREETS** *(See Individual Category)*

✓ **2017-2020 TRAFFIC IMPROVEMENT PROGRAM (TIP)** *(No Change in Status)*

The project bid has been accepted by MDOT, and the state contract has been executed. Our expected contribution is \$65,160. This is a relatively small amount considering the scope of the project. Note that we will also be working on lighting for the street intersection at Ingalls to create more safety for students.

The third party agreement is also executed. We expect to have this project underway right after school is out. The preconstruction meeting should be in May.

✓ **2020-2023 TRAFFIC IMPROVEMENT PROGRAM (TIP)** *(Update)*

Morrish Road from Bristol to Miller has been funded. The city has committed the match portion to this project, which is 80-20. It is unclear what year this project will be undertaken, but we want it done subsequent to the USDA water main work. This MAY span two construction seasons.

Note that we will likely need to engage in the Qualified Bidding Selection process to pre-certify engineering firms to work on federal projects. The QBS process is something that the city has routinely done to stay compliant and to have a good faith process for ensuring quality and competitive engineering services. This process was last finalized on November 25, 2013.

✓ **STREET PROJECT UPDATES** *(No Change in Status)*

This is a standing section of the report on the status of streets as it relates to our dedicated levy, 20 year plan, ongoing projects, state funding, and committee work. Information from previous reports can be found in prior city council packets.

We are working on lighting for Helmsley with the new team that CE has put together. The preconstruction meeting should be in May. The previous report follows:

Helmsley is now in the hopper for 2019 (excluding water main, which is newer). Design engineering is underway and we held a preliminary construction meeting with the contractor and engineer. We do not anticipate any issues. Work will commence after school ends, with final landscape restoration later in the fall.

The engineering proposal for 2020 local streets with OHM is approved and work is underway. The scope includes a section of Oakview, Chelmsford, and Oxford (including the last small stretch of Winston). Note that it is unlikely we will have a budget to do all of those sections in 2020 since state revenues have not been forthcoming as expected. However, it is work that needs to be completed for the USDA watermain on those streets in the next three years. Notable issues currently include the form and responsibility of the bus lane on Oakview by Syring. We will liaise with the school regarding this and how they wish to proceed with the bond improvements.

✓ **WATER – SEWER ISSUES PENDING** (*See Individual Category*)

✓ **SEWER REHABILITATION PROGRAM** (*Update*)

We have flow meters installed at key collector lines in the city. We need to ascertain what the remaining capacity is before we can enable the progress of new projects (Applecreek, Springbrook East expansion, future Morrish Road users, etc). If the lines are not sized properly, investment may be warranted. This would alter our rehabilitation plan to include capital investment for future users. For this reason, we are not altering rates until the capacity information is available.

2018-2019 winter sewer projects have been approved. The scope includes lining improvements and video service at a cost of \$197,772. There are some small connections between collectors in the Winchester Village that need to be done. Liquiforce will also complete the large collector on Durwood and a downtown line, School Street. As of writing, the lining crew is in town!

This multi-year program is on schedule and budget. Based upon current rates and existing fund balance, staff may recommend expending more in the next year or two on the sewer rehabilitation plan in order to get some higher risk assets completed more quickly.

✓ **WATER MAIN REPLACEMENT** (*No Change in Status*)

A water use agreement is being reviewed by USDA staff. Easements for public water main that are required, but previously undocumented, are now complete and we are seeking signatures from Kroger and the school to make them official. Engineering continues. Bond counsel and other team members have been tentatively assembled and await progress. The previous report follows:

On September 13th, we met with the feds about other steps and conditions of funding. We are in a good position to benefit from the nearly \$5,000,000 grant/loan,

with the understanding that we will be putting the project out to bid in 2019, with some components to be completed in 2020 and 2021.

Concerning the Genesee County Drain Commission - Water and Waste Services Division Water Master Plan, we received notice that they are considering a northern loop to provide redundancy and stability to the system. This is good news since Gaines and Clayton Township rely on the overstressed Miller line. There is currently not any cost or participation information available. I will keep the council informed.

The city has been working with the county to abandon the Dye Road water main in the vicinity of the rail line. Note that we are holding this action pending the master plan review. This line is prone to breaks, which can be very costly and dangerous near the rail spur. The intention would be to connect our customers to the other side of the street, onto the county line. It appears the transition cost would be about \$25,000. We will work with the county on this matter and report back on our findings.

Lastly, the city should probably complete full demolition on the "Brown Road" site (the old well head) and sell this property. This is not a high priority, but it is now on our radar.

✓ **POLICE SERVICE** *(No Change of Status)*

Mrs. Hicks served her first meeting on February 27. Mr. Cramer attended and will be seated for the March 27 meeting. Kay Doerr is the new chair and Mr. Krueger is the new vice-chair.

The Metro has completed an internal visioning process and is now training and working with staff on their organizational culture.

The interlocal agreement amendments and related prosecution agreements have been approved and are being executed. Metro is able to proceed with their strategic objectives for 2019, including traffic enforcement, code compliance, enhanced school services, and drug enforcement. All of these policing objectives are proceeding with additional staff resources that are in the budget.

The authority is also getting interest from communities in the area, including some in Livingston County.

✓ **HERITAGE VACANT LOTS** *(No Change of Status)*

The last of the lots acquired prior to the special assessment have been approved for sale. The city has two more lots that were acquired through the tax reversion process. If there is no objection, I will look to prepare instruments for the two units acquired in 2017 at new, negotiated pricing if requested by the buyer, JW Morgan, at some point in the future.

✓ **NEWSLETTER** *(No Change of Status)*

The spring newsletter will be upon us soon, so let me know if you have content ideas.

✓ **HOLLAND SQUARE & STREETScape** (*No Change of Status*)

Green Tech Systems, LLC has been approved to construct the 2019 streetscape project by the city council and DDA. The preconstruction meeting should be in May. We are hopeful that we will have a timely and well-constructed summer project.

The DDA affirmed their participation at their meeting on February 21. As we get into the end of the project, which will be in the next fiscal year, we will have a better understanding of the total project cost and the subsequent loan instrument that will result.

The plans can still be altered in scope and detail, even after construction commences. See prior reports for more details on the evolution of this process.

✓ **TRAILS** (*Business Item*)

We have a public hearing on the DNR grant submission. We have literally done this already (2018), but we must do so again to enable submission in 2019. After the public hearing, we have a standard resolution to approve. This resolution includes a commitment of \$137,700.00 from the city. This is similar to last year, with the notable improvement in our circumstances being the conditional award of \$568,000.00 from the MDOT grant.

In addition, we are going to formalize our maintenance commitment with Flint Township. This will take the form of a resolution enabled memorandum. While we obviously intend to maintain our portion, entering into a memorandum of understanding will further enhance the grant by raising our score in the category of cooperation.

The previous report follows:

The city did not receive the sought DNR grant in the amount of \$300,000. After debriefing with the consultant and staff with the state, we believe we can resubmit a fundable project this year that can be commenced on schedule in 2020. To do so, we will need to complete engineering prior to the award.

The DNR grant is crucial to offset the 35% that the city must cover to match the Enhancement Grant. The MDOT Enhancement Grant is conditionally awarded. We hope this covers 65% of the investment. Work with Consumers Energy and CN Rail is positive for those project components that require their engagement. We are still working with the MTA and GM on some easements and permissions.

Note that the city will still be heavily invested in this, even if both grants are awarded. Count on a general fund outlay of \$200,000 for the local match and additional all engineering, construction, and inspection services. Any overages (price changes and change orders) will be locally covered as well.

The project timeline will be revised. At its core, it should still reflect a 2020 construction timeframe. The difference is that we plan to engineer the project sooner than anticipated so we can bid it upon a conditional DNR award in a year's time.

✓ **REDEVELOPMENT READY COMMUNITIES** (*Update*)

There is a public hearing pending for April 2nd in front of the planning commission. The purpose will be to present and hear comment on proposed changes to the zoning ordinance. The current round of changes would enable conditional uses in commercial zones, as well as expedite review by placing standard site plan review under the approval authority of the planning commission. Additional changes will follow.

The Economic Development Strategy Committee met on the 18th of December and further deliberated on the draft Economic Development Strategy. There is a strong sense that downtown design, function, and events are a priority that will require a strong partnership with the city, DDA, and Chamber of Commerce.

See the quarterly RRC report (March 11, 2019 packet) for details on progress. In short, the following RRC components are still pending:

- Development review flowchart and checklist
- Economic Development Strategy for the city and its partners (chamber of commerce, schools, etc.)
- Public participation plan and tracking methods
- Property marketing packages, including incentives (see below)

✓ **DOG PARK (Update)**

Following the GFWC donation at our meeting on the 11th, the scouts are apparently within about \$1,000 of their goal. I am hopeful they can make this a 2019 project.

✓ **DURAND AREA INDUSTRY - PROJECT TIM (No Change of Status)**

This project seems cold and quiet. However, it appears there are still valid purchase agreements in place for the development, and there are state and local bureaucrats continuing work on contingency plans for utility and traffic modelling. It is anyone's guess at this point. Please see prior packets for information on the project and its evolution.

✓ **TAX REVERTED PROPERTY USE (Update)**

I expect transactions for the approved sales of vacant land on Wade Street and in Heritage Village before June.

✓ **8002 MILLER (Update)**

The contractor is working. A completion timeline has not been set. Time is on our side with this since it gives the user more time to establish their new business and contribute more monthly payments to the project.

✓ **MILLER ROAD DRAIN (Update)**

The project is done and requires only final seeding/restoration. I will remove this from future reports.

✓ **GROUNDWATER WITHDRAWAL ORDINANCE (No Change of Status)**

The groundwater withdrawal ordinance for the Holland Square project is in the final phase. As noted previously, the practical impact of this is small, since wells are no

longer permitted in the city and there are no known 'grandfathered' wells in the impacted area.

The council held a public hearing at our meeting on April 23rd. ExxonMobil, the Michigan DEQ, and other representatives will now be reaching out to property owners to research if there are any well impacts. Once this is done, we should be able to proceed with the ordinance. Representatives of Exxon indicated a fall timeline for approval.

✓ **SCHOOL FACILITY PROPOSAL** *(Update)*

The school received high bids for initial security work. They are rebidding with the addition of fall/winter work in the hopes that the scope and timing of the new work expectations will be more enticing to contractors. It is expected that elementary security entrances and related work will be the first phase of the investment.

Additional bond work shall continue in 2020 and 2021. It will include all facilities, including athletic facilities at the high school. We expect cooperation and benefit in terms of establishing safer connections for walkers, better land grades (e.g. the football field), and more attractive gateways.

✓ **PAUL FORTINO PROPERTY PROPOSAL** *(No Change of Status)*

As of writing, there is not a full set of plans to review at the DDA or planning commission level. However, condominium documents (deed and bylaws) are in the works, as is the site plan and final architectural. The DDA should be reviewing this in March or April, with the planning commission to take the torch after that.

Please see the DDA packets for details. In short, it appears the builder is interested in proceeding with fifteen 1,600 square foot, two story condos, with garages. There are opportunities and threats, of course, but exploration is proceeding methodically. A rendering of the most recent architectural style is included.

As noted in the last communication with the builder, there may be a potential 'ask' for sewer/water tap fee waivers in order to add value to other parts of the site. Though a common practice in economic development, the city has not done this in recent history. I would be interested to know what the council thinks.

✓ **MUNICIPAL CIVIL INFRACTIONS VIOLATIONS BUREAU** *(Update)*

Due to the recent interlocal agreement and prosecutorial amendments, it appears that no additional ordinance changes are required. Though this may present itself as a need in the future, we are closing the books on it at this time and will remove it from future reports.

✓ **SPORTS CREEK RACEWAY & GAMING COMMISSION** *(No Change of Status)*

I have asked the owner to attend a council meeting, as requested. He indicates a willingness to do so, but he has requested additional time to see to essential matters. The previous report follows:

The property has sold! Staff met with the new owners, utilities have been transferred, and we have recorded a property transfer affidavit. It appears the plan is to proceed

with use of the raceway for thoroughbred racing, however the state approvals and legislation relating to this are not looking promising. It appears that 2019 live racing and simulcasting are unlikely.

The owner appears very communicative and interested in making the facility more community oriented. They are open to cooperative planning, potential reuse of parts of the site, and engaging in stronger hospitality uses related to racing. However, there are many unknown and important circumstances at play, such as the racing industry as regulated by the state, the potential (right or wrong) for sports gambling, and demand from Project Tim.

Summarily, I believe the transfer will enable some sort of positive economic use in the years to come, but the path is not clear at this point due to the circumstances. However, I have a high degree of trust and confidence in the owner so far and will wait for the dust to settle for them with a renewed sense of optimism.

Future reports will obviously follow. Immediate steps for us are to work with the owner on site safety and compliance, as well as the potential for short term use as a horse racing venue. We will also connect them with our Downtown Development Authority and the Redevelopment Ready Communities Program state resources.

✓ **CDBG (Update)**

According to the most recent report from the county, the south side of downtown is again eligible for physical public improvements using federal CDBG funds (see map in 3/11 packet). This is a change from the last cycle, but matches previous cycle eligibility. We met with county staff on 3/13 to see if we can amend our current application and use funds for the other projects. They indicated that we could.

At this point, there is no need to hold another public hearing, but they did request another application. Based upon the geography impacted, I am submitting an amended application to cover the purchase cost of decorative street signs for the intersections within that geography that have not yet been upgraded. This is the downtown area, as well as parts of Cappy Lane (Winshall and Don Shenk).

The prior projects that were submitted include Swartz Creek Area Senior Services and improvement of the senior center facility (parking area). The Senior Services are still proposed to get the maximum allowed benefit of 15%. The parking lot will be replaced by the above mentioned project.

The reason that this is preferred is because the inclusion of federal funds in the parking lot project will make bidding much more cumbersome and potentially expensive. For example, the shack that we demolished on Morrish Road using these funds was almost \$12,000, about double what it should have been. The reason for this is the need to pay higher, prevailing wages on the entire project, as well as the need to engage in substantial reporting by the contractor.

With that said, the county is aware of this pricing impact and is encouraging projects that have a purchase only component and do not need to have labor bid out. This makes our sign program very enticing for them and efficient for us. We already have a

plan to procure these signs to enhance the area, using DDA funds. However, funds will not likely be available for many years due to priorities with the streetscape and other property improvements.

My recommendation is to proceed with the amended application for decorative signs in the downtown area and the impacted area of Winchester Village. I have an application turned in, pending this report to the city council. County staff originally indicated that a final decision was due by the 22nd, but we have an extension through our meeting. If there is no objection, they will process the amended application. I apologize for the short notice, but the county maps were just released and reported in March.

✓ **MDOT WARRANTY PROGRAM** *(Business Item)*

We are ready to move on this. As previously noted, a state legislative mandate requires some local policy updates and subsequent procedural follow-up on how we bid, guarantee, and report on road construction projects. The intent is to provide for local street authority warranty requirements on certain projects, with the idea that this will improve work quality throughout the state.

The Michigan Municipal League has created some explanation materials and template resolutions for us to be able to proceed. In practice, this probably will not change much. There was some concern that this would increase prices as contractors incurred costs for bonds on work. However, warranty programs are terribly tough to enforce (as evidence by the MDOT Morrish Road bridge project of 2013-2014). Further, we have discretion on when to act on additional requirements on a project by project basis.

The important take-away is that we need to understand that this option is available and we have the ability to enact it on state funded and/or local projects. I am including the explanation materials and resolutions.

✓ **FACILITY LIGHT CONVERSION** *(Update)*

I have been working with our staff and building users (Metro, Fire Department, Senior Center, etc) concerning the work scope, timing, and subsequent billing policies. We appear to be in good shape to proceed with the changes and the ability to appropriately account for and track savings.

Work should commence very soon. Flexibility in lighting choices remains, and staff will be consulted for specific needs/requests to make the office and area lighting optimal for function, comfort, and cost. The program is expected to save \$3,000 in the first year and about \$180,000 overall.

✓ **SAFE ROUTES TO SCHOOL** *(No Change of Status)*

The city and school have approved cooperation to proceed with the technical assistance grant offered by the Crim Fitness Foundation. Their staff expect to begin working in the community in March.

✓ **SCHOOL BUILDING REVIEW & INSPECTION SERVICES** *(Update)*

The city and school board have approved the transfer, and we have filed this with the state. The school intends to begin work on some elementary schools, including Elms, this summer.

✓ **UTILITY RATES** (*Business Item*)

Based upon discussion at the March 11 meeting, I have included a resolution to adjust the city rates and fees. At this point, we have only one change, and that is to increase the water portion of the utility rates by 3%. I have included the amended water rates. Note that the readiness-to-serve and commodity have been adjusted upwards 3%, rounding to the nearest \$0.01.

The previous report follows:

We have been in a holding pattern on utility rates since the Karegnondi Water Authority began selling water to the Genesee County Drain Commission. In truth, we were in a holding pattern prior to that in anticipation of the KWA. In the meantime, our cost of doing business has gone up as it relates to wholesale water purchases and improvements. Operationally speaking, we are balanced. However, our fund is losing money when we factor in watermain replacement.

We anticipated higher expenses for water with KWA, but we also have been counting on offsetting those with water-loss savings. (Previously, we hoped for a rate reduction with water loss efficiencies, but the KWA rates were higher than expected). Objectively, our water loss is about 6% as of the last calculation (which is very good). As such, we will need to assess rates to be able to make up the KWA difference at this point.

We keep a utility rate calculator updated and have been setting our rates according to this for about five years. However, the KWA still does not know what their 2019-2020 rate (or rate structure) will be. We also know that we will be taking on the USDA debt service which will take the place of our pay-as-you-go expenses that we have been budgeting for main replacement. Without knowing our expenses, we cannot create an objective rate.

My recommendation for 2019 is to put forth an inflationary increase of 3%. We refrained for about three years because we did not have sustainable KWA rates. However, we cannot do so indefinitely. Theoretically, a cost-of-living increase is warranted each year to accommodate fund needs while avoiding large-increment increases. Council is very aware of the problems caused by extended periods without rate changes (deferred maintenance and historically overhauls that result in tremendous increases).

Concerning sewer rates, we have a budget surplus, even when accounting for our capital asset rehabilitation program. As we speak, we are collecting flow data in critical areas to ascertain whether or not the collection system will need any capacity investments to handle proposed changes in loading. I recommend we refrain from any changes until the results of this study are received and processed.

The last rate change was made by city council on May 23, 2016, effective later that summer. I have placed this on the agenda for discussion only. If agreeable, I propose a resolution to increase water rates by 3% this year, with no change to

sewer rates. I will look to compile the most recent water loss data and deliver a KWA rate as soon as it is available.

✓ **INCENTIVE PACKAGES & RRC PROPERTIES** (*Business Item*)

As part of the RRC program, we are required to put together 'incentive' packages for the primary redevelopment sites (raceway, townhomes, Morrish church). I am separating this from the RRC report because of its complex nature and distinct implementation requirements. This is something we have been considering independently of the program for a while, in the interest of promoting redevelopment of key sites. Swartz Creek has not had a formal incentive program that I am aware of, though most cities do.

The upside to incentives is that they can bring about change when it otherwise would not occur or enhance the impact of change. E.g. create economic activities at the raceway to enhance the community's economic prospects and/or quality of life. The downside is that, if not applied properly, they can create an un-level playing field for private enterprise, remove resources from the community at a level greater than necessary, and be construed as unfairly applied (picking winners and losers).

The key to having a functioning incentive program without the negatives is to have an objective, transparent, and very limited written policy. This is what I propose for select properties in the city. Such policies can be limited to specific zones, even parcels, such as those priorities designated by the RRC program. They can then be tailored to match the level of incentive to the scale of the impact (e.g. the greater the investment in terms of jobs or value, the longer or greater the abatement).

The idea would be to document the goals and metrics by which the incentives function so that there is fairness and an outcome in which the investor and community both benefit.

There are four specific incentives that the city can provide to target commercial and industrial properties in downtown:

1. Public Act 198 of 1974: Industrial Property Tax Abatement
2. Public Act 255 of 1978: Commercial Redevelopment Act
3. Public Act 210 of 2005: Commercial Rehabilitation Act Tax Abatement
4. Water & Sewer Connection Fee Waiver Policy
5. Tax Increment Financing Public Improvements (already enabled via the façade program).

I have this on the agenda to further deliberate on the merits of incentives in general, as well as how they would function in the city. I am also attaching Michigan Department of Treasury FAQ's related to each of the three public acts, as well as a sample abatement policy from Grand Blanc.

✓ **BUILDING AND ZONING SERVICE DELIVERY** (*Update*)

We have ordered services to upgrade the functionality of our integrated software (BS&A) to enhance building and zoning matters. The enhancements will improve our internal work flow/checklists and increase our online abilities by enabling the

integration with the existing BS&A platforms. This means that we will be using less paper and relying more on digital submissions of applications, as well as the potential for online payment and permit delivery. Projects, both big and small, will then be coordinated and viewable by all users (Swartz Creek and Mundy) within the software at all times.

This is an enhancement that Mundy staff are already engaged in and will look to apply their knowledge to bring us into the 21st century as well. In fact, combined with other RRC initiatives, this should make us cutting edge among municipalities. I will keep the council informed.

✓ **OTHER COMMUNICATIONS & HAPPENINGS** *(See Individual Category)*

✓ **COMCAST NOTICE** *(Update)*

Comcast has some programming changes to pass along.

✓ **GCDC WWS PHOSPHOROUS LEVEL** *(Update)*

Genesee County will be reducing phosphorous from 2.5 parts per million (ppm) to 0.8 ppm. This will reduce much of the white film that folks are probably noticing around fixtures in their home/business. This additive was required by the DEQ to regulate corrosion. It has been found to be excessive and will be reduced between now and October.

✓ **AUDIT OF MINIMUM ASSESSING REQUIREMENTS** *(Update)*

Swartz Creek received a perfect score! The state notice is included. Congrats to our assessor, Heather MacDermaid!

✓ **BOARDS & COMMISSIONS** *(See Individual Category)*

✓ **PLANNING COMMISSION** *(No Change of Status)*

The planning commission met on March 5th. They considered draft language of the zoning code for conditional uses which would make certain developments and alterations easier in the city while maintaining objective standards. This effort is resulting from the RRC recommendations from the state's best practice guide.

In addition, they are proceeding with an amendment to make the planning commission the approval authority for site plans. Zoning changes and special land users would still require city council approval. This is also a state request.

The language will be reviewed again in April, with the next meeting scheduled for April 2nd.

✓ **DOWNTOWN DEVELOPMENT AUTHORITY** *(Update)*

The DDA met on February 21st. They conditionally approved a façade grant for Expressions in Silk. They also affirmed participation in the streetscape project. Good things are happening!

Next month, we expect to have townhome architectural plans in, with a site plan to follow. The next regular meeting is scheduled for April 11.

✓ **ZONING BOARD OF APPEALS** (*Update*)

There was training for the ZBA during their annual meeting on March 20th. I have some inquiries that lead me to believe a dimensional variance is expected to be filed this summer.

✓ **PARKS AND RECREATION COMMISSION** (*No Change of Status*)

The Park Board met on March 6th at city hall. The draft minutes are included. They discussed many ongoing projects and events. Most notable, they favorably considered a labor sharing agreement with Mundy Township for their new park, the concept of creating/joining a regional park authority, and the prospect for a Sunday or Monday evening farmers market in Elms Park pavilion #4 (by the sledding hill). See Council member Hicks for more information!

The next meeting will be on April 3rd.

✓ **BOARD OF REVIEW** (*Update*)

The BoR held hearings on:

March 18th 9am-12pm & 6pm-9pm

March 19th 9am-12pm

March 20th 9am-12pm

Though I do not have a detailed report of the 26 cases that were heard, my understanding is that ten were disabled veteran exemptions.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **CITY COUNCIL APPOINTMENT** (*Business Item*)

Mr. Porath resigned, effective on February 28, 2019. The City Charter (Section 4.7) indicates that the council is to appoint a qualified elector within 30 days. Note that this appointment will not extend through the remainder of Mr. Porath's four-year term. Due to charter requirements, an election for this seat will be held with the three at-large seats in the November 2020 election.

Charter 4.7

If a vacancy occurs in any elective city office, the Council shall, within thirty days after such vacancy occurs, appoint a person who possesses the qualifications required of holders of said office. Each such appointee to an elective office shall hold office under such appointment until the Monday following the next regular city election.

As we informally began to assess interest and qualifications for the vacant seat from residents that occupy the third ward, we were able to get some publicity on the matter from the Swartz Creek View News. Subsequent to the article, we have had some interest. Two qualifying residents indicated an interest in serving.

Both residents attended the last city council meeting, and the Mayor has conducted phone interviews with them as well. He is recommending that the council appoint Mrs.

Angie Root to the city council. She is a resident in Winchester Village, a local business owner, and a current member of the Swartz Creek Planning Commission. She has also served on various economic development/downtown committees that have been working on improving our downtown business climate.

At the request of the Mayor, a resolution to appoint Mrs. Angie Root is included.

✓ **SWARTZ CREEK ATHLETIC BOOSTERS (*Business Item*)**

The leadership of the Swartz Creek Athletic Boosters is seeking to tie up some administrative and regulatory loose ends that appear to have been outstanding from prior boards. They are requesting a recommendation from the city council to have their charitable gaming license considered by the State of Michigan. This requires the council to validate their existence, standing, and abilities in the community as it relates to being a legitimate nonprofit.

Anecdotally, most of us are familiar with this group as the primary supporter of various youth sporting programs in the community. Their volunteer network and activity scope is relatively robust, as are their contributions. As it pertains to this matter, we probably all know of this group as the group that conducts the 50/50 at sporting events, such as football games. I suspect this is one of the points of the gaming license application.

I am including a resolution that makes such findings and offers the validation sought by the state.

✓ **FISCAL YEAR 2019 ASSESSED AND TAXABLE VALUES (*Business Item*)**

I am including the post-Board of Review reports on our year over year changes to assessed and taxable value in the city. Assessed values are intended to reflect 50% of the overall 'true cash value' of all assessable real and personal property. This value stands at \$188,317,500, an increase of 6.15% over last year. Taxable value is at \$153,806,903, an increase of 2.97% over last year. This last increase what we can expect in our general, waste, & street levies for the upcoming budget. The public safety assessment revenue is expected to increase by 3.32% because this assessment applies to 'real' property only.

Summarily, we are observing healthy increases in value within the market place and inflationary increases to the tax base. If this was the case every year, the budget would be sustainable and adequate. Unfortunately, this is the single best year we have had in the last 15 years, and it is unclear if inflationary increases will continue given changes to the assessing laws, applicable tax statues (such as the Headlee Amendment), and changes to the market (appeals and exemptions). For now, this is welcome news.

Council Questions, Inquiries, Requests, Comments, and Notes

Downtown Flowers. The city, DDA, and GFWC are in partnership to enhance plantings downtown this year. This will include an increase in the number and size of hanging baskets, as well as mature plantings in existing and new pots

around town. The DDA is providing most of the funds and the GFWC is providing all the expertise and most of the initial labor. Thank you!

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, March 25, 2019, 7:00 P.M.**

Resolution No. 190325-4A MINUTES – March 11, 2019

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, March 11, 2019, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-5A AGENDA APPROVAL

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of March 25, 2019, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of March 25, 2019, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-8B A RESOLUTION TO APPROVE THE SUBMITTAL OF A MICHIGAN DEPARTMENT OF NATURAL RESOURCES TRUST FUND GRANT FOR A MATCH TO THE MICHIGAN DEPARTMENT OF TRANSPORTATION GRANT FOR TRANSPORTATION ALTERNATIVES PROGRAM (TAP)

Motion by Councilmember: _____

WHEREAS, The City of Swartz Creek, through its Parks and Recreation Committee, recognizes a strong need to expand its trailway system; and

WHEREAS, the City has received grant funding from the Michigan Department of Transportation's Transportation Alternative Program for which the City must provide a match and engineering for a total project cost of \$1,005,700.00; and

WHEREAS, the City is requesting \$300,000.00 to come from the Michigan Department of Natural Resources Trust Fund Grant to be used towards the match of the Michigan Department of Transportation's Transportation Alternative Program Grant and the project's engineering; and

WHEREAS, the City is providing a 70% match to the Michigan Department of Natural Resources Trust Fund Grant of \$705,700.00, of which \$568,000.00 of the match is from the Michigan Department of Transportation's Transportation Alternative Program Grant and \$137,700.00 is from the City's general funds.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby approves the Submittal of the Michigan Department of Natural Resources Trust Fund Grant and its match.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-8C

A RESOLUTION TO APPROVE A MAINTENANCE AGREEMENT AND MEMORANDUM OF UNDERSTANDING WITH FLINT TOWNSHIP TO ENSURE SUSTAINABLE CARE OF A TRAIL FUNDED BY A MICHIGAN DEPARTMENT OF NATURAL RESOURCES TRUST FUND GRANT

Motion by Councilmember: _____

WHEREAS, The City of Swartz Creek, through its Parks and Recreation Committee, recognizes a strong need to expand its trailway system; and

WHEREAS, the City has received grant funding from the Michigan Department of Transportation's Transportation Alternative Program that the City must provide a match and engineering for a total project of \$1,005,700.00; and

WHEREAS, the City, in conjunction with Flint Township, is requesting \$300,000.00 to come from the Michigan Department of Natural Resources Trust Fund Grant to be used towards the match of the Michigan Department

of Transportation's Transportation Alternative Program Grant and the project's engineering; and

WHEREAS, the application for the Trust Fund grant is competitive, and projects that can demonstrate interjurisdictional cooperation and sustainable maintenance are preferred.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby approves the Maintenance Plan and Memorandum of Understanding between the City of Swartz Creek and Flint Township as included in the March 25, 2019 packet, and further direct Mayor Krueger to execute the MoU on behalf of the city.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-8D

RESOLUTION TO RECOGNIZE SWARTZ CREEK ATHLETIC BOOSTERS AS A LOCAL NON-PROFIT IN GOOD STANDING FOR THE PURPOSE OF OBTAINING A CHARITABLE GAMING LICENSE

Motion by Councilmember: _____

WHEREAS, the Swartz Creek Athletic Boosters is a registered and active non-profit that is engaged in community fundraising and charitable activities in the community; and

WHEREAS, the Swartz Creek Athletic Boosters seek a charitable gaming license to continue fundraising at civic events and throughout the community, per MCL 432.103(k)(ii); and

WHEREAS, the Swartz Creek City Council finds that the Swartz Creek Athletic Boosters are known to operate in the community in a manner befitting a charitable organization capable of properly executing the functions of charitable gaming.

NOW, THEREFORE, BE IT RESOLVED THAT, the Swartz Creek City Council, Genesee County, recognizes the Swartz Creek Athletic Boosters as a nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses and requests that they be considered for approval by the State of Michigan Charitable Gaming Commission

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-8E

RESOLUTION TO ADOPT THE MICHIGAN LOCAL AGENCY PAVEMENT WARRANTY PROGRAM

Motion by Councilmember: _____

WHEREAS, the Michigan Legislature (MCL 247.663) requires each city or village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the Michigan Local Agency Pavement Warranty Program was developed by the Local Agency Pavement Warranty Task Force for use by all 533 cities and villages in the format approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the Michigan Department of Transportation has reviewed and approved the Michigan Local Agency Pavement Warranty Program consisting of Special Provisions (Boilerplate, Concrete, HMA, Location, Pass-Through Warranty Bond); a Warranty Bond Form and Contract Form; and Guidelines for Local Agency Pavement Warranty Program.

NOW THEREFORE BE IT RESOLVED, the City of Swartz Creek hereby adopts the Michigan Local Agency Pavement Warranty Program and accompanying documents in accordance to the requirements of MCL 247.663.

Resolution No. 190325-8F

RESOLUTION TO IMPLEMENT THE MICHIGAN LOCAL AGENCY PAVEMENT WARRANTY PROGRAM

Motion by Councilmember: _____

WHEREAS, The Michigan Legislature created a requirement (MCL 247.663) as part of the Transportation Funding Package of 2015 that requires each city and village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018; and

WHEREAS, the City of Swartz Creek adopted the Michigan Local Agency Pavement Warranty Program on March 25, 2019; and

WHEREAS, the City of Swartz Creek agrees to consider a local pavement warranty on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds; and

WHEREAS, the Local Agency Pavement Warranty Program law requires each city and village to report annually on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds, whether or not a warranty was utilized in the project;

WHEREAS, the City of Swartz Creek agrees to implement the Michigan Local Agency Pavement Warranty Program consistent with the Guidelines for Local Agency Pavement Warranty Program document that was approved by the Michigan Department of Transportation in 2018; and, which City of Swartz Creek's adopted

Implementation Policy defines the City of Swartz Creek's intent of its pavement warranty program;

NOW THEREFORE BE IT RESOLVED, the City of Swartz Creek hereby agrees to implement the Local Agency Pavement Warranty Program and annually report in accordance with the law.

Resolution No. 190325-8H RESOLUTION TO AMEND AND RESTATE CITY-WIDE RATES, FEES, AND CHARGES

Motion by Councilmember: _____

WHEREAS, the City sets rates and collects fees, fees for permits, charges for services, cost recovery's and cost recovery for consulting services (rates, fees, & charges), and;

WHEREAS, such rates, fees, & charges are a necessary and essential part of the funding for the services that the City provides, and:

WHEREAS, the City's Code of Ordinances defines and provides for certain rates, fees, & charges, and;

WHEREAS, other such rates, fees, & charges are provided for by resolution of the City Council, statutory provision, past practice, policy and other such actions, and

WHEREAS, the City has amended the City's Code of Ordinances to provide for various rates, fees, & charges to be set by resolution of the City Council, and;

WHEREAS, the City has need to amend the schedule of rates, fees, & charges to be set by resolution of the City Council, and;

WHEREAS, the City desires to have all such rates, fees, & charges organized into a single resolution that can be visited periodically and adjusted accordingly.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek hereby sets its rates, fees, & charges in accordance with the following schedule, effective immediately or as soon as practical thereafter, table as follows:

CITY OF SWARTZ CREEK RATES, FEES PERMITS & CHARGES FOR SERVICES

1. Chapter 1: Municipal Ordinance Violations Bureau (Parking Fines)

The following parking violations shall be punishable by the fines indicated:

<u>Offense</u>	<u>Fine</u>
(a) Parking too far from curb	\$ 40.00
(b) Angle parking violations	\$ 40.00
(c) Obstructing traffic	\$ 40.00
 <u>Prohibited parking (signs un-necessary)</u>	
(d) On sidewalk	\$ 40.00

(e) In front of drive	\$ 40.00
(f) Within intersection	\$ 40.00
(g) Within 15 feet of hydrant	\$ 40.00
(h) On crosswalk	\$ 40.00
(i) Within 20 feet of crosswalk or 15 feet of corner lot lines	\$ 40.00
(j) Within 30 feet of street side traffic sign or signal	\$ 40.00
(k) Within 50 feet of railroad crossing	\$ 40.00
(l) Within 20 feet of fire station entrance	\$ 40.00
(m) Within 75 feet of fire station entrance on opposite side of street (signs required)	\$ 40.00
(n) Beside street excavation when traffic obstructed	\$ 40.00
(o) Double parking	\$ 40.00
(p) On bridge of viaduct or within tunnel	\$ 40.00
(q) Within 200 feet of accident where police in attendance	\$ 40.00
(r) In front of theater	\$ 40.00
(s) Blocking emergency exit	\$ 40.00
(t) Blocking fire escape or fire lane	\$ 50.00
(u) In a handicapped space	\$100.00
(v) In prohibited zone (signs required)	\$ 40.00
(w) In alley (signs required)	\$ 40.00

Parking for prohibited purpose

(x) Displaying vehicle for sale	\$ 40.00
(y) Working or repairing vehicle	\$ 40.00
(z) Displaying advertising	\$ 40.00
(aa) Selling merchandise	\$ 40.00
(bb) Storage over 48 hours	\$ 40.00
(cc) Wrong side boulevard roadway	\$ 40.00
(dd) Loading zone violation	\$ 40.00
(ee) Bus, parking other than bus stop	\$ 40.00
(ff) Taxicab, parking other than cab stand	\$ 40.00
(gg) Bus, taxicab stand violations	\$ 40.00
(hh) Failure to set brakes	\$ 40.00
(ii) Parked on grade wheels not turned to curb	\$ 40.00
(jj) Parked on lawn extension within right of way	\$ 40.00
(kk) Parked on front lawn	\$ 40.00

All \$40.00 violations not paid within 20 days will be assessed a \$20.00 late fee.

2. Chapter 2: Liability for Expense of an Emergency Operation (Hazardous Materials Cleanup Cost Recovery)

Cost shall be actual expenses inclusive of all Police & Fire Department wages, equipment and motor-pool and / or any sub-contracted actual expenses associated with hazardous materials clean-up.

3. Chapter 2: Liability for Expense of an Emergency Response (Alcohol Related Arrests, Accidents)

A. A cost of \$150 shall be assessed to each defendant convicted of O.U.I.L. – O.U.I.D or O.W.I. The cost recovery shall be collected as a part of the fines and costs set by the 67th District Court.

B. Actual costs shall be assessed to each defendant convicted of O.U.I.L. – O.U.I.D or O.W.I. in which a motor vehicle accident occurred. The cost recovery shall be collected as a part of the fines and costs set by the 67th District Court. In the event the court declines collection, they shall be billed direct to the defendant.

C. For the purpose of determining costs for extensive investigation and cleanup recovery for emergency response for alcohol related arrests and accidents, the following table shall be used:

Police Personnel	\$40	Per Hour
Police Clerical	\$30	Per Hour
Police Car	\$15	Per Hour
Fire Personnel	\$20	Per Hour
Fire Pumper	\$250	Per Hour
Fire Support Vehicles	\$100	Per Hour

4. **Chapter 5: Cemetery Lots - Purchase**

The cost for purchase of cemetery lots will be \$100.00 per lot.

5. **Chapter 5: Cemetery, Charges for Grave Openings, etc.**

Grave openings shall be actual costs, either as sub-contracted or performed by City Employees, plus a 15% administrative fee.

6. **Chapter 11: Park Reservation Fees**

Elms Park

Pavilion #1	\$ 70.00
Pavilion #2	\$ 120.00
Pavilion #3	\$ 70.00
Pavilion #4	\$ 120.00

Winshall Park

Pavilion #1	\$ 70.00
Pavilion #2	\$ 70.00
Pavilion #3	\$ 70.00

Deposit \$100.00

7. **Chapter 12: Peddlers and Solicitors License and Background Check**

\$50.00

8. **Chapter 15: Permit, Sidewalk Installation**

\$25.00

9. **Chapter 15: Permit for Excavation, Right of Way or Other City Property**

\$100.00

10. **Chapter 19: Water System Use, Rates and Charges**

(A) Charges for water supply services to premises within the city connected with the water supply system shall be as follows:

Rates for Quarterly Billings

Readiness to serve charge

5/8", 3/4", 1"	\$52.76
1.5"	\$227.39
2"	\$363.83
3"	\$682.18
4"	\$1,136.97
6"	\$2,273.93

Commodity charge (per 100 cubic feet of water): \$7.28

Additional meters, connected for the exclusive purpose of registering water consumed and NOT returned to the sewer system shall be charged the commodity charge only (example: lawn sprinkler system).

(B) Any water customer may have water services temporarily shut off for any time period during which the premises, for which the water service is provided, will be unoccupied. The request for such shut off shall be made in writing on forms to be provided by the city. The written request shall specify the reason for the shut off and the date on which the water service shall be shut off.

(C) There shall be a Twenty Dollar (\$20.00) charge for shutting off the water service pursuant to such request and a Twenty Dollar (\$20.00) charge for turning the water service back on, if the shut off or turn on is performed during normal business hours. If this shut off or turn on is performed outside of normal business hours, the charge shall be One-Hundred Dollars (\$100.00). Such charges shall also apply if water is shut off or turned back on pursuant to account delinquency. The City Manager may waive shut off and turn on fees for reasonable cause.

(D) Water customers shall continue to be billed for a readiness to service charge while connected to the system.

(E) Bulk water sales shall be in accordance with the following fee schedule:

Bulk Water Purchases

1 cubic ft. = 7.4805

Gallons

Gallons	Cubic ft.	Cost
3,740	499.96658	\$104.00
5,000	668.40452	\$116.00
10,000	1336.809	\$160.00
15,000	2005.2136	\$204.00
20,000	2673.6181	\$247.00

11. Chapter 19: Water & Sewer Tap Fees

(A) There shall be paid, with respect to all premises connecting to the water and sanitary sewer system of the city, a tap-in fee pursuant to the following schedules:

- (1) Single-family residence--\$1,500 each for water & sanitary sewer
- (2) Multiple-family residence--\$1,500 per unit each for water and sanitary sewer

(B) All other uses connecting to the water and/or sanitary sewer system of the city shall be required to pay tap-in fees at the rate of one-thousand, five hundred dollars (\$1,500) per unit factor, pursuant to the unit factor table provided for by the Genesee County Division of Water and Waste. In no case shall tap-in fees be less than one-thousand, five hundred dollars (\$1,500).

(C) Furthermore, for any structure used generally for more than one (1) purpose, connection fees shall be determined by applying the appropriate unit factors as set by the Genesee County Division of Water and Waste, to the various uses on any level, grade or sub-grade plane of the structure, provided that it is intended that the fees so derived shall be cumulative. Tap fees shall also apply for any additional units that may be calculated and applied by the County WWS pursuant to change in use or otherwise.

12. Chapter 19: Sanitary Sewer Rates

Rates for Quarterly Billings

Readiness to serve charge (per Residential Equivalent Unit):	\$52.50
Readiness to serve charge (non-metered accounts):	\$124.61

Commodity charge (per 100 cubic feet of water consumed): \$2.14

A readiness to serve charge equal to the number of calculated sewer units shall be charged to all customers connected to the city's sewer system to offset fixed costs of system operation. In addition, a commodity charge shall be applied to the sewer bill in an amount equal to the above rate multiplied by the number of ccf that the accompanying water account registers. If the sewer connection is not accompanied by a water meter to register water usage, the charge shall be considered non-metered and no commodity charge shall be applied.

For the purposes of determining sanitary sewer rates, per unit sewage disposal calculations resulting in a fraction of a whole number shall be rounded up to the next highest whole number.

13. Chapter 20: Weed Cutting Fees

\$300 per cut

14. Building & Trade Inspection Fees

A. Building Permit Fees:

\$75.00 for first \$1,000 value \$5.00 per \$1,000 thereafter and \$50.00 for a one-time Inspection fee.

The first \$75.00 of the application fee is non-refundable. The total cost of Improvement is based on the Bureau of Construction Codes Square Foot Construction Cost Table with the following exceptions:

Single Family Home	1 story.....	\$105.00 per sq. foot
	1.5 story.....	\$91.00 per sq. foot
	2.0 story.....	\$85.00 per sq. foot
Detached garage.....		\$25.00 per sq. foot
Pole Barn.....		\$16.50 per sq. foot
Open deck or porch.....		\$14.00 per sq. foot
Covered deck or porch.....		\$28.00 per sq. foot

Pre-manufactured unit fees are based upon 50% of the normal on-site construction fee.

Residential Roofing..... \$100.00 fee per project

Siding permits are based upon the project cost.

Commercial roofing is to be based upon the project cost.

Up to \$1,000 (includes one (1) inspection only).....	\$75.00
\$1,000.00 to \$10,000.00.....	\$75.00 plus \$10.00 per \$1,000.00 over \$1,000.00
\$10,000.00 to \$100,000.00.....	\$165.00 plus \$3.00 per \$1,000.00 over \$10,000.00
\$100,001.00 to \$500,000.00.....	\$435.00 plus \$2.00 per \$1,000.00 over \$100,000.00
\$500,000 plus.....	\$1,235.00 plus \$3.00 per \$1,000.00 over \$500,000.00

All work not involving a sq. foot computation:

Plan review and administration base fee	\$75
(plus \$50.00 for each inspection)	
Additional inspections	\$75
Certificate of Occupancy	\$50
Work Commencing Before Permit Issuance	\$75

B. Electrical Inspection Fees

Application Fee (non-refundable) \$65

Work Commencing Before Permit Issuance	\$75
<u>New Residential Electrical System</u>	
Up to 1,500.00 sq. foot	\$80.00
1,501 to 3,500 sq. foot	\$130.00
Over 3,500 sq. foot	\$180.00
<u>Service</u>	
Through 200 Amp.	\$10
Over 200 Amp. thru 600 Amp.	\$15
Over 600 Amp. thru 800 Amp.	\$20
Over 800 Amp. thru 1200 Amp.	\$50
Over 1200 Amp. (GFI only)	\$75
Circuits	\$5
Lighting Fixtures-per 25	\$5
Dishwasher	\$5
Furnace-Unit Heater	\$5
Electrical-Heating Units (baseboard)	\$4
Power Outlets (ranges, dryers, etc.)	\$7
<u>Signs</u>	
Unit	\$6
Letter	\$10
Neon-each 25 feet	\$20
Feeders-Bus Ducts, etc.-per 50'	\$6
Mobile Home Park Site	\$5
Recreational Vehicle Park Site	\$5
<u>K.V.A. & H.P.</u>	
Units up to 20	\$4
Units 21 to 50 K.V.A. or H.P.	\$6
Units 51 K.V.A. or H.P. & over	\$10
<u>Fire Alarm Systems (excl. smoke detectors)</u>	
Up to 10 devices	\$50
11 to 20 devices	\$100
Over 20 devices	\$5 each
Low voltage - Per opening (devices)	\$5 each
Energy Retrofit-Temp. Control	\$45
Conduit only or grounding only	\$45
<u>Inspections</u>	
Special/Safety Insp. (includes cert. fee)	\$65
Additional Inspection	\$65
Final Inspection	\$65
Certification Fee	\$25
C. Mechanical Inspection Fees	
Application Fee (non-refundable)	\$65
Work Commencing Before Permit Issuance	\$75

Residential Heating System
(Includes duct & pipe)

Up to 1,500 sq. feet	\$80
1,501 to 3,500 sq. feet	\$130
Over 3,500 sq. feet	\$180
Gas/Oil Burning Equipment Under 400,000 In	\$30
Gas/Oil Burning Equipment Under 400,000 In Boiler	\$40 \$30
Water Heater	\$5
Damper/Flue	\$5
Solid Fuel Equip. (includes chimney)	\$30
Gas Burning Fireplace	\$30
Chimney, factory built (installed separately)	\$25
Solar; set of 3 panels-fluid transfer (includes piping)	\$20
Gas piping; each opening-new installation (residential)	\$5
Air Conditioning (includes split systems)	
1.5hp to 15 hp	\$30
Over 15 hp	\$50
Heat Pumps (complete residential)	\$30
Dryer, Bath & Kitchen Exhaust	\$5

Tanks

Aboveground	\$20
Aboveground Connection	\$20
Underground	\$20
Underground Connection	\$20
Humidifiers/Air Cleaners	\$5

Piping

Piping-minimum fee \$25	\$.05/ft
Process piping	\$.05/ft
Duct-minimum fee \$25	\$.10/ft
Heat Pumps; Commercial (pipe not included)	\$20

Air Handlers/Heat Wheels

Conversion Burners (oil)	\$30
Commercial Hoods/Exhausters	\$15
Heat Recovery Units	\$10
V.A.V. Boxes	\$10
Unit Ventilators	\$10
Unit Heaters (terminal units)	\$15

Fire Suppression/Protection/Other

(includes piping) –minimum fee \$20	\$.75/head
Limited Area Suppression (per head)	\$2
Fire Suppression Hood (per head)	\$4
Evaporator Coils	\$30
Refrigeration (split system)	\$30
Chiller	\$30
Cooling Towers	\$30
Compressor/Condenser	\$30
Manufactured Chimney	\$25
Exhaust Fans	\$20
Multi Zone Self Contained Units	\$25
Through Wall Units	\$25
Ranges (gas)	\$20

Inspections

Special/Safety Insp. (includes cert. fee)	\$65
Additional Inspection	\$65
Final Inspection	\$65
Certification Fee	\$25

D. Plumbing Inspection Fees

Application Fee (non-refundable)	\$65
Work Commencing Before Permit Issuance	\$75

New Residential Plumbing System

Up to 1,500 sf	\$80
1,501 to 3,500 sf	\$130
Over 3,500 sf	\$180

Mobile Home Park Site	\$5 each
Fixtures, floor drains, special drains,	\$4 each
Water connected appliances	\$4 each
Stacks (soil, waste, vent and conductor)	\$2 each
Sewage ejectors, sumps	\$5 each
Sub-soil drains	\$5 each

Water Service

Less than 2"	\$5
2" to 6"	\$25
Over 6"	\$50
Connection (bldg. drain-bldg. sewers)	\$5

Sewers (sanitary, storm or combined)

Less than 6"	\$5
6" and Over	\$25
Manholes, Catch Basins	\$5 each

Water Distributing Pipe (system)

¾" Water Distribution Pipe	\$5
1" Water Distribution Pipe	\$10
1 ¼" Water Distribution Pipe	\$15
1 ½" Water Distribution Pipe	\$20
2" Water Distribution Pipe	\$25
Over 2" Water Distribution Pipe	\$30
Reduced pressure zone back-flow preventer	\$5 each
Domestic water treatment and filtering equipment only	\$5
Medical Gas System	\$45

Inspections

Special/Safety Insp. (includes cert. fee)	\$65
Additional Inspection	\$65
Final Inspection	\$65
Certification Fee	\$25

15. Appendix B: Franchises

\$250 application fee plus actual expenses related to preparation by City Attorney.

16. Miscellaneous Fees

A. *Copies:*

Black & White: 10¢ for page.

Color or Mixed Color and Black & White: 25¢ per page

B. *Freedom of Information Act Requests:*

See the City of Swartz Creek Freedom of Information Act Procedures & Guidelines: adopted June 22, 2015 for details. Standard requests shall be charged 10¢ for 8.5 x 11 page (25¢ for color or mixed color) plus all actual costs for outside re-production (i.e. photo re-prints, blueprint copies, digital media storage, etc.). Extensive search requests shall have an additional per hour fee equal to wages only of the lowest paid clerical position employed with the City (\$8.15/hour with a 1.1 fringe multiplier, totaling \$8.97/hour).

C. *Weddings:*

\$50 per ceremony

D. *Fax Services:*

50¢ per page for the first 10 pages, then \$0.25 per page thereafter

E. *Notary Services:*

\$10.00 per item

F. *Insufficient Funds:*

\$25 each for any check returned unpaid for account insufficient, closed or stopped

G. *Penalties on Outstanding Invoices/Miscellaneous Receivables:*

\$10 penalty for unpaid miscellaneous receivables, including but not limited to: utility bills, mowing invoices, sidewalk repair, project reimbursements, charges for services, and retiree coverage contributions. This penalty shall be applied once to "past due" invoices.

H. *Interest on Outstanding Invoices/Miscellaneous Receivables:*

1.5% interest per month on outstanding invoices that are 30 days "past due".

*Payments made toward outstanding balances shall be applied in the following order: interest, penalties, principle.

17. Chapter 13 & 16: Development Plans, Administrative Fees, Subdivision Site Plan & Review Fees

A. Site Plan Review:

Property Re-Zoning	\$250
Single & Multiple-Family (non-plat)	\$300 plus \$5.00 per lot
Cluster Housing Development	\$300 plus \$5.00 per unit
Mobile Home Park	\$400 plus \$5.00 per unit
Commercial Development	\$450 plus \$50.00 per acre/fraction
Industrial Development	\$400 plus \$50.00 per acre/fraction
Office Development	\$350 plus \$50.00 per acre/fraction
Institutional	\$300 plus \$50.00 per acre/fraction
Public/semi-public uses	\$300 plus \$50.00 per acre/fraction
Special Approval or Conditional Use	\$250 plus \$5.00 per acre/fraction
PUD/Mixed Use Review	\$500 plus \$50.00 per acre/fraction
Consulting Fees (All Reviews)	Actual consultant costs
Revisions	½ of original review fee

B. Building and Zoning:

Swimming Pool Permit	\$25
Misc. Zoning Permit	\$25
Sidewalk Permit	\$25
Sign Permit	See Building Permits
Structure Movement Permit	\$95
Demolition Permit (Including ROW Permit)	\$150
Right of Way Permit	\$100
Home Occupation Permit	\$95
Variance Review	\$250 per variance

Zoning Board of Appeals: Petitioned Interpretation Review	\$150
Zoning Board of Appeals: Appeal Review	\$250
Lot Split/Combination: City Ordinance Section 16.2	\$150 plus \$5.00 per lot
Public or Private Road Plan Reviews	\$400 per mile/fraction
Consulting Fees	Actual consultant costs
Zoning Code	\$10 CD, \$25 Paper Copy
Engineering Standards Manual	\$10 CD, \$25 Paper Copy
Medical Marijuana Dispensary/Facility Review	\$500

C. Subdivision Review

Preliminary Subdivision Review-Tentative	\$300 plus \$5.35 per lot
Preliminary Subdivision Review- Final	\$160 plus \$2.70 per lot
Final Plat Review	\$160 plus \$1.00 per lot

18. Chapter 1: Municipal Civil Infraction Fines

Civic Infraction Citation Fines:

First Offense	\$100
Second Offense	\$200
Third Offense	\$300

Civic Infraction Notice Fines:

First Offense	\$75
Second Offense	\$150
Third Offense	\$250

19. Rental Inspection Program Fees

Registration	\$75 for the first unit, plus \$20 for each additional unit on a shared premises, with common ownership and management, or within recognized apartment complexes
Follow up inspections	The initial and one follow-up inspection will be performed without additional fees. Subsequent inspections shall be charged at the rate of \$25/unit
Registration Updates/Amendments	No charge
Coverage	The initial fee covers the registration and first inspection and is valid until the resulting certificate of compliance expires
Pro-ration	There shall be no pro-ration of fees

ADOPTION & REVISION HISTORY:

Resolution No. 050711-07	Dated July 11, 2005
Resolution No. 100208-06	Dated February 8, 2010
Resolution No. 101206-04	Dated December 6, 2010 (Water-Sewer-RTS)
Resolution No. 111114-05	Dated November 14, 2011 (Park Fees)
Resolution No. 110613-07	Dated June 13, 2011 (Water Fees)
Resolution No. 120611-05	Dated June 11, 2012 (Water Fees)
Resolution No. 120709-05	Dated July 9, 2012 (Bulk Water Fees)
Resolution No. 130610-09	Dated June 10, 2013 (Water Fees)
Resolution No. 130826-06	Dated August 26, 2013 (K.W.A. Water Fees)
Resolution No. 140922-07	Dated September 22, 2014 (Utility and MMD Fees)
Resolution No. 150824-05	Dated August 24, 2015 (FOIA, Rentals, Utility Fees)
Resolution No. 151214-05	Dated December 14, 2015 (Parking)
Resolution No. 160523-05	Dated May 23, 2016 (Water and Sewer)
Resolution No. 160808-04	Dated August 8, 2016 (Solicitation)
Resolution No. 171023-07	Dated October 23, 2017 (Building; Police Removal)
Resolution No. 180312-06	Dated March 12, 2018 (Building Penalty)
Resolution No. 181126-07	Dated November 26, 2018 (Parking)

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 190325-81 RESOLUTION TO FILL CITY COUNCIL VACANCY

Motion by Councilmember: _____

WHEREAS, City Council Member Curtis Porath resigned from the city council at the regular city council meeting of February 25th, effective February 28th, and;

WHEREAS, the City Charter, Section 4.7, requires the seat be filled within thirty days with a qualifying elector, and;

WHEREAS, Angie Root, a resident of the Third Ward, a member of the planning commission, and a local business interest, has volunteered to serve in the capacity as the Third Ward Swartz Creek City Council Member, and;

WHEREAS, Mrs. Root has been found to satisfy the criteria to hold office as a City Council Member,

NOW, BE IT RESOLVED that the Swartz Creek City Council hereby appoints Angie Root to the vacant Third Precinct City Council seat of Mr. Porath, as outlined in the city charter.

BE IT FURTHER RESOLVED that City Clerk is directed to administer the oath of office to Mrs. Root and execute other related administrative functions necessary to formalize Mrs. Root's status as a City Council Member prior to the regular meeting of April 8, 2019.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 03/11/2019**

The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Cramer, Farmer, Gilbert, Hicks, Krueger, Pinkston.

Councilmembers Absent: None.

Staff Present: City Manager Adam Zettel, Clerk Connie Eskew, Treasurer Deanna Korth, Director of Public Service Tom Svrcek.

Others Present: Lania Rocha, Bob Plumb, Steve Shumaker, Erik Jamison, Andy Harris, Jim Barclay, Fire Chief Dave Plumb, Elaine Tucker, Angie Root, Ken Brill, Sandy Brill, Boots Abrams, Terry O'Brien, Susie Kietzman, Tammy Parenteau, Nate Henry.

APPROVAL OF MINUTES

Resolution No. 190311-01

(Carried)

Motion by Councilmember Cramer
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday February 25, 2019 to be circulated and placed on file.

YES Farmer, Gilbert, Hicks, Krueger, Pinkston, Cramer.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 190311-02

(Carried)

Motion by Councilmember Farmer
Second by Councilmember Cramer

I Move the Swartz Creek City Council approve the Agenda as, amended with addition of item 8E. Incentives Discussion, for the Regular Council Meeting of March 11, 2019, to be circulated and placed on file.

YES: Gilbert, Hicks, Krueger, Pinkston, Cramer, Farmer.
NO: None. Motion Declared Carried.

CITY MANAGER'S REPORT

Resolution No. 190311-03

(Carried)

Motion by Councilmember Hicks
Second by Councilmember Gilbert

I Move the Swartz Creek City Council accept the City Manager's Report of March 11, 2019, including reports and communications to be circulated and placed on file.

Discussion Ensued.

YES: Hicks, Krueger, Pinkston, Cramer, Farmer, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Sandy Brill, 5352 Greenleaf Drive, commented on the setup of the expression swing at Abrams Park. Mr. Svrcek replied it will be installed approximately first of May.

COUNCIL BUSINESS:

GFWC Boy Scout Dog Park Project

Presentation

The GFWC presented the Boy Scout Troop 122 a check for \$1245.00 toward their Eagle Scout project. They raised this money at their mystery murder dinner.

Susie Kietzman thanked the community for the great success of this dinner. The tickets sold out within 10 days and it was a wonderful success.

RESOLUTION TO APPROVE MID-YEAR BUDGET AMENDMENTS

Resolution No. 190311-04

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Cramer

WHEREAS, Act 621 of P.A. 1978 provides for a uniform budgeting system for local units of government; and

WHEREAS, Act 275 of P.A. of 1980 further prohibits deficit spending by local units of government; and

WHEREAS, the City Council has reviewed the City's 2018 – 2019 Revenue and Expenditure Report through February 2019, and finds that it is not in deficit; however, certain department activity line items may be in deficit; and

WHEREAS, the City Council has received a Budget Amendment Summary and Revenue and Expenditure Reports reflecting proposed changes in budgeted items; and

WHEREAS, new budget amounts necessitate adjustments to the original adopted budget; and

WHEREAS, said supplemental documentation shows the new proposed revenue and expenditures by fund.

THEREFORE BE IT RESOLVED, the Swartz Creek City Council hereby authorizes and directs the city treasurer to make all necessary mid-year budget adjustment amendments to all city funds in accordance with the supplemental documentation (pages 56 to 62) attached.

Discussion Ensued.

YES: Krueger Pinkston, Cramer, Farmer, Gilbert, Hicks.
NO: Gilbert. Motion Declared Carried.

Utility Rates

Discussion

Adam Zettel, City Manager the good news is that we haven't had a rate increase since 2016. The bad news is a rate increase is due. We are looking at an increase in water rates only. The Karegnondi Water Authority rates have been going up. We were able to absorb the increase in large parts due to the water loss corrections. He is recommending a cost of living increase of 3 percent. The increase would take effect on the July water bill. Council agreed that Mr. Zettel prepare a resolution to be included in our next council packet March 25th.

A RESOLUTION TO ESTABLISH A REQUEST FOR FUNDING, DESIGNATE AN AGENT, ATTEST TO THE EXISTENCE OF FUNDS AND COMMIT TO IMPLEMENTING A MAINTENANCE PROGRAM FOR REHABILITATION FUNDED BY THE TRANSPORTATION ECONOMIC DEVELOPMENT FUND CATEGORY B PROGRAM.

Resolution No. 190311-05

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Hicks

WHEREAS, the City of Swartz Creek is applying for \$390,000 in funding through MDOT from the Transportation Economic Development Category B Program to construct paving rehabilitation improvements on Hill Road

WHEREAS, MDOT requires a formal commitment from the public agency that will be receiving these funds and will be implementing and maintaining these infrastructure projects.

NOW, THEREFORE, BE IT RESOLVED THAT, the City has authorized Mr. Harris, OHM Project Engineer, to act as agent on behalf of the City to request Transportation Economic Development Fund Category B Program funding, to act as the applicant's agent during the project development, and to sign a project agreement upon receipt of a funding award.

BE IT FURTHER RESOLVED THAT, the City attests to the existence of, and commits to, providing at least \$195,000 toward the construction costs of the project(s), and all costs for design, permit fees, administration costs, and cost overruns.

BE IT FURTHER RESOLVED THAT, the City commits to owning operating, funding and implementing a maintenance program over the design life of the facilities constructed with Transportation Economic Development Fund Category B Program funding.

Discussion Ensued.

YES: Pinkston, Cramer, Farmer, Gilbert, Hicks, Krueger.
NO: None. Motion Declared Carried.

Incentive

Discussion

Mr. Zettel wants to get the conversation going with RRC certification incentives. There are four tax abatement incentives we should look at. He wants council to start thinking about this. He will pass along more information from the MEDC about the laws they created, what steps we will have to follow and what impacts we can expect. If it appears agreeable, pursue it in any form, for us to get certified we will have to choose one item on the menu. Then the next step will be to formulate policies that fit our needs.

MEETING OPENED TO THE PUBLIC:

Councilmember Cramer will be meeting Representative John Cherry on March 20th and requested topics to discuss them.

REMARKS BY COUNCILMEMBERS:

He is amazed with the progress at Sharp’s Funeral Home.

Councilmember Farmer agrees that Sharp’s looks good.

Councilmember Hicks updated on the Park Board meeting last week such as a potential Mundy Twp. Partnership for the parks, a future visit to Southern Lakes Parks & Rec, tree removal at Abrams Park and possibility of a Farmers Market at Elms Park.

Mayor Pro Tem Pinkston encouraged the Park Board contact Fowlers Market as a vendor at the Farmers Market.

Mayor Krueger winter looks like it is finally over and Thursday its going to look like spring. St. Patrick’s Day is next Sunday.

Councilmember Cramer announced June 15th the American Legion is having a 100th year celebration.

Mr. Zettel encourage councilmembers to read “Going Up the Swartz” by Yutha Hayes.

ADJOURNMENT

Resolution No. 190311-06

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Farmer

I Move the Swartz Creek City Council adjourn the regular meeting at 8:24 p.m.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Eskew, City Clerk

GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM

By
CRA Engineering Committee
Local Agency Pavement Warranty Task Force

Revised 8-13-2018

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PREFACE- Intent of the Local Agency Warranty Program

The Legislature (P.A. 175 of 2015) requires each local road agency to adopt a Local Pavement Warranty Program acceptable to the Michigan Department of Transportation. Warranties have the potential to improve the quality of road projects, benefitting the drivers, taxpayers and road agencies of Michigan

The intent of the Local Agency Pavement Warranty Program is to provide a warranty program that all local agencies can use for all hot mix asphalt and plain jointed concrete paving projects on public roads and streets. This pavement warranty program was created by the Local Agency Pavement Warranty Task Force, to establish a common pavement warranty program for all local agencies in Michigan. The goals of this Local Agency Pavement Warranty program is to standardize the review, to provide oversight of pavement warranty projects, and to make this program more transparent and uniform for private sector contractors.

This Local Agency Pavement Warranty Program is available for all local road agencies if they choose to use it. Local road agencies vary dramatically in size and sophistication; therefore the Local Road Warranty Task Force developed a warranty program to address the capabilities of the rural, the mid-sized urban and the large urban agencies. This approach provides a warranty program that meets the intent of Public Act 175 of 2015 (MCL 247.662 and 247.663), and provides all local road agencies with a pavement warranty program that provides value to the public.

The Local Road Warranty Task Force recognizes there may be substantial benefits and public confidence resulting from a comprehensive pavement warranty program. However, the existing pavement structure, drainage and planned improvements for each project will need to be evaluated on an individual basis to critically assess a justification or basis for a pavement warranty. Road agencies should anticipate increased project costs related to higher bid prices and costs for the warranty administration such as: pavement monitoring, defect documentation, official notifications, joint field inspections; defect remediation and dispute resolution.

The intent of this GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM, is to provide an overview and guidance on implementing a pavement warranty project. This guideline is intended for local agency use and it not intended to be a contract document.

GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM

Pavement Warranty Reporting and General Warranty Project Selection

Acceding to PA 175 of 2015, all local road agencies must submit an annual report to the state for all projects where the pavement-related bid items exceeded \$ 2 million, regardless of whether or not the agency included a pavement warranty on the project. Each local road agency must submit and maintain its records to comply with the reporting requirements included in Appendix E.

The Task Force determined that the Legislature's intent for local pavement warranties is to provide assurances to elected officials and taxpayers in the use of the new funds arriving for road and bridge infrastructure. Assurances which include that local road projects would be held to a higher standard in the future.

At the same time, there are logical explanations why a local road agency may choose to not require a warranty such as unjustifiably higher costs for a warranted project that may or may not be affordable to the community and may or may not be justified by the scope of the project; recognition of a limit to the contractor's ability to bond for every project; some projects are simple preservation or resurfacing over an existing imperfect road base wherein the contractor cannot control such pre-existing conditions; and many other engineering factors that indicate a pavement warranty would not serve the taxpayer's best interests. Whether or not a warranty is selected on a project with \$2 million in pavement related items, this must be reported to the Legislature on an annual, state fiscal year basis.

The Legislature had the wisdom to specify that warranties would be left to the discretion and justification of the local road agency and its road engineering expertise. Agencies can waive a pavement warranty with a written justification. The agency's written justification identifies reasons such as project appropriateness, scope and type of project improvements, why this is in the best interest of the local agency, project cost justification, and effectiveness of the warranty provisions. It is highly recommended for all local road agencies with paving projects where the engineer's opinion of cost exceeds \$ 1.8 million in pavement related items that serious consideration should be given to include the pavement warranty special provisions in the project proposal prior to advertisement.

The Task Force does not believe the Legislature intended every local new construction, reconstruction, rehabilitation, and overlay road project to be warranted, and thus included the \$2 million threshold. Because pavement is the road component most likely to fail – and the area most aggravating to the motoring public – the Task Force believed the Local Pavement Warranty Program was intended to focus on pavement-related items. The Task Force has relied on customary and basic engineering principles in defining pavement-related items that are recommended for consideration of a warranty. As a result of the Local Agency Warranty Task Force believes the Michigan Legislature intended a local road agency to use its best judgment in requiring a warranty, consistent with the scope of the intended project and the ability to enforce it.

This Local Agency Pavement Warranty Program considers the vast array of project types and sizes. Local road agency projects often involve short stretches of pavement resurfacing to address a surface condition or safety concern. These types of projects are accomplished with very limited budgets, often with funding from non-MTF sources. In addition, often these types of projects do not address the subgrade, existing aggregate base or drainage systems; which all are major factors in determining the longevity of a pavement surface. If the road segment may

be subjected to a significant amount of overloads (higher than average daily truck counts and/or heavier than normal axle loading) during the anticipated warranty term, the road may not be a good candidate for pavement warranties. Therefore, the Local Agency Pavement Warranty Program is recommended for road segments designated as “all-season road” which are designed for year-round normal loading.

While the law indicates where possible a pavement warranty shall be secure when the paving project exceeds \$2 million, the Task Force recognizes project bids are often 10 percent over the engineer’s opinion of cost, and that a warranty requirement cannot be retroactively applied to a road project after the bids are opened. Thus, the Task Force has recommended the more conservative \$1.8 million engineer’s opinion of cost for pavement related items, as the point when the local agency decides if the warranty special provisions are included in the bid documents, rather than the \$2 million stated in the law.

The Task Force believes the Michigan Legislature was speaking in the context of new Michigan Transportation Funds for roads, which are exclusively state revenue sources, when it included the Local Agency Pavement Warranty Program alongside the new funding legislation in the 2015 Transportation Package. It also seems clear the Legislature was speaking not just to the new transportation funds, but also to the other road funds under its control, which includes the federal funds flowing through MDOT to the local road agencies.

The Local Agency Pavement Warranty Program also recognizes that if the only source of revenue for a local road agency paving or reconstruction projects is entirely locally derived revenue (non- Act 51 or Federal Funds) such as local general fund, millage revenue, special assessment districts or other locally raised revenue; then these projects will not be subject to the Local Agency Pavement Warranty Program reporting requirements.

It’s important to note that this Local Agency Pavement Warranty Program may also be used by that local road agency on any paving project regardless if the \$2 million dollar threshold for pavement related items has been reached or not. This approach ensures that Local Pavement Warranties can be used on any project with any funding source, including Michigan Transportation Funds, and can utilize the same requirements to provide greater understanding and transparency to contractors, stakeholders and the public.

Warranty Contract Process

For those construction projects advertised and let through the MDOT Local Agency Programs, the construction contract is between the prime contractor and MDOT. The prime contractors’ surety company names MDOT as the obligee in the performance bond in the original contract. For Local Agency Pavement Warranty projects, an additional warranty contract and pavement warranty bond will be required prior to award, see Appendix D. The bid proposal shall include a contract consistent with the model contract and bond form shown in Appendix D. These documents will serve as the contract and warranty bond between the local road agency and the paving contractor for the warranty work. The warranty bond will be provided by the paving contractor in the name of the local road agency.

The MDOT Local Agency Agreement will reference the local road agency’s responsibility to administer the warranty portion of the contract. Upon the acceptance of the construction work, the prime contractor’s contract and performance bond with MDOT will be released and no longer in effect. At this point the warranty contract and warranty bond are triggered to begin the new contract for the warranted work during the warranty term.

The local road agency will be solely responsible for administering the warranty contract, inspection of warranted work during the warranty period, approving remediation work and seeking resolution through the warranty bond if the contractor is unresponsive in performing corrective work and declaring acceptance of all warranted / corrective work at the end of the warranty period.

General Guidelines of Local Road Agency Warranties

These General Guidelines are recommended for all local road agencies administering pavement warranties for public road and street construction contracts. The responsibility and authority for administering pavement warranties rest with the road owner and/or the local road agency that conducted the construction administration phase of the project.

To determine the pavement-related cost for a hot mixed asphalt pavement warranty project, the Local Agency is required to prepare an opinion of cost for all of the pavement-related items which include: the pavement, curb, shoulders, aggregate base, subbase and underdrain pay items. To determine the pavement-related cost for concrete pavements, the local road agency engineer is required to prepare an opinion of cost for all of the pavement-related items which include: pavement, curb, shoulders, joint sealing, dowel bars, load transfer devices, aggregate base, subbase and underdrain. If the total estimated cost of these pavement-related items exceeds \$1.8 million in the opinion of the Engineer, the local road agency should review the existing pavement variables, stated in the "Pavement Warranty Reporting and General Warranty Project Selection" section of this document, to determine if the pavement warranty special provisions should be included in the bid documents.

The contractor is responsible for correcting defects attributable to elements within the contractor's control. Each warranty specification includes condition parameters and distress thresholds to provide a basis for evaluating the warranted work. Each distress parameter includes threshold limits that, if exceeded during the warranty period, would trigger notifying the contractor to participate in a joint field investigation. Depending on the outcome of the investigation the contractor may be required to prepare a remediation plan to correct distresses that are attributable to its materials and/or workmanship or there may be a call for further investigation. If the agency and the contractor cannot agree, either side can call for a Conflict Resolution Team to resolve the dispute as described in the Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

Once a remediation plan is agreed-to by the local road agency and the contractor, the corrective action shall be performed. The corrective actions and/or repairs shall be performed to correct deficiencies in the warranted work in order to achieve acceptance at the end of the warranty period. If the contractor fails to perform the remediation work within specified timeframes, the local road agency shall notify the surety company to perform the work. Further, if a defect is declared as an imminent safety problem by the agency, the local agency may complete the work and seek reimbursement from the contractor or submit a claim against the warranty bond.

All required corrective action must be performed by the contractor at no cost to the owner. The condition parameter thresholds and warranty requirements may vary depending on the date the specification was developed; type of warranty; and the application to the construction work. It is important, therefore, to refer to the specific warranty special provision in the contract when administering warranties.

The warranty administration phase should follow the documentation procedures outlined in Appendix A, B, C, D and E of these guidelines. The warranty administration can be performed by qualified local agency staff members or under a consultant service contract.

Warranty Documents

The Local Agency Pavement Warranty consists of the warranty contract and warranty bond as well as the appropriate special provisions:

- Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty
- Local Road Agency Special Provision for Warranty Work Requirements for Hot Mix Asphalt Pavement
- Local Road Agency Special Provision for Warranty Work Requirements for Jointed Plain Concrete Pavement
- Local Road Agency Special Provision for Pavement Warranty Information

The Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty establishes the common terms and definitions applied to pavement projects requiring a warranty. The Local Road Agency Special Provision for Warranty Work Requirements for Hot Mix Asphalt Pavements warrants the Local Road Agency against specific defects in HMA pavements. The Local Road Agency Special Provision for Warranty Work Requirements for Jointed Plain Concrete Pavement warrants the Local Road Agency against specific defects in concrete pavements. Local Road Agency Special Provision for Pavement Warranty Information provides the beginning and ending locations for warranted work and the applicable warranty work requirements special provision.

Under the Local Agency Pavement Warranty special provisions the Prime Contractor is responsible for correcting defects in the pavement caused by elements within the contractor's control (i.e., the materials supplied, the workmanship, etc.), during the warranty period. The Pavement Warranty Contract Provisions and Warranty Bond may pass through to subcontractors, and with this the responsibility to correct warranty defects, at the direction of the Prime Contractor and upon written notice to the agency prior to the start of the work.

The contractor assumes no responsibility for defects that are design related unless the paving contract is design-build. When a defect is attributable to the materials and/or workmanship and/or the design, the responsibility for correcting the defect (or defects) will be shared by the agency and the contractor. The contractor is responsible for the percentage of fault attributable to the workmanship and/or materials, and the agency is responsible for the percentage of fault attributable to the design. Note: The agency may elect to require the contractor to provide the pavement design(s) in the contract documents and specifications. In this case, the Contractor shall also be responsible for the percentage of fault attributable to the pavement design.

Warranty Process

The process flow charts as shown in Appendix A describe the steps involved in the warranty administration process. The warranty term begins with the acceptance of the warranted work during construction of the project. Warranty Administration involves periodic condition inspections of the mainline pavement areas throughout the warranty term; joint field inspections; documentation of findings, official notifications; joint determination of defects; initiation of corrective action, inspection & documentation of the corrective action taken, filing those inspection reports as necessary, and if necessary a conflict resolution process. If at any time, a safety issue or significant defect is observed or reported, prior to a scheduled inspection, an interim inspection will be initiated by the agency. If emergency repairs are determined to be necessary the agency can perform these repairs without altering the contractor's responsibilities under the warranty contract.

A joint field review between the local road agency and the warranty contractor may be held to verify and confirm of findings documented during the various inspections. MDOT should be included in any official communication dealing with the warranty if the construction project had MDOT oversight. The findings of the final inspection at the end of the warranty term are distributed to the owner, (and MDOT if construction had MDOT oversight), the warranty contractor and the Surety Company.

The appeal process, when needed, involves assembling a conflict resolution team (CRT) to conduct investigations as needed to determine distress cause & effect and establish concurrence between the local agency and the warranty contractor regarding warranty compliance issues. More on the CRT can be found in the section j, Correction of Defects of the Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

The final step of the process, after the project or warranty work has been deemed acceptable is closing out the warranty project through notification of the contractor, the bonding company and Local agency's Finance and /or Administration Division.

Rights and Responsibilities of the Local Agency

The agency administering the project should inform the appropriate local road agency maintenance staff about sections of roadway incorporated in a warranty contract. The local road agency has the right to perform, or have performed, routine and emergency reactive maintenance during the warranty period. Major planned maintenance projects conducted during a warranty period need to be evaluated in terms of possible impact to the ongoing warranty coverage.

If corrective work is required to bring the project back into compliance with the requirements found in the warranty special provisions; the local agency in charge of the construction project must approve the schedule, materials and methods of construction repair. If the contractor is unable to comply with this provision, or fails to comply with it to the local agency's satisfaction, the local agency reserves the right to arrange for the work to be completed at the contractor's expense. If this action by the local agency is required, it will in no way relieve the contractor from meeting the warranty requirements stated in the project documents.

The rights and responsibilities are further detailed in Section e, Rights and Responsibilities of the Agency in the Local Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

Rights and Responsibilities of the Contractor

The contractor must provide a written work plan for any necessary corrective warranty work. A request for a work permit must be submitted through the local road agency's permit process and work should be coordinated with the construction inspection agency if different from the local agency issuing the permit. All corrective warranty work should be completed within the warranty term. If scheduling conflicts necessitate corrective work being completed outside of the warranty term, the local road agency shall be notified as soon as the contractor is aware of the conflict.

The rights and responsibilities of the contractor are further detailed in Section f. Rights and Responsibilities of the Contractor in the Local Agency Special Provision for Hot Mix asphalt and Concrete Pavement Warranty.

Supplemental Lien Bonds and Liability Insurance

In addition to the warranty bond that is in place, if corrective work is necessary the contractor must furnish supplemental lien bond to the local agency covering the corrective work. The Engineer is responsible for estimating the amount of the supplemental lien bond required. The amount should be approximately equal to the dollar amount of the corrective work. The contractor must also have liability insurance in place prior to performing corrective work during the warranty period. The contractor should not be allowed on-site to perform corrective work during the warranty period until the supplemental lien bond is in place and the proper insurances verified. Depending on the nature and scope of the corrective work, the local agency may waive this supplemental lien bond, but not the liability insurance.

Warranty Inspections

Warranty inspections are limited to only mainline pavement areas. There are two types of inspections conducted during the warranty period. The cursory inspection is a simplified inspection to quickly identify segments in the project that may have distresses that exceed threshold values. This cursory inspection normally does not require a lane closure and is conducted from the roadway shoulder estimating distress lengths and widths. The detailed inspection requires direct measuring and reporting of all observed distress in each segment. Traffic control may be required to complete the detailed inspection.

The minimum inspection frequency for the various warranty provisions are specified in the applicable warranty inspection guidelines, see Appendix B. The minimum number of inspections is dependent upon the warranty duration. The local road agency may elect to perform additional inspections over & above the recommended minimum interim inspections. The suggested time frames in the inspection guidelines allow local road agencies to notify the contractor regarding warranty compliance. Interim inspections may be delayed if weather makes it difficult to inspect the road or creates an unsafe condition. Final inspections shall be completed in a timely manner to ensure that there is enough time to document any thresholds that exceed the condition thresholds and notify the contractor prior to the expiration of the warranty.

The designation of lanes during the warranty inspection shall be detailed adequately so that it is clear to all involved in the warranty process which lane is being referenced. If necessary, a sketch should be included. It is important to use the same lane numbering designation for all inspections conducted throughout the warranty period.

If defects are found in any inspection, they should be carefully and accurately documented, even if the severity or number does not meet the threshold to require corrective work. These notes shall be kept in the inspection files and reviewed prior to all future inspections of the work. The inspectors of the work should pay specific attention to areas previously noted, record those defects, and list any changes in those defects differing from the last inspection.

Correction of Defects

If inspections during the warranty term show a defect has exceeded the allowable threshold as defined in either the Hot Mixed Asphalt or Concrete Warranty specification, the contractor shall be notified of the finding. The agency should call for a joint field investigation to determine the cause of the defect, and to discuss the best possible remediation of the problem. If additional forensic investigation is desired, the scope of the investigation, party or consultant to conduct

the investigation, and the cost split shall be agreed to by the engineer and contractor prior to scheduling the investigation.

If the contractor and engineer are in agreement, the Engineer shall send notice to contractor in writing the defect(s), location(s), recommended remediation and a request for a schedule to complete the work. The contractor will reply back to the Engineer, copying the local agency (and MDOT if MDOT had original construction oversight) with a schedule to complete the work. The local agency will issue a permit to the contractor to complete the warranty work according to the Local Agency's Right-of-way permit policy. The contractor will complete the work under the inspection of the Engineer.

If the contractor and engineer disagree, then a Conflict Resolution Team (CRT) may be convened. The CRT will be made of:

- One (1) member selected, and compensated by the agency.
- One (1) member selected and compensated by the contractor.
- One (1) member mutually selected by the Agency and the contractor.
Compensation for the third party member will be equally shared by the agency and the contractor.

At least two members of the CRT must vote in favor of a motion to make a decision. If the CRT decides to conduct a forensic investigation, the CRT will determine the scope of work and select the party to conduct the investigation. All costs related to the forensic investigation will be shared proportionately between the contractor and the agency based on the determined cause of the warranty defect condition.

Emergency Repairs

When the agency determines that emergency repairs of the warranted work are necessary for public safety, the agency or its agent may take immediate and sufficient repair action to address the imminent danger and to safeguard the traveling public. Prior to emergency repairs of warranted work, the agency will document the basis for the emergency action. In addition, the agency will preserve all documentation of the defective condition, including failed materials samples if applicable.

Once the imminent danger to the public has been addressed, the local road agency shall notify the contractor to explain the situation, identify the work temporarily done by the agency, and to what further actions need to happen to return the warranted work and pavement to threshold compliance. A joint inspection may be called to investigate the situation.

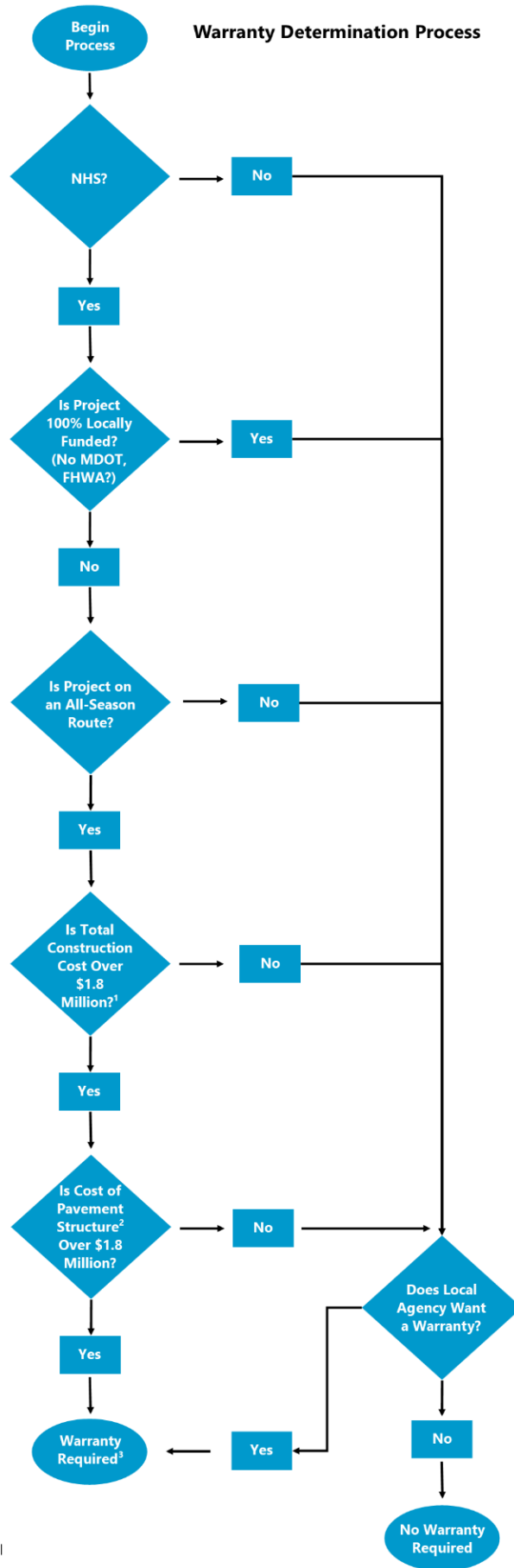
The emergency repairs of warranted work by the contractor must be authorized by the agency's engineer.

Should the contractor be unable to perform the emergency repair to the agency's satisfaction and/or within the time frame required by the agency, the agency will perform, or have performed any emergency repairs deemed necessary. Any such emergency repairs undertaken will not relieve the contractor from meeting the warranty requirements. Any costs associated with the emergency repairs will be paid by the contractor when due to a cause from defective materials and/or workmanship.

APPENDIX A

Flow Charts

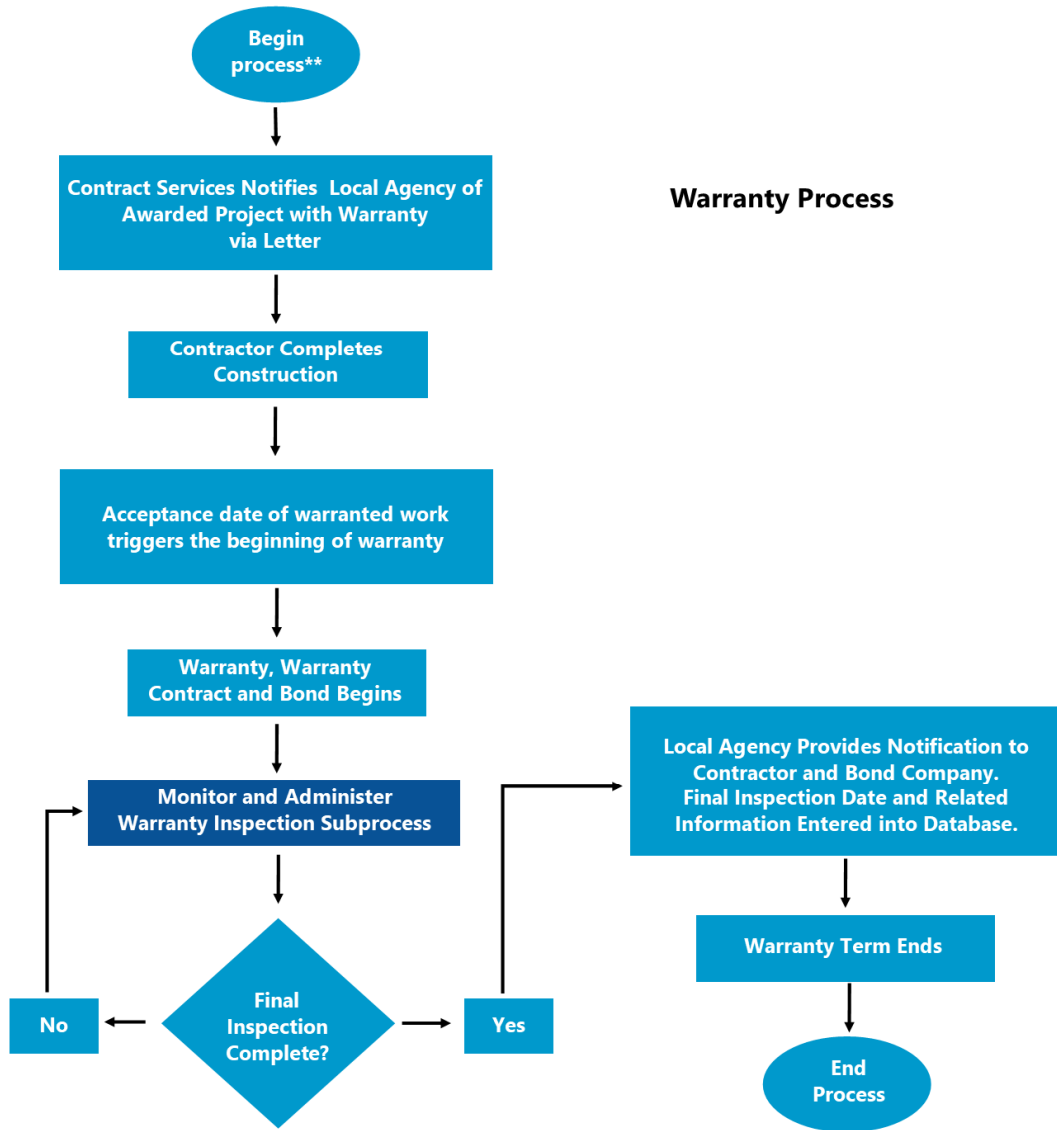
Warranty Determination Process



¹Use \$1.8 million as cost to account for bid variability.

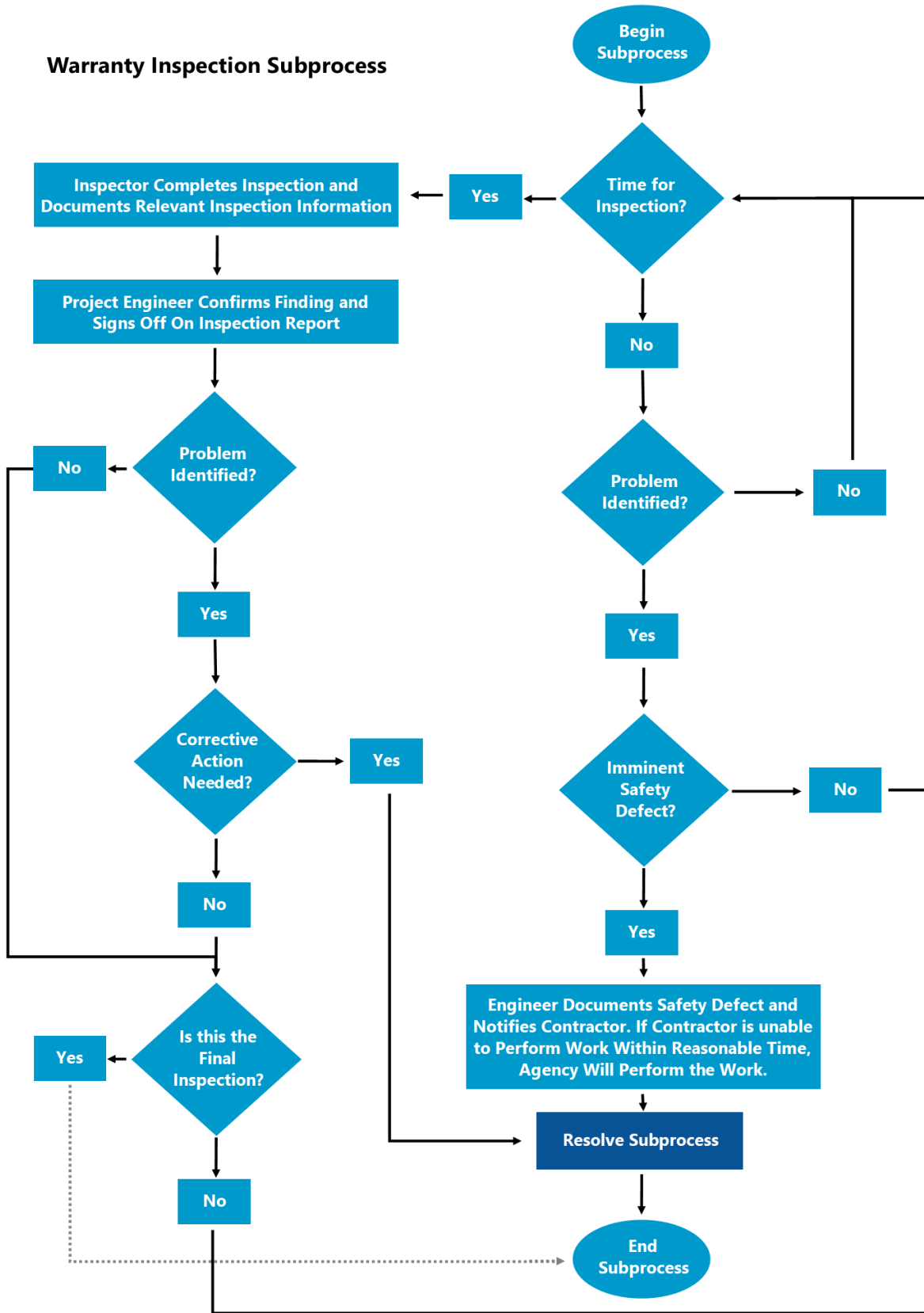
²Pavement structure as defined by MDOT Standard Specifications includes: HMA or concrete pavement, curbs, shoulders, aggregate or granular base, subbase and underdrain.

³If a local agency waives a warranty, an explanation will need to be reported.

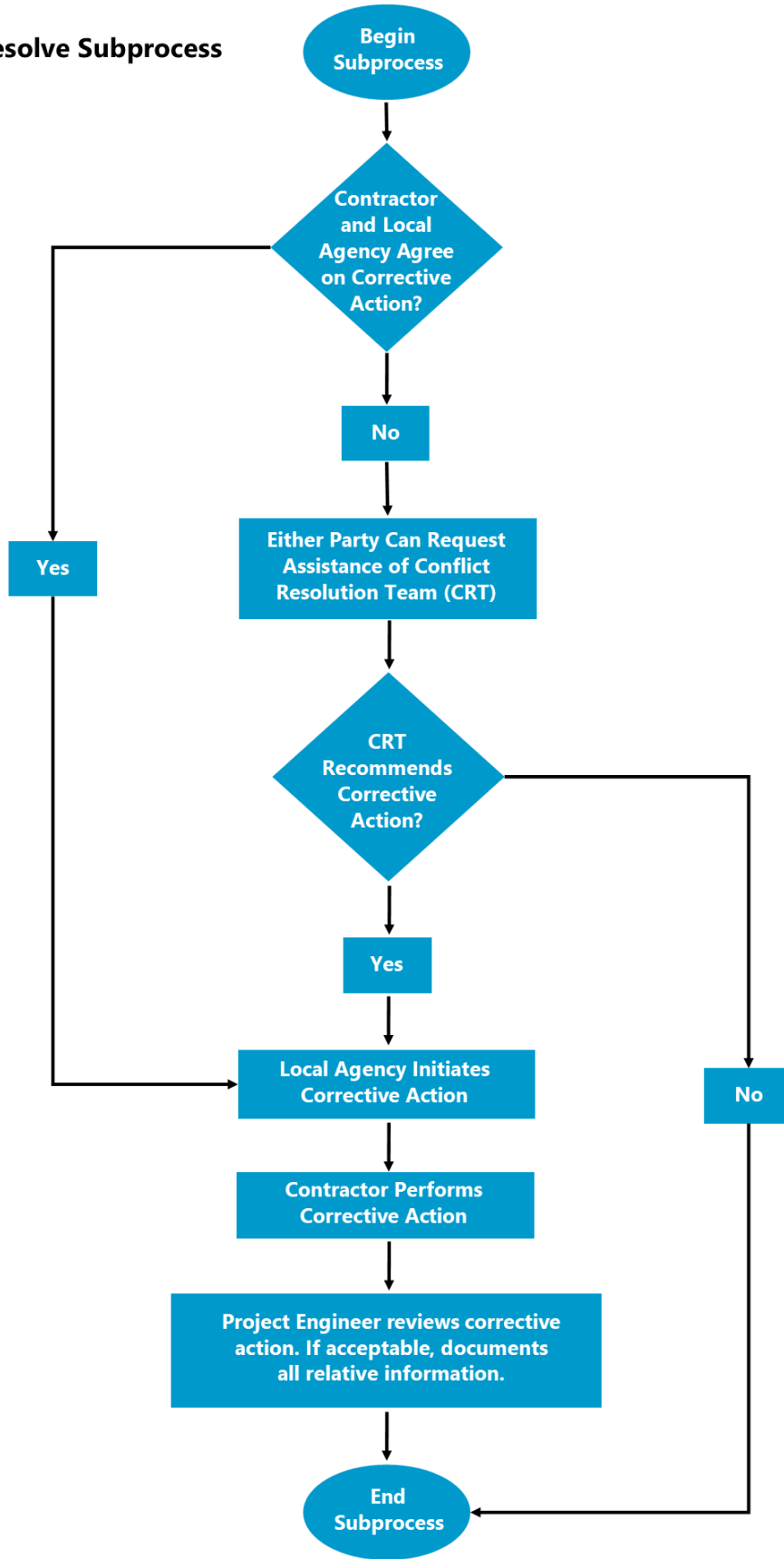


**This is the process if MDOT has oversight and/or MDOT let bid.
 If project is locally let, with no MDOT oversight, the local agency shall determine the process.

Warranty Inspection Subprocess



Resolve Subprocess



APPENDIX B

Inspection Guidelines

LOCAL AGENCY
WARRANTY INSPECTION GUIDELINES
HMA NEW CONSTRUCTION / RECONSTRUCTION

Warranty period: 5 Year

Inspection Period Begins: Interim - 6 months after Initial Acceptance
Final - 56 months after initial Acceptance
(Local Agency may do additional inspections)

Notes:

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately.
3. The threshold level for each distress type is determined separately.

Procedure: For both **INTERIM & FINAL** inspections

1. **Perform overview inspection.** Based on results of overview inspection, recommend the project for either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

Condition Parameter Measurement:

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
3. **De-bonding**- Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet thereafter to determine average rut depth to quantify rutting for a

particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this "straightedge" across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.

7. **Alligator Cracking** – Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

Overview Inspection Procedure:

1. Review any notes from previous inspections.
2. Perform a "windshield" survey of the entire location length. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
 - a. The lane or ramp where the distress was noted and the associated direction.
 - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
 - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
 - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
 - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any single segments.
 - b. Longitudinal Cracking exceeds 10 percent of the segment length (53 feet within 528 feet) for any single segments.
 - c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
 - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
 - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
 - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.
 - g. Any amount of alligator cracking.
4. If **any** condition above is estimated to be true:
 - a. Perform Detailed Inspection; and

- b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
5. If **all** conditions above are false:
 - a. Recommend work is acceptable.
 - b. If this is an interim or other non-final inspection, put notes in file.
 - c. If this is final inspection recommend final acceptance.

Detailed Inspection Procedure:

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
 - a. Transverse Cracking
 - b. Longitudinal Cracking
 - c. De-bonding
 - d. Raveling
 - e. Flushing
 - f. Rutting
 - g. Alligator Cracking
4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
 - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
6. Warranty work is required at those segments for which any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY
WARRANTY INSPECTION GUIDELINES
**HMA CONSTRUCTION OVER AGGREGATE BASE
WITHOUT BASE OR DRAINAGE IMPROVEMENT**

Warranty period: 3 Year

Inspection Period Begins: Interim - 6 months after Initial Acceptance
Final - 32 months after initial Acceptance
(Local Agency may do additional inspections)

Notes:

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately
3. The threshold level for each distress type is determined separately.

Procedure: For both **INTERIM & FINAL** inspections

1. **Perform overview inspection.** Based on results of cursory inspection, recommend the project for either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

Condition Parameter Measurement:

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
3. **De-bonding**- Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet

thereafter to determine average rut depth to quantify rutting for a particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this “straightedge” across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.

7. **Alligator Cracking** – Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

Overview Inspection Procedure:

1. Review any notes from previous inspections.
2. Perform a “windshield” survey of the entire location length. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
 - a. The lane or ramp where the distress was noted and the associated direction.
 - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
 - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
 - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
 - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any 2 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
 - b. Longitudinal Cracking exceeds 25 percent of the segment length (132 feet within 528 feet) for any 2 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
 - c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment..
 - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
 - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
 - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.

- g. Any amount of alligator cracking.
4. If **any** condition above is estimated to be true:
 - a. Perform Detailed Inspection; and
 - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
 5. If **all** conditions above are false,
 - a. Recommend work is acceptable.
 - b. If this is an interim or other non-final inspection, put notes in file.
 - c. If this is final inspection recommend final acceptance.

Detailed Inspection Procedure:

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
 - a. Transverse Cracking
 - b. Longitudinal Cracking
 - c. De-bonding
 - d. Raveling
 - e. Flushing
 - f. Rutting
 - g. Alligator Cracking
4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
 - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
6. Warranty work is required at those segments for which any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY
WARRANTY INSPECTION GUIDELINES
HMA OVERLAY

Warranty period: 1 Year

Inspection Period Begins: Final - 10 months after Initial Acceptance
(Local Agency may do additional inspections such as at 6 months after initial acceptance, after spring break up, etc.)

Notes:

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately.
3. The threshold level for each distress type is determined separately.

Procedure:

1. Perform **overview inspection**. Based on results of cursory inspection, recommend the project for either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. **Perform detailed inspection if required**. Based on the results of detailed inspection, either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

Condition Parameter Measurement:

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Only count cracks that are not “reflective” from a prior crack or joint. Count all transverse cracks that cannot be positively identified as “reflective” or are questionable. Each individual crack must exceed 5 feet in length to be included in the total. Ignore transverse cracking for all single course overlays, or if the total thickness of multiple course overlays is 2” or less.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Only count cracks that are **not** “reflective” from a prior crack or joint. Count all longitudinal cracks that cannot be positively identified as “reflective” or are questionable. Each individual crack must exceed 5 feet in length to be included in the total. Ignore transverse cracking for all single course overlays, or if the total thickness of multiple course overlays is 2” or less.
3. **De-bonding**- Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.

5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet thereafter to determine average rut depth to quantify rutting for a particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this "straightedge" across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.
7. **Alligator Cracking** – Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

Overview Inspection Procedure:

1. Review any notes from previous inspections.
2. Perform a "windshield" survey of the entire location length. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
 - a. The lane or ramp where the distress was noted and the associated direction.
 - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
 - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
 - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
 - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any 3 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
 - b. Longitudinal Cracking exceeds 25 percent of the segment length (132 feet within 528 feet) for any 3 segments. Ignore all reflective cracking. All reflective cracking shall be ignored as these will not count against the allowable amount.

- c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
 - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
 - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
 - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.
 - g. Any amount of alligator cracking.
4. If **any** condition above (in item 2) is estimated to be true:
- a. Perform Detailed Inspection; and
 - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
5. If **all** conditions above are false,
- a. Recommend work is acceptable.
 - b. If this is an interim or other non-final inspection, put notes in file
 - c. If this is final inspection recommend final acceptance.

Detailed Inspection Procedure:

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
 - a. Transverse Cracking
 - b. Longitudinal Cracking
 - c. De-bonding
 - d. Raveling
 - e. Flushing
 - f. Rutting
 - g. Alligator Cracking
4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
 - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
6. Warranty work is required at those segments for which any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY
WARRANTY INSPECTION GUIDELINES
NEW/RECONSTRUCTED JOINTED PLAIN CONCRETE PAVEMENT

Warranty period: 5 Years

Inspection Period Begins: Interim -30 months after Initial Acceptance
Final - 56 months after initial Acceptance
(Local Agency may do additional inspections)

- Notes:**
1. **Segment** - 528 feet in a specific driving lane. For inspection a segment begins at the point where the joint sealant failure or pavement distress begins to appear and extends for 528 feet from that point.
 2. **Slab** - The pavement outlined between consecutive transverse joints and longitudinal joints or a longitudinal joint and the outer pavement edge. Segments consist of one or more slabs.
 3. **Driving Lanes** - Each of the following is considered a Driving Lane.
 - a. Each individual mainline lane.
 - b. The sum of all ramp lanes and associated acceleration/deceleration lanes.
 - c. The sum of all auxiliary lanes, such as passing lanes and turn lanes.
 4. **Condition Parameters** - Each condition parameter has a threshold level applied to each segment and a maximum number of defective segments before corrective action is required. A segment is defective if the threshold level is exceeded.
 5. **Longitudinal Joint Designation** - All inspections relate to the driving lane as defined in the warranty special provision. For tallying joint sealant failure and pavement distress (spalling), consider the entire perimeter of the slab in all cases. The condition parameter of the full joint associated with the slab being evaluated is considered even though two adjacent slabs may share the same interior longitudinal joint.
 6. The contractor will not be required to take corrective measures as a result of the interim inspection unless the Engineer determines emergency repairs are needed for public safety. Any faults or distresses noted will be logged and verified with the final inspection.

- Procedure:** For both **INTERIM & FINAL** inspections
1. **Perform overview inspection.** Based on results of overview inspection, recommend the project for either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Detailed inspection – more detailed inspection and / or measurements are needed
 2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
 - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
 - b. Warranty work is needed – Provide contractor written notice of the distresses and locations needing corrective work.

Overview Inspection Procedure:

1. Review any notes from previous inspections of the work.
2. Perform a “windshield” survey of the entire project length. Inspect all driving lanes. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
 - a. The lane or ramp where the distress was noted and the associated direction.
 - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
 - c. Estimate the distress quantity. Also include a description of distress in general terms (i.e. minor amounts of longitudinal cracking; every joint has loss of sealant).
 - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. If this is an **interim** or other non-final inspection, Put notes in file and STOP HERE.
4. If this is the final inspection, estimate if any of the following distress threshold conditions are exceeded
 - a. Transverse Cracking exceeds 2 total for any 1 segment. (2 cracks within 528 feet).
 - b. Longitudinal Cracking exceeds 5 percent (5%) of the segment length (26 feet within 528 feet) for any 1 segment.
 - c. Map Cracking exceeds 10 percent (10%) of the segment area (632 square feet within 528 longitudinal feet assuming 12 foot lane width) for any 1 segment.
 - d. Spalling exceeds 10 percent (10%) of each slab. Can be non-contiguous. Include all 4 sides of the slab.
 - e. Scaling exceeds 15 percent (15%) of the slab area.
 - f. Corner cracking exceeds 1 for any 1 segment.
 - g. Joint Sealant failure exceeds 10 percent (10%) total joint length in a segment. Include both longitudinal & transverse joints
 - h. Any shattered slabs.
5. If any condition above is true:
 - a. Perform Detailed Inspection; and
 - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
6. If all conditions above are false and this is the final inspection, recommend Final Acceptance.

Detailed Inspection Procedure: This will be done at **FINAL** inspection when distresses are estimated to be at threshold levels, and at **INTERIM** inspections as directed by the engineer.

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.

2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
 - a. Transverse Cracking
 - b. Longitudinal Cracking
 - c. Map Cracking
 - d. Spalling
 - e. Flushing
 - f. Scaling
 - g. Joint sealant failure
 - h. Shattered slabs
4. Determine if any of the threshold limits for the various distresses are exceeded.
5. Warranty work is required at those segments for which any of the threshold limits are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

APPENDIX C

Inspection Forms

Under Development

The inspections forms have not been developed to-date; the Task Force Education Committee is working with LTAP to create inspection forms compatible with the RoadSoft program to enable tracking the warranty inspection forms to the actual location along a road segment

INSPECTION FORM FOR HMA WARRRANTY WORK

Inspected By: _____ Date: _____

Type of inspetion: ___ Interim ___ Final ___ Special

Type of Construction: ___ New HMA Construction / Reconstruction
 ___ HMA over Ag. Base without other improvements
 ___ HMA Overlay

Condition Parameter	NEW CONSTRUCTION / RECONSTRUCTION		OVER AGGREGATE BASE WITHOUT BASE OR DRAINAGE IMPROVEMENTS		SINGLE COURSE & MULTIPLE COURSE OVERLAY (a)	
	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile
Warranty period	5 years		3 years		1 year	
Transverse Cracking	3	1	3	2 (b)	3	3 (b)
Open Joints & Long. cracking	10% of Segment length	1	25% of Segment length	2 (b)	25% of Segment length	3 (b)
De-bonding	5% of Segment length	1	5% of Segment length	1	5% of Segment length	1
Raveling	8% of Segment length	1	8% of Segment length	1	8% of Segment length	1
Flushing	5% of Segment length	1	5% of Segment length	1	5% of Segment length	1
Rutting (c, d, e)	Ave. rut depth = 3/8 inch	1 (c)	Ave. rut depth = 3/8 inch	1 (c)	Ave. rut depth = 3/8 inch	1 (c,d)
Alligator cracking (f)	Any amount	0 (none allowed)	Any amount	0 (none allowed)	Any amount	0 (none allowed)

Distresses Found? ___ Yes (Describe below, attach additional sheets if needed) ___ No

Distresses Found: (Describe type, severity & location)

Corrective action needed? ___ Yes ___ No ___ Needs further evaluation

Signed (INSPECTOR): _____

Checked by (ENGINEER): _____

INSPECTION FORM FOR CONCRETE WARRRANTY WORK

Inspected By: _____

Date: _____

Type of inspetion: Interim Final Special

Type of Construction: Plain Concrete
 Reinforced Concrete

Condition Parameter or Defect	Threshold Limits Per Segment (Length = 528 feet)	Max. Defective Segments Per Driving Lane-Mile (a)
Transverse Crack	2	1
Longitudinal Crack	5% of segment length	1
Map Cracking	10% of segment area	1
Edge Spalling	10% each slab (b) < 2 slabs	1
Surface Scaling	15% of the slab area < 1 slab	1
Corner Cracking	1	1
Joint Sealant Failure	10% joint length (c) < 2 slabs	1
Shattered Slab	0 (d)	0

Distresses Found? Yes (Describe below, attach additonal sheets if needed) No

Distresses Found: (Describe type, severity & location)

Corrective action needed? Yes No Needs further evaluation

Signed (INSPECTOR): _____

Checked by (ENGINEER): _____

APPENDIX D

Model Pavement Warranty Contract and Bond Forms

MICHIGAN
LOCAL AGENCY
SPECIAL PROVISION
FOR
PASS-THROUGH WARRANTY BONDS

LM

1 of 1

9/5/2017

a. Description. This special provision establishes the conditions under which and method for a contractor to assign responsibility for the warranty obligations and the providing of a warranty bond to a warranty contractor(s). Second tier subcontractor assignments are prohibited.

b. Requirements. Ensure the Warranty Contract(s) and warranty bond(s) are on forms provided by the Local Agency. Ensure the bonds meet the requirements of Michigan law and of the Local Agency and include other items such as the powers of Attorney and Endorsement as specified by the Local Agency.

c. Method. The assignment must be made to the warranty contractor(s) that will perform the work covered by the warranty. If for any reason after signing the Warranty Contract and providing the Warranty Bond, the warranty contractor does not perform the work, the warranty contractor will remain obligated for the warranty obligations and the warranty bond obligations will remain in effect unless the Local Agency consents in writing to substituting a different contractor to assume those warranty obligations and accepts a substitute warranty bond.

The assignment of warranty work must be designated with and at the time of electronic bid submittal. To become a warranty contractor responsible for the warranty obligations of the contract, and providing a warranty bond, the warranty contractor must complete and submit to the Local Agency a Warranty Contract and a Warranty Bond for each warranty it will be responsible for. Ensure the Warranty Contract is signed by an authorized signer of the warranty contractor, as identified in its prequalification application.

Submit the Warranty Contract and Warranty Bond to the Local Agency prior to award of the construction contract to the prime contractor for the work to which the warranty applies. Ensure the warranty contractor is prequalified in the work classification for the type of work to be warranted. The Warranty Bond must guarantee performance of all warranty obligations for the covered work, in accordance with the Warranty Contract. All provisions of the prime contract will be applicable to the warranty contractor in regard to the warranty work, except as otherwise expressly provided in the Warranty Contract.

Under no circumstances does the assignment of the warranty work and the execution of a Warranty Contract create any obligations to the Local Agency beyond the obligations undertaken in the prime contract. The purpose of the Local Agency accepting the assignment of warranty obligations is to allow a warranty contractor to stand in place of the prime contractor for purposes of the warranty work without increasing any obligation or liability that the Local Agency would have had if the prime contractor had not assigned the warranty work.

d. Measurement and Payment. This work will not be paid for separately, but will be included in costs for other pay items.

<local agency name>
LOCAL AGENCY
PASS-THROUGH WARRANTY BOND

Bond Number: _____

KNOWN ALL MEN BY THESE PRESENTS

That we, _____ (hereinafter called the "Principal" and _____ (hereinafter called "Surety") a corporation duly organized under the laws of the State of _____ and duly licensed to transact business in the State of Michigan, are held and firmly bound unto the _____ *<local agency name>* (hereinafter called the "Obligee"), in the sum of \$ _____ dollars for the payment of which sum well and truly to be made, we, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the said Principal has heretofore entered into a contract with the Obligee, under Contract ID _____ and;

WHEREAS, the said Principal is required to guarantee the:

installed under said contract, against defects in materials or workmanship which may develop during the period of ___ years beginning the date of the Acceptance Date of Warranted Work by the Obligee.

In no event shall losses paid under this bond aggregate more than the amount of the bond.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Principal shall faithfully carry out and perform the said guarantee, and shall, on due notice, repair and make good at its own expense any and all defects in materials or workmanship in the said work which may develop during the period specified above or shall pay over, make good and reimburse to the said Obligee all loss and damage which said Obligee may sustain by reason of failure or default of said Principal so to do, then this obligation shall be null and void; otherwise shall remain in full force and effect.

PROVIDED HOWEVER, that in the event of any default on the part of said Principal, a written statement of the particular facts showing such default and the date thereof shall be delivered to the Surety by registered mail, promptly in any event within ten (10) days after the Obligee or his representative shall learn of such default and that no claim, suit or action by reason of any default of the Principal shall be brought hereunder after the expiration of thirty (30) days from the end of the warranty period as herein set forth.

Signed by: _____ day of _____ 20_____.

Contractor _____

By _____

Surety _____

By _____

PASS THROUGH WARRANTY CONTRACT

This contract ID number _____ is executed on the date signed below by the _____ of the <local agency name> between the Warranty Contractor, Prime Contractor and the Local Agency in conjunction with the execution of this contract ID number, _____ between the Local Agency and the Prime Contractor.

(Warranty Contractor)

(Prime Contractor)

The work included within this Warranty Contract is, described here:

The Warranty Contractor represents that it has entered into a subcontract with the Prime Contractor to perform Warranted Work for the project, but that any failure to have properly done so, or any breach or failure in the performance of that subcontract, shall not diminish or otherwise affect the obligations of the Warranty Contractor to the Local Agency under this warranty contract. Nor shall the obligations of the Warranty Contractor to the Local Agency under this warranty contract be diminished or affected if the Prime Contractor or some other person performs some or all of the Warranted Work or warranty obligations for the project, unless the Local Agency consents to, and executes, a written amendment to this warranty contract.

Insofar as they pertain to the warranty rights and obligations, the terms of the contract are hereby incorporated by reference into this warranty contract and, for purposes of this warranty contract, references in the contract to the contractor shall be deemed to refer to the Warranty Contractor.

The Warranty Contractor hereby agrees to fulfill and perform, without qualification or exception, all of the warranty obligations under the terms of the contract, as if they were the Prime Contractor. Until acceptance of the Warranted Work, the Prime Contractor will be responsible to the Department for ensuring completion of the Warranted Work and to the Local Agency for fulfilling the terms of the warranty for that work. Upon acceptance of the Warranted Work, the Warranty Contractor shall have full responsibility for the warranty obligations and the Prime Contractor will be relieved of further obligation for performing those warranty obligations.

The Warranty Contractor agrees that its obligations to the Local Agency under this warranty contract are the same as if the Warranty Contractor was the Prime Contractor; the Warranty Contractor can assert no rights, defenses or qualifications to the warranty obligations under the contract that would have been unavailable to the Prime Contractor, if the Prime Contractor had retained contractual responsibility for the warranty. The Warranty Contractor may assert the same rights under the terms of the warranty as could have been asserted by the Prime Contractor, if the Prime Contractor had retained contractual responsibility for the warranty.

This warranty contract may be executed prior to execution of the contract with the Prime Contractor, provided that if the Local Agency fails to execute the contract with the Prime Contractor this warranty contract shall be null and void.

By: _____

By: _____

Title: _____

Title: _____

By: _____

Typed name: _____

Local Agency: _____

Date: _____

APPENDIX E

Reporting Forms

Under Development

Local Road Agencies Warranty Program Reporting

We have partnered with the Transportation Asset Management Council to modify the Investment Reporting Tool to provide an open and transparent reporting method for each local transportation agency. The reporting fields will be enabled as soon as the Local Agency Pavement Warranty Program is approved by MDOT

We have also partnered with the Michigan Technological University - CTT to modify the Roadsoft Program to provide a common data entry method for each local road agency. The Roadsoft warranty data fields will be imported into the TAMC ITR module to provide a statewide presentation of the warranty projects that exceed the \$ 2,000,000 threshold.

APPENDIX F

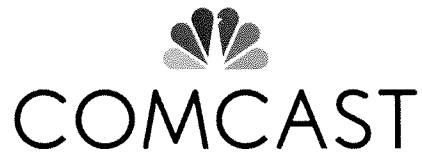
Education and Training

Under Development

Education of Local Road Agencies on Local Pavement Warranty Program

Since the passage of the 2015 Transportation Package, the CRA has been informing its members of the coming warranty requirement; the *Engineering Updates* provided by the CRA-MML Engineering Specialist have also described the imminent Local Pavement Warranty Program. The CRA provided updates about the Local Pavement Warrant Program at its nine regional Council meetings during fall-winter 2017-2018; at its County Engineers Workshop in February 2018; at its Highway Conference in March 2018, and at its Road Commissioners Conference in April 2018. The CRA is also developing this Guidance Document on Local Pavement Warranties to serve as the training manual for. The CRA has scheduled and dedicated a large portion of its annual 2017 Law Symposium to a session on Implementing the New Local Pavement Warranties on December 5, 2017; speakers include the legal counsel from the Road Commission for Oakland County and CRA-MML Engineering Specialist Steve Puuri. The CRA-MML Engineering Specialist Steve Puuri and two bond counsel representatives provided an update at the Michigan Concrete Association.

In addition, the Local Pavement Warranty Task Force has created an Education Committee that has been developing model agency adoption resolutions and training materials. The Task Force has partnered with the Local Technical Assistance Program to develop and conduct training program for decision makers and project staff. The Education Committee is poised to distribute adoption and training materials upon approval of the Local Agency Pavement Warranty Program by MDOT. Finally, the Task Force has developed this Guidance Document to assist local agency decision makers and project staff with implementing their Local Agency Pavement Warranty program.



March 7, 2019



City Clerk
City of Swartz Creek
8083 Civic Dr.
Swartz Creek, MI 48473

RE: Important Information—Channel Lineup Change

Dear City Clerk:

I am contacting you today regarding upcoming programming change. Customers are being notified of these changes via bill message.

Effective April 4, 2019, WNEM-MY will no longer be available on channel 1172. WNEM-MY programming can still be found on channels 4/1006. WNEM-Cozi will no longer be available on channel 1173. WNEM-Cozi programming can still be found on channels 288/1192.

If I can be of any further assistance, please contact me at 517-334-5686.

Sincerely,

John P. Gardner
Director, External Affairs
Comcast, Heartland Region
1401 E. Miller Rd.
Lansing, MI 48911

City of Swartz Creek and Flint Township Maintenance Plan and Memorandum of Understanding

The proposed trail begins at Swartz Creek’s Elms Park at the terminus of an existing trail. The trail extends north of the park via a Consumers Energy easement to Bristol Road where it extends east on the north side of Bristol to merge with Miller Road at the General Motors property. An easement will be acquired from General Motors for the placement of this trail. The trail will cross the railroad tracks within the road right-of-way and Swartz Creek property. After the railroad crossing, the trail will remain on the north side of Miller Road within the road right-of-way and crosses into Flint Township at Dye Road to connect into the existing trailhead for the Genesee Valley Trail.

This trail will be owned by the City of Swartz Creek through the use of private and utility easements and the use of Genesee County Road Commission's right of way.

The trail will consist of an asphalt surface. It will offer amenities such as benches, trash receptacles, bike racks, and recycle containers. It utilizes the Elm Park's parking areas and the existing trailhead off of Dye Road in Flint Township.

Task	Responsible Party for the Trail from Elms Park to Dye Road	Est. Annual Cost	Responsible Party for the Trail along Dye Road to Genesee Valley Trailhead	Est. Annual Cost
Inspect annually for compliance with American Association of State Highway and Transportation Officials Standards	City of Swartz Creek	\$ 2,000.00	Flint Township	\$ 500.00
Weekly maintenance inspection	City of Swartz Creek	\$ 1,000.00	Flint Township	\$ 200.00
Monthly debris clearing of trail	City of Swartz Creek	\$ 500.00	Flint Township	\$ 100.00
Annual pavement maintenance	City of Swartz Creek	\$ 2,000.00	Flint Township	\$ 500.00
Annual removal of vegetation	City of Swartz Creek	\$ 1,000.00	Flint Township	\$ 100.00
Annual trimming of tree branches	City of Swartz Creek	\$ 1,000.00	Flint Township	\$ 200.00
Annual repair/replace signage	City of Swartz Creek	\$ 100.00	Flint Township	\$ 100.00
Total Annual Costs		\$ 7,600.00		\$ 1,700.00

The proposed maintenance plan for this project is outlined below indicating the responsible entity and associated estimated annual cost in completing this tasks. This is a long term, 20-year agreement and should be renewed every 20-years to include any additional needed tasks.

Maintenance tasks may be completed by a licensed and qualified contractor, or employees of the Government entity assigned to the task. The annual costs for maintenance are anticipated to be low in the first few years after construction. As the infrastructure ages, all parties will likely need to adjust their budgets to accommodate the increased cost of the more expensive maintenance tasks associated with the project.

The City of Swartz Creek utilizes a GPS system that allows users to report ant maintenance issues.

The Memorandum of Understanding's annual cost and items will be reviewed and updated every 20 years and coincide with both the City's and Township's 5-Year Park and Recreation Plan. These costs are not inclusive of any future design changes.

The following parties hereby indicate their responsibility for maintenance tasks outlined above, indicating commitment to a long-term maintenance of the project if the City of Swartz Creek is awarded the Michigan Department of Natural Resources Trust Fund Grant for the development of this project.

David A. Krueger - Mayor, City of Swartz Creek

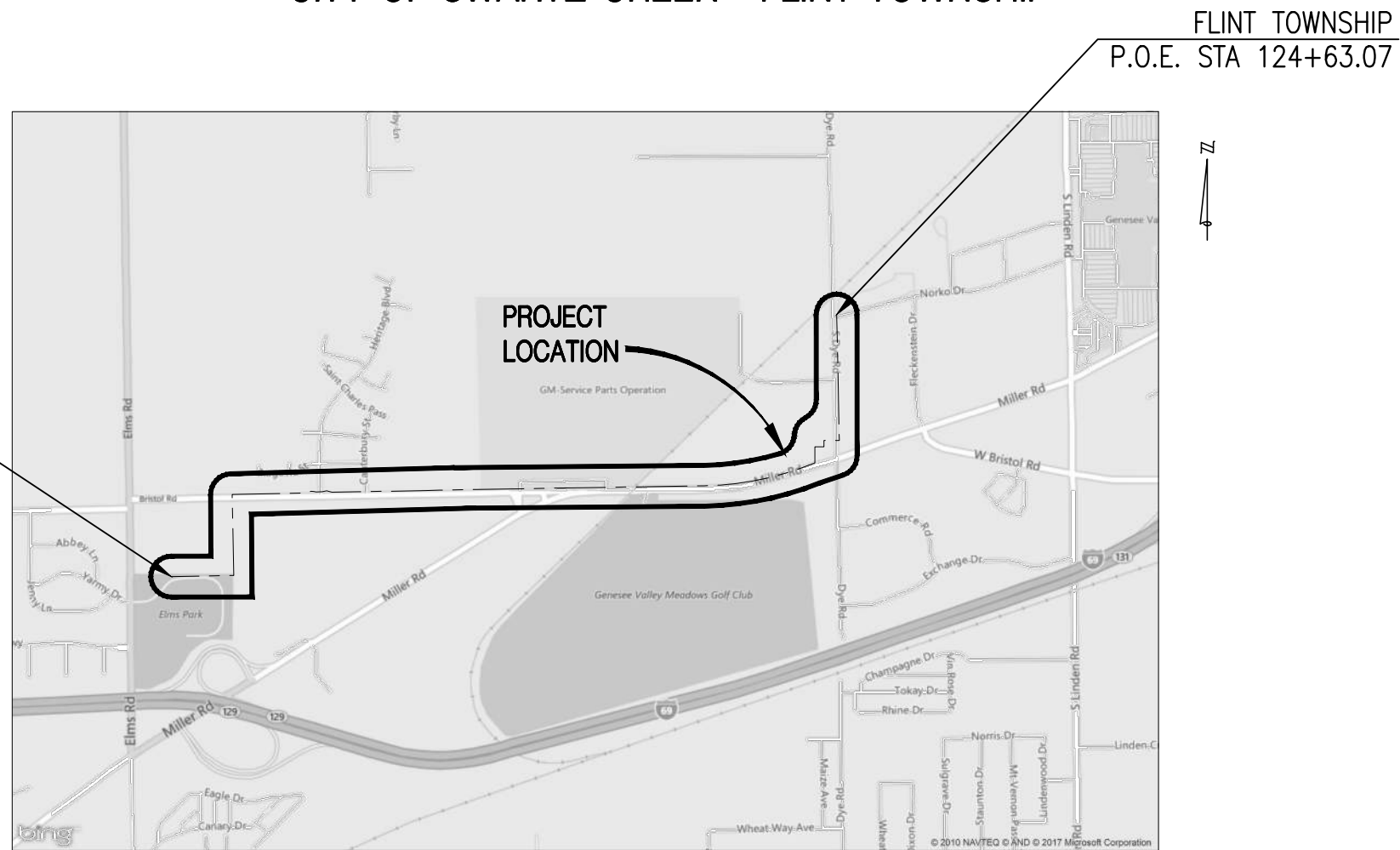
Karyn Miller- Supervisor, Flint Township

INDEX OF SHEETS	
SHEET NO.	DESCRIPTION
1	COVER
2	DETAILS
3-14	CONSTRUCTION SHEETS

CITY OF SWARTZ CREEK AND FLINT TOWNSHIP TRAIL SCHEMATICS

FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
GENESEE COUNTY, MICHIGAN
CITY OF SWARTZ CREEK - FLINT TOWNSHIP

TRAIL DATA	
CITY OF SWARTZ CREEK	
DESIGN SPEED.....	18 MPH
PROJECT LENGTH.....	1.63 MILES
ELMS PARK THROUGH EASEMENTS TO SOUTH DYE ROAD	
START =	23+70.00
END =	109+81.08
FLINT TOWNSHIP	
DESIGN SPEED.....	18 MPH
PROJECT LENGTH.....	0.28 MILES
SOUTH DYE ROAD FROM 280' NORTH OR MILLER ROAD TO NORKO DRIVE	
START =	109+81.08
END =	14+96.00



LOCATION MAP
N.T.S.

SWARTZ CREEK
P.O.B. STA 23+70.00

FLINT TOWNSHIP
P.O.E. STA 124+63.07

UTILITY NOTE

FOR THE PROTECTION OF UNDERGROUND UTILITIES AND IN CONFORMANCE WITH PUBLIC ACT 174 OF 2013, THE CONTRACTOR SHALL CONTRACT THE MISS DIG SYSTEM, INC. BY PHONE AT 811 OR 800-482-7171 OR VIA THE WEB AT EITHER ELOCATE.MISSDIG.ORG FOR SINGLE ADDRESS OR RTE.MISSDIG.ORG, A MINIMUM OF 3 BUSINESS DAYS PRIOR TO EXCAVATION, EXCLUDING WEEKENDS AND HOLIDAYS.

UTILITY CONTACTS

TELEPHONE	ELECTRIC
FRONTIER COMMUNICATIONS TOM ANDERSON 311 S. CEDAR STREET IMLAY CITY, MI 48444 (810) 724-3116 tom.e.anderson@ftr.com	CONSUMERS ENERGY MARCEY CONN 3201 E. COURT STREET FLINT, MI 48506 (810) 760-3506 Marcey.Conn@cmsenergy.com
CABLE TV	GAS
CHARTER COMMUNICATIONS DAVID KELLY 7372 DAVISON ROAD DAVISON, MI 48432 (734) 777-0406 David.Kelly@charter.com	CONSUMERS ENERGY SALVATORE DELISI 3201 E. COURT STREET FLINT, MI 48506 (810) 760-3286 Salvatore.Delisi@cmsenergy.com

City Council Packet

CONTRACT FOR: CITY OF SWARTZ CREEK
1.63 MILES OF NON-MOTORIZED TRAIL CONSTRUCTION WITHIN PUBLIC EASEMENTS TO BRISTOL ROAD AND ALONG BRISTOL ROAD WITHIN RIGHT OF WAY, THEN TRAVERSING NORTH AND EAST WITHIN PUBLIC EASEMENT TO S. DYE ROAD WITHIN THE CITY OF SWARTZ CREEK.

CONTRACT FOR: FLINT TOWNSHIP
0.28 MILES OF NON-MOTORIZED TRAIL CONSTRUCTION WITHIN SOUTH DYE ROAD RIGHT OF WAY.

THESE PLANS WERE PREPARED BY:

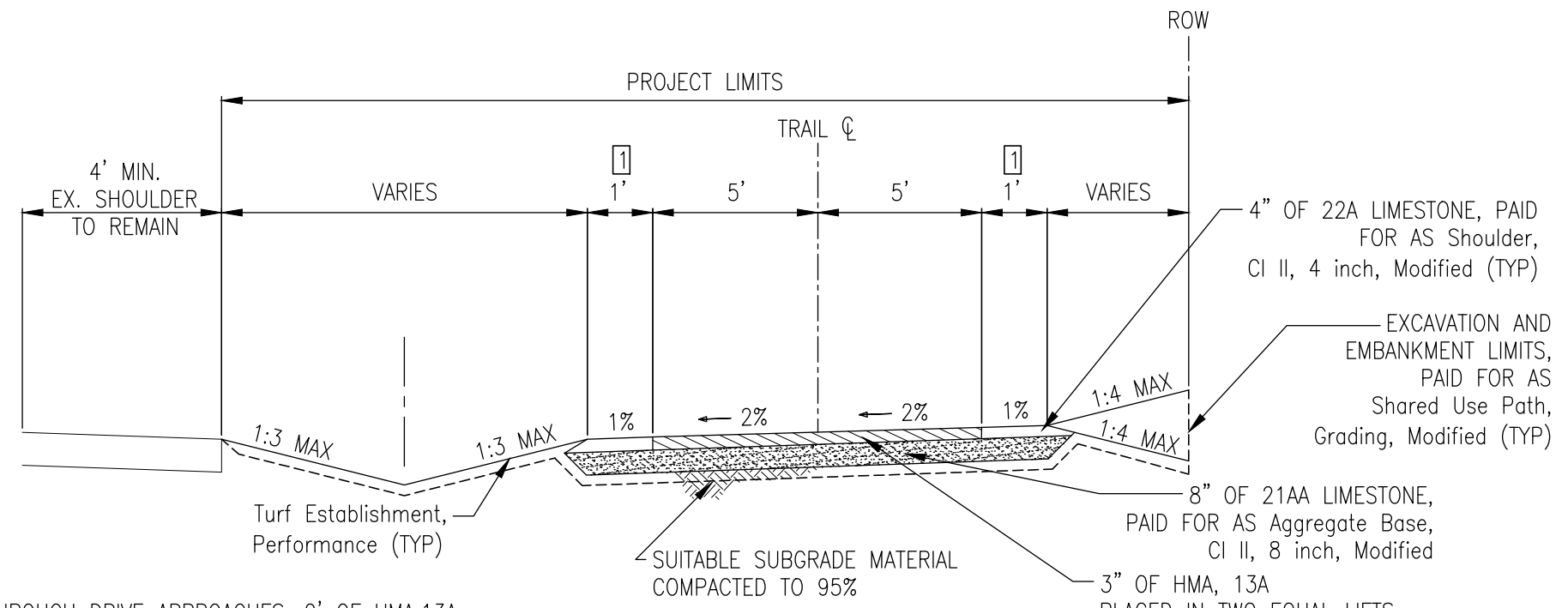


Advancing Communities
C3101 West Bristol Road | Flint, MI 48507
P (989) 393-4200 | F (734) 522-6427

REVISIONS

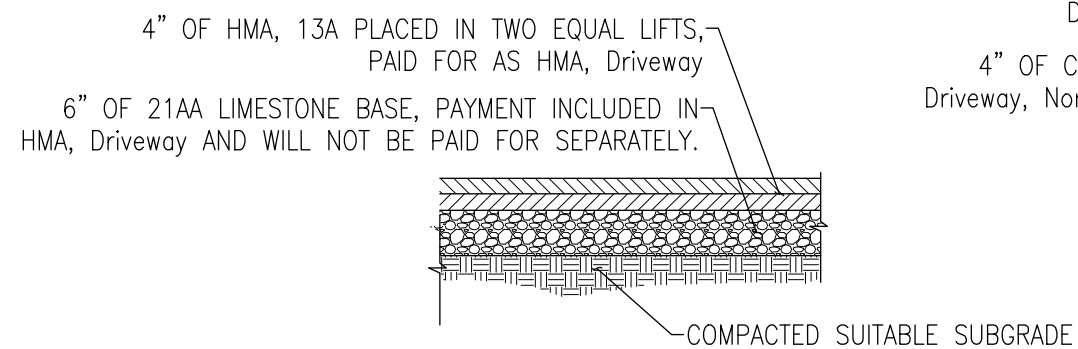
PROJECT NO.	SHEET NO.
4023160010 & 4060160010	March 25, 2014



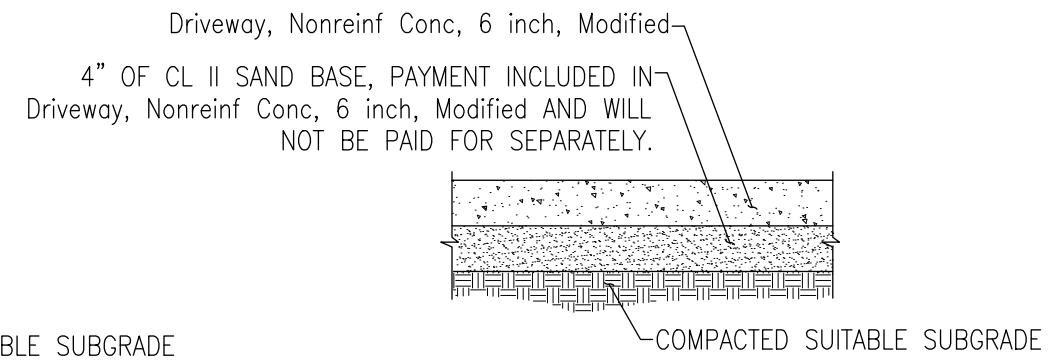


1 THROUGH DRIVE APPROACHES, 2' OF HMA, 13A SHALL BE PLACED ADJACENT TO THE TRAIL AS TRANSITION FROM TRAIL SURFACE TO DRIVEWAY SURFACE. PAYMENT INCLUDED IN HMA, DRIVEWAY.

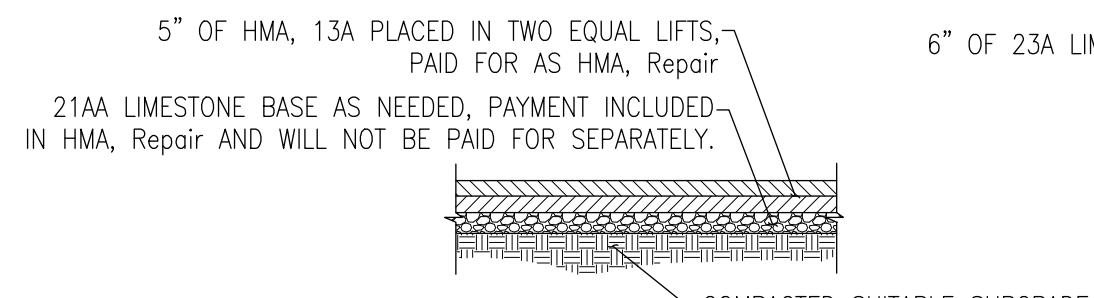
TYPICAL SHARED USE PATH CROSS-SECTION
 NOT TO SCALE



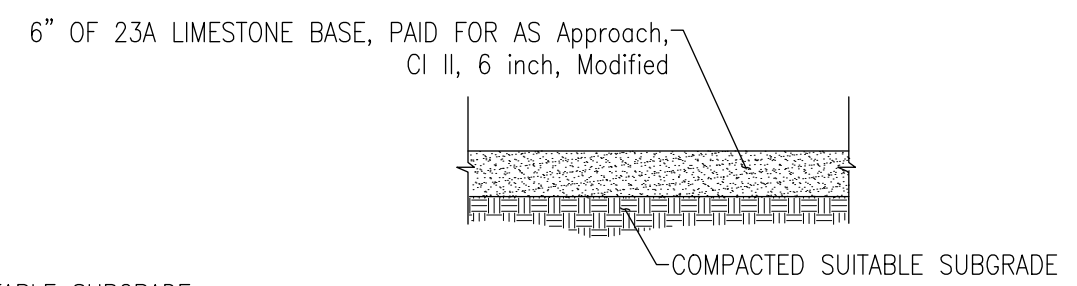
HMA DRIVEWAY CROSS SECTION
 NOT TO SCALE



CONCRETE DRIVEWAY CROSS SECTION
 NOT TO SCALE



HMA REPAIR CROSS SECTION
 NOT TO SCALE



AGGREGATE DRIVEWAY CROSS SECTION
 NOT TO SCALE

HMA APPLICATION ESTIMATE				
IDENT NO.	ITEM	RATE (LBS/SYD)	PERFORMANCE GRADE	REMARKS
13A	HMA, 13A	330	58-28	1.5" LEVELING, 1.5" WEARING
HD	HMA, DRIVEWAY	440	58-28	HMA, 13A IN TWO EQUAL LIFTS
HR	HMA, REPAIR	550	58-28	HMA, 13A IN TWO EQUAL LIFTS
	* BOND COAT	0.05-0.15 GAL		

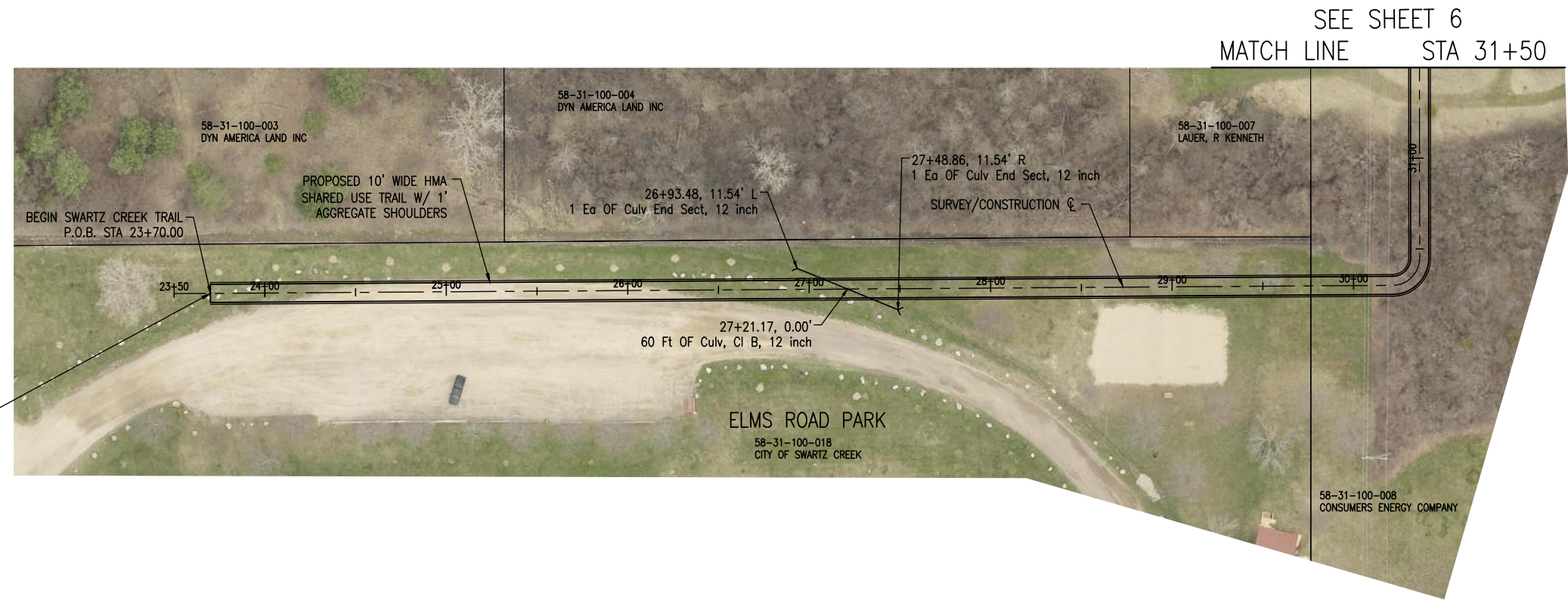
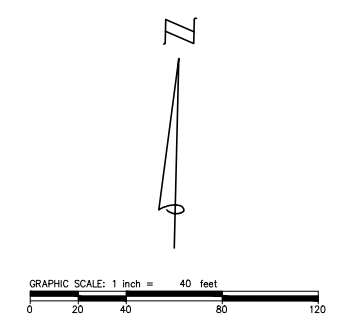
REVISIONS:

DATE: PROJ NUMBER: 4023-16-010 DATE: PROJ NUMBER: 4023-16-010 DATE: PROJ NUMBER: 4023-16-010 DATE: PROJ NUMBER: 4023-16-010
 CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE

DETAILS

DRAWING PATH: P:\4000-4100\4023-16-010_Schematic_Trail_Designs\Civil\Details\ELMS PARK TO NORKO DRIVE\160010DET.dwg Nov 15, 2017 8:34am

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TIE TRAIL INTO EXISTING TRAIL TO BE COMPLETED BY OTHERS

QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
8	Ea	Tree, Rem, 6 inch to 18 inch
1040	Syd	Aggregate Base, 8 inch, Modified
152	Syd	Shoulder, CI II, 4 inch, Modified
2	Ea	Culv End Sect, 12 inch
60	Ft	Culv, CI B, 12 Inch
189	Ton	Shared use Path, HMA
780	Ft	Shared use Path, Grading, Modified
1040	Syd	Turf Establishment, Performance

REVISIONS:

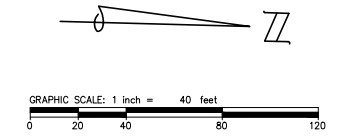
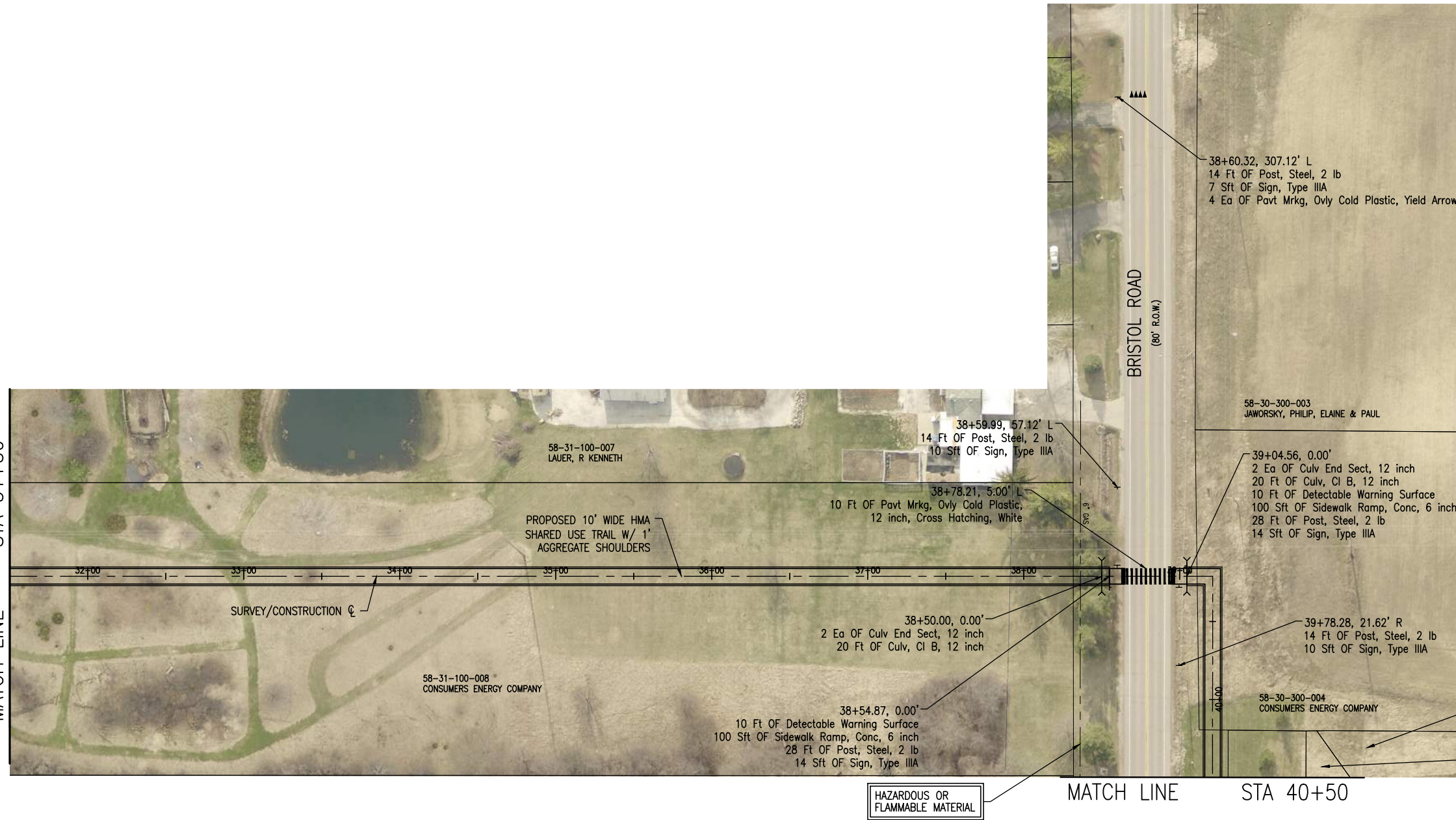
DATE	PROJ NUMBER	ENG	PROJ MGR	CADD	COUNTY	CITY/VILLAGE/TOWNSHIP	SCALE	HORIZ DATUM	VERT DATUM
	4023160/10	SLW	SLW	KCB	GENESSEE	CITY OF SWARTZ CREEK - FLINT TOWNSHIP	H: 1"=40' V: 1"=4'	NAD 83	NAVD 83

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET



Know what's below.
Call before you dig. **3**

SEE SHEET 3
MATCH LINE STA 31+50



ARCHITECTS ENGINEERS PLANNERS

G3101 West Bristol Road
Flint, MI 48507
P (989) 393-4200 | F (734) 522-6427
OHM-ADVISORS.COM

REVISIONS:

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DATE	PROJ NUMBER	ENG	PROJ MGR	CADD	COUNTY	CITY/VILLAGE/TOWNSHIP	SCALE	V.	HORIZ DATUM	VERT DATUM
	4023160/010	SLW	SLW	KCB	GENESSEE	CITY OF SWARTZ CREEK - FLINT TOWNSHIP	1"=40'	1"=4'	NAD 83	NVD 29

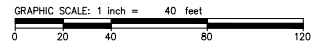
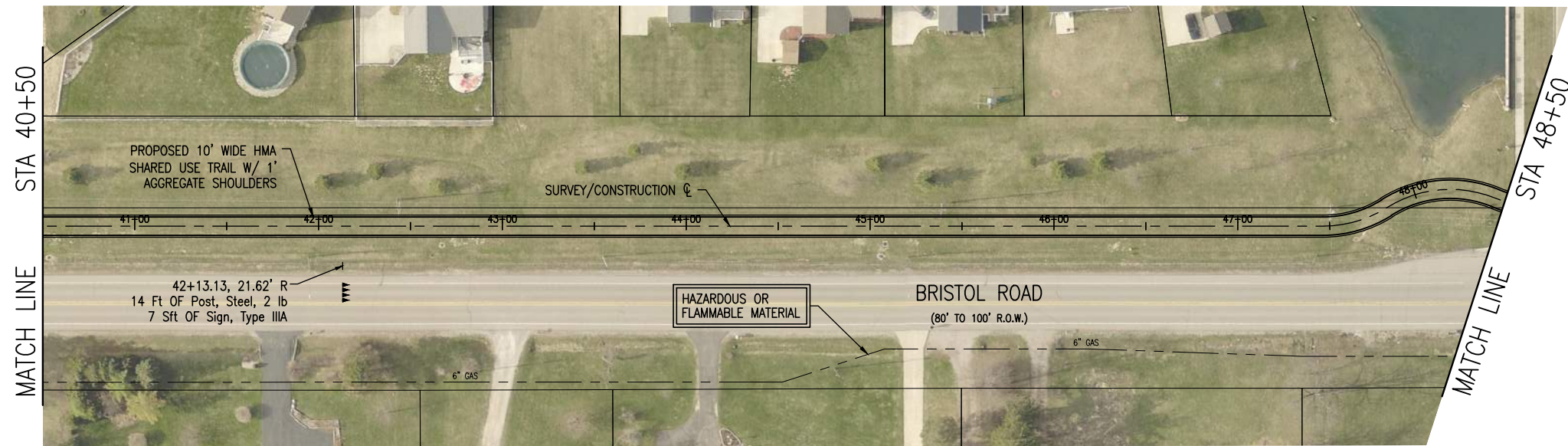
CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET

QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
7	Ea	Tree, Rem, 6 inch to 18 inch
1000	Syd	Aggregate Base, 8 inch, Modified
178	Syd	Shoulder, CI II, 4 inch, Modified
4	Ea	Culv End Sect, 12 inch
40	Ft	Culv, CI B, 12 inch
20	Ft	Detectable Warning Surface
200	Sft	Sidewalk Ramp, Conc, 6 inch
162	Ton	Shared use Path, HMA
800	Ft	Shared use Path, Grading, Modified
98	Ft	Post, Steel, 2 lb
55	Sft	Sign, Type IIIA
100	Ft	Pavt Mrkg, Ovly Cold Plastic, 12 inch, Cross Hatching, White
4	Ea	Pavt Mrkg, Ovly Cold Plastic, Yield Arrow
1067	Syd	Turf Establishment, Performance



Know what's below.
Call before you dig. March 25, 2019 4 OF 16



REVISIONS:

DATE	PROJ NUMBER	ENG	SLW	PROJ MGR	SLW	CADD	KCB	COUNTY	CITY	CITY VILLAGE/TOWNSHIP	SCALE	HORIZ DATUM	VERT DATUM
	4023160010							GENESSEE	CITY OF SWARTZ CREEK - FLINT TOWNSHIP		1"=40'	NAD 83	NVD 29

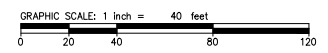
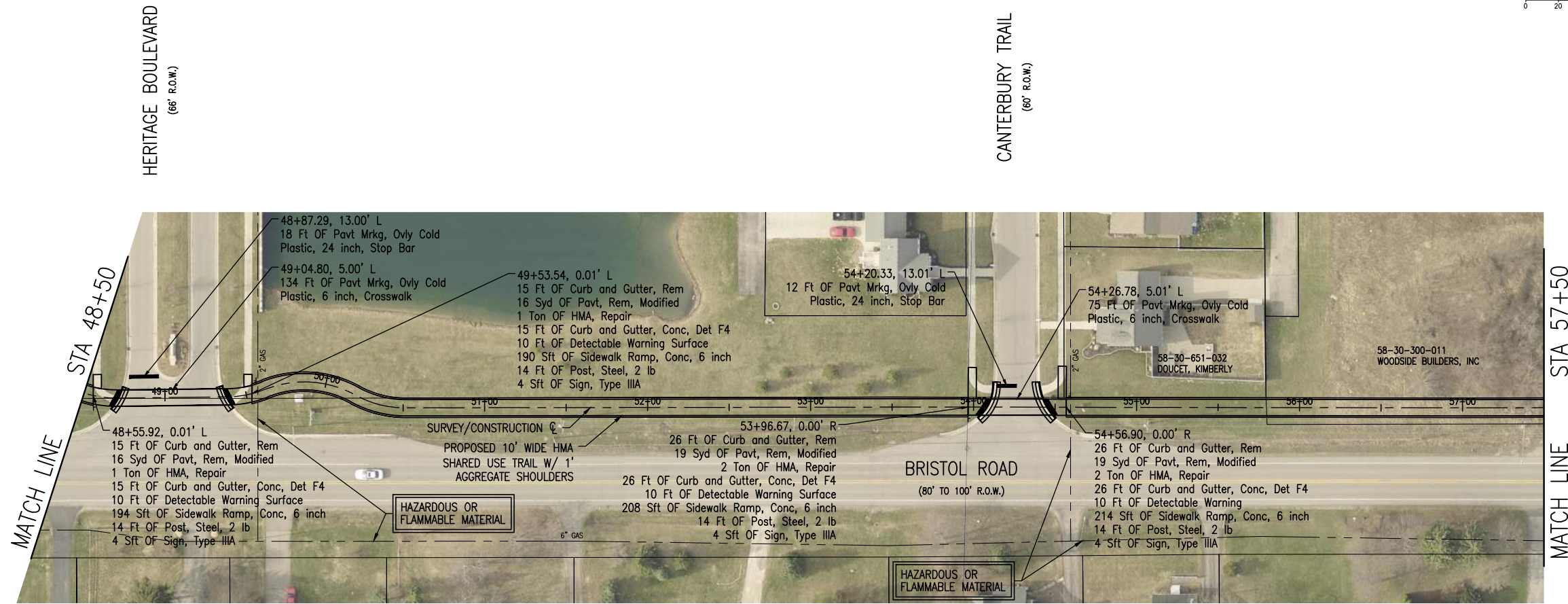
CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET



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REVISIONS:

DATE: 4/23/2018
PROJ NUMBER: 4023160010
ENG: SLW
PROJ MGR: SLW
CADD: KCB
COUNTY: GENESEE
CITY: SWARTZ CREEK - FLINT TOWNSHIP
SCALE: 1"=40'
V: 1"=4'
H: 1"=40'
HORIZ DATUM: NAD 83
VERT DATUM: NAVD 29

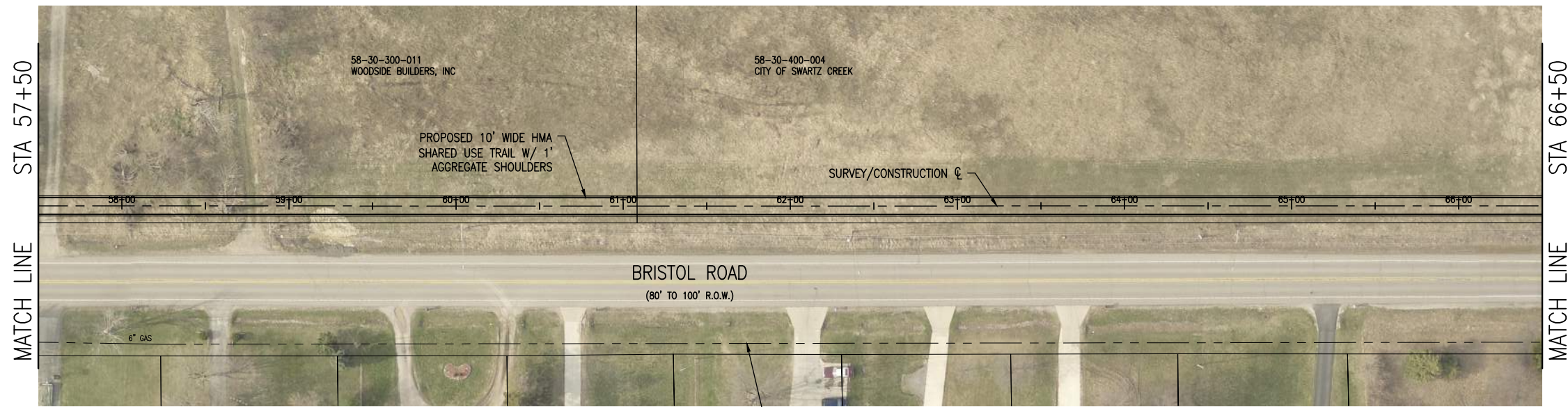
CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET

QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
82	Ft	Curb and Gutter, Rem
70	Syd	Pavt, Rem, Modified
825	Syd	Aggregate Base, 8 inch, Modified
165	Syd	Shoulder, CI II, 4 inch, Modified
6	Ton	HMA, Repair
82	Ft	Curb and Gutter, Conc, Det F4
40	Ft	Detectable Warning Surface
806	Sft	Sidewalk Ramp, Conc, 6 inch
150	Ton	Shared use Path, HMA
742	Ft	Shared use Path, Grading, Modified
56	Ft	Post, Steel, 2 lb
16	Sft	Sign, Type IIIA
209	Ft	Pavt Mrkg, Ovy Cold Plastic, 6 inch, Crosswalk
30	Ft	Pavt Mrkg, Ovy Cold Plastic, 24 inch, Stop Bar
990	Syd	Turf Establishment, Performance

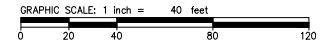


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QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
4	Ea	Tree, Rem, 6 inch to 18 inch
1000	Syd	Aggregate Base, 8 inch, Modified
200	Syd	Shoulder, CI II, 4 inch, Modified
182	Ton	Shared use Path, HMA
900	Ft	Shared use Path, Grading, Modified
1200	Syd	Turf Establishment, Performance



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REVISIONS:

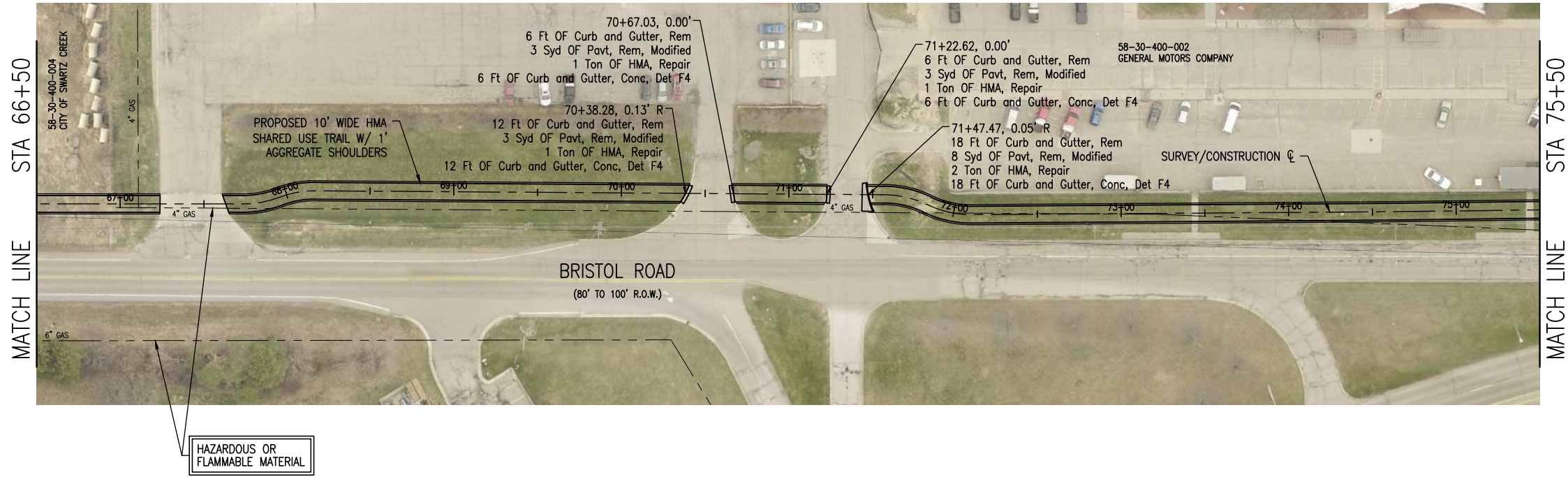
DATE: 4/25/2019 PROJ. NO: 402316010 PROJ. MGR: SLW CIVIL TOWNSHIP: CITY OF SWARTZ CREEK - FLINT TOWNSHIP SCALE: H: 1"=40' V: 1"=4' HORIZ. DATUM: NAD 83 VERT. DATUM: NAVD 83

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE

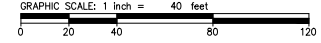
CONSTRUCTION SHEET

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HAZARDOUS OR FLAMMABLE MATERIAL



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REVISIONS:

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORCKO DRIVE
 CONSTRUCTION SHEET

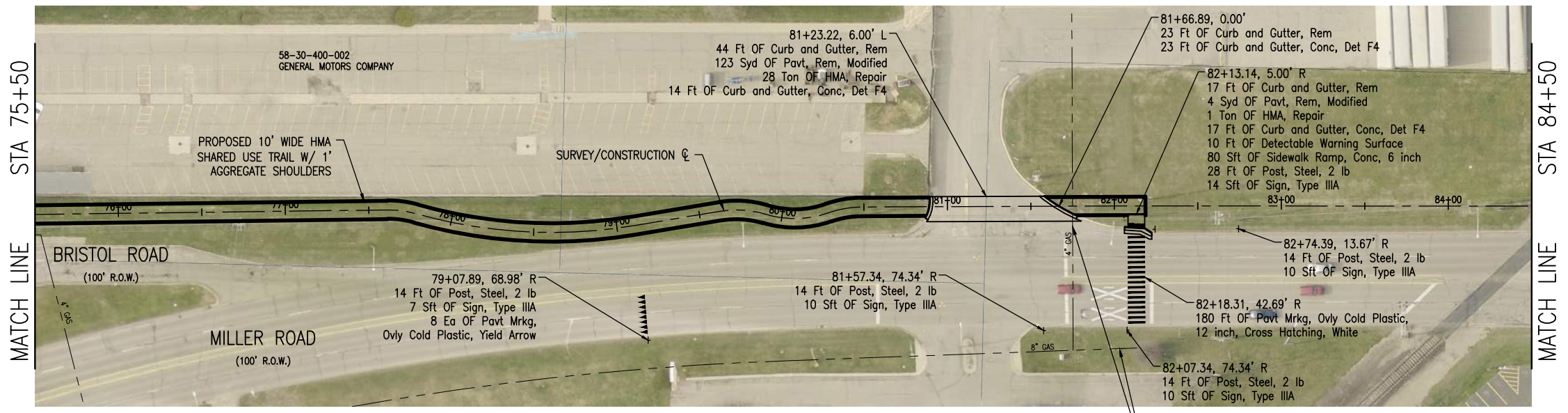
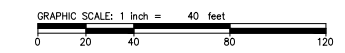
DATE	PROJ NUMBER	ENG	SJW	PROJ MGR	SLW	CADD	KCB	COUNTY	GENESSEE	CITY/TOWNSHIP	FLINT TOWNSHIP	HORIZ DATUM	NAD 83	VERT DATUM	NOVD 29
	402316010														



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DRAWING PATH: P:\4000_4100\4023160\10_Schematic_Trail_Desigins\Drawings\Civil\Plans_Const\ELMS PARK TO NORKO DRIVE\16010CON_6.dwg Nov 15, 2017, 8:36am



TOTAL	UNIT	DESCRIPTION
2	Ea	Tree, Rem, 6 inch to 18 inch
84	Ft	Curb and Gutter, Rem
127	Syd	Pavt, Rem, Modified
656	Syd	Aggregate Base, 8 inch, Modified
132	Syd	Shoulder, CI II, 4 inch, Modified
29	Ton	HMA, Repair
54	Ft	Curb and Gutter, Conc, Det F4
10	Ft	Detectable Warning Surface
80	Sft	Sidewalk Ramp, Conc, 6 inch
119	Ton	Shared use Path, HMA
590	Ft	Shared use Path, Grading, Modified
84	Ft	Post, Steel, 2 lb
51	Sft	Sign, Type IIIA
180	Ft	Pavt Mrkg, Ovly Cold Plastic, 12 inch, Cross Hatching, White
8	Ea	Pavt Mrkg, Ovly Cold Plastic, Yield Arrow
787	Syd	Turf Establishment, Performance

REVISIONS:

DATE	PROJ NUMBER	ENG	PROJ MGR	CADD	COUNTY	CITY/VILLAGE/TOWNSHIP	SCALE	VERT DATUM
	4023160/10	SLW	SLW	KCB	GENESSEE	CITY OF SWARTZ CREEK - FLINT TOWNSHIP	1"=40'	NAD 83

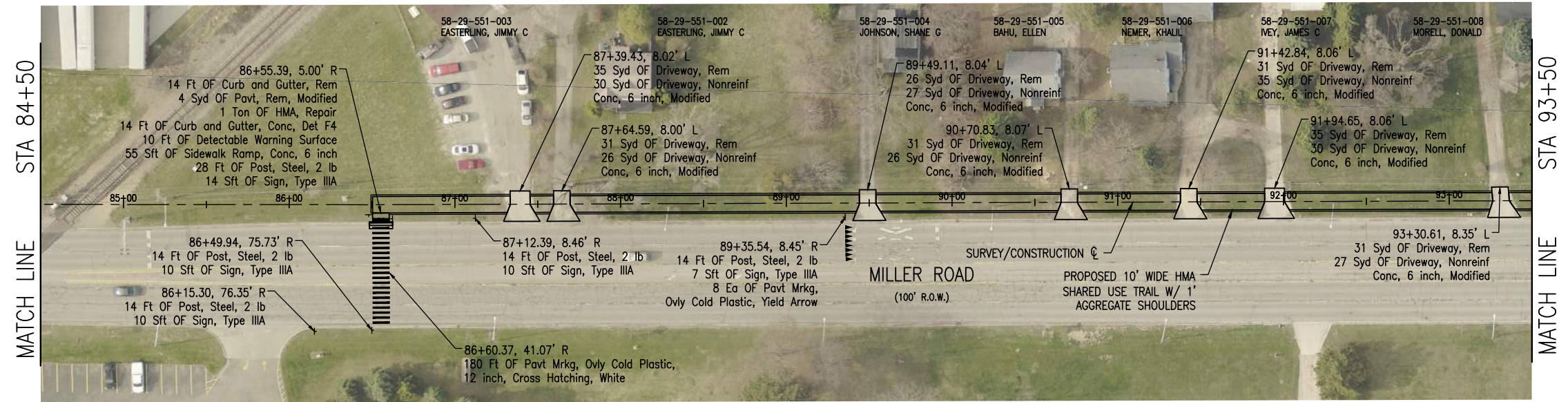
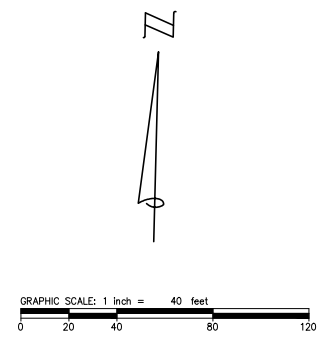
CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET



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QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
14	Ft	Curb and Gutter, Rem
220	Syd	Driveway, Rem
4	Syd	Pavt, Rem, Modified
687	Syd	Aggregate Base, 8 inch, Modified
135	Syd	Shoulder, CI II, 4 inch, Modified
4	Ea	Dr Structure Cover, Adj, Case 2
1	Ton	HMA, Repair
192	Syd	Driveway, Nonreinf Conc, 6 inch, Modified
14	Ft	Curb and Gutter, Conc, Det F4
10	Ft	Detectable Warning Surface
55	Sft	Sidewalk Ramp, Conc, 6 inch
125	Ton	Shared use Path, HMA
618	Ft	Shared use Path, Grading, Modified
84	Ft	Post, Steel, 2 lb
51	Sft	Sign, Type IIIA
180	Ft	Pavt Mrkg, Ovlv Cold Plastic, 12 inch, Cross Hatching, White
8	Ea	Pavt Mrkg, Ovlv Cold Plastic, Yield Arrow
824	Syd	Turf Establishment, Performance

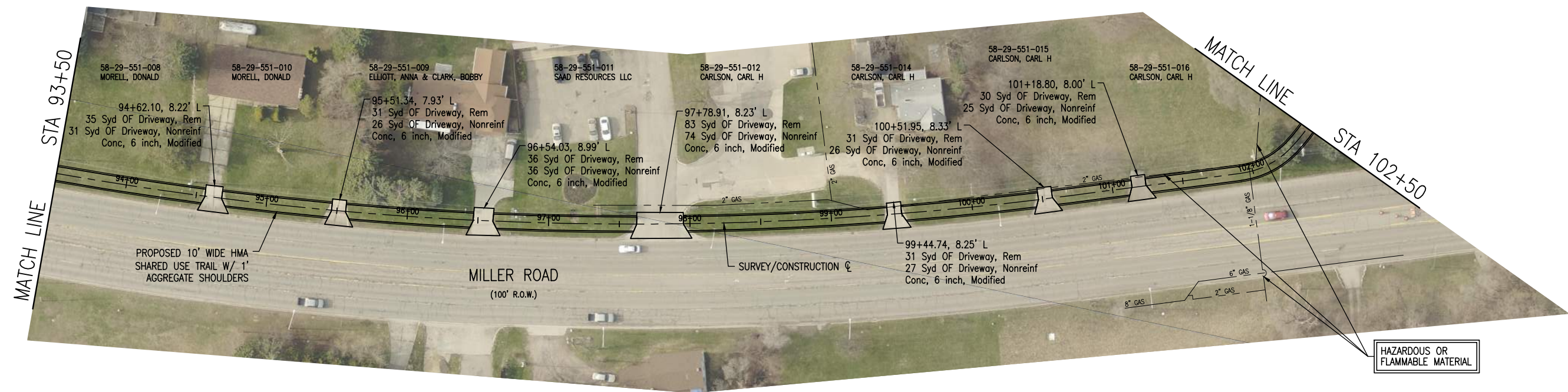
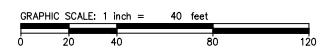


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CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
 CONSTRUCTION SHEET

REVISIONS:
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QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
2	Ea	Tree, Rem, 6 inch to 18 inch
277	Syd	Driveway, Rem
881	Syd	Aggregate Base, 8 inch, Modified
174	Syd	Shoulder, CI II, 4 inch, Modified
6	Ea	Dr Structure Cover, Adj, Case 2
245	Syd	Driveway, Nonrein Conc, 6 inch, Modified
160	Ton	Shared use Path, HMA
793	Ft	Shared use Path, Grading, Modified
1058	Syd	Turf Establishment, Performance

REVISIONS:
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VII
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X

DATE: 4/23/2019
PROJ NUMBER: 402-16-010
ENG: SLW
CADD: KCB
COUNTY: GENESEE
CITY/TOWNSHIP: SWARTZ CREEK-FLINT TOWNSHIP
SCALE: V: 1"=40'
HORIZ DATUM: NAD 83
VERT DATUM: NAVD 29

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
FROM ELM'S PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
CONSTRUCTION SHEET

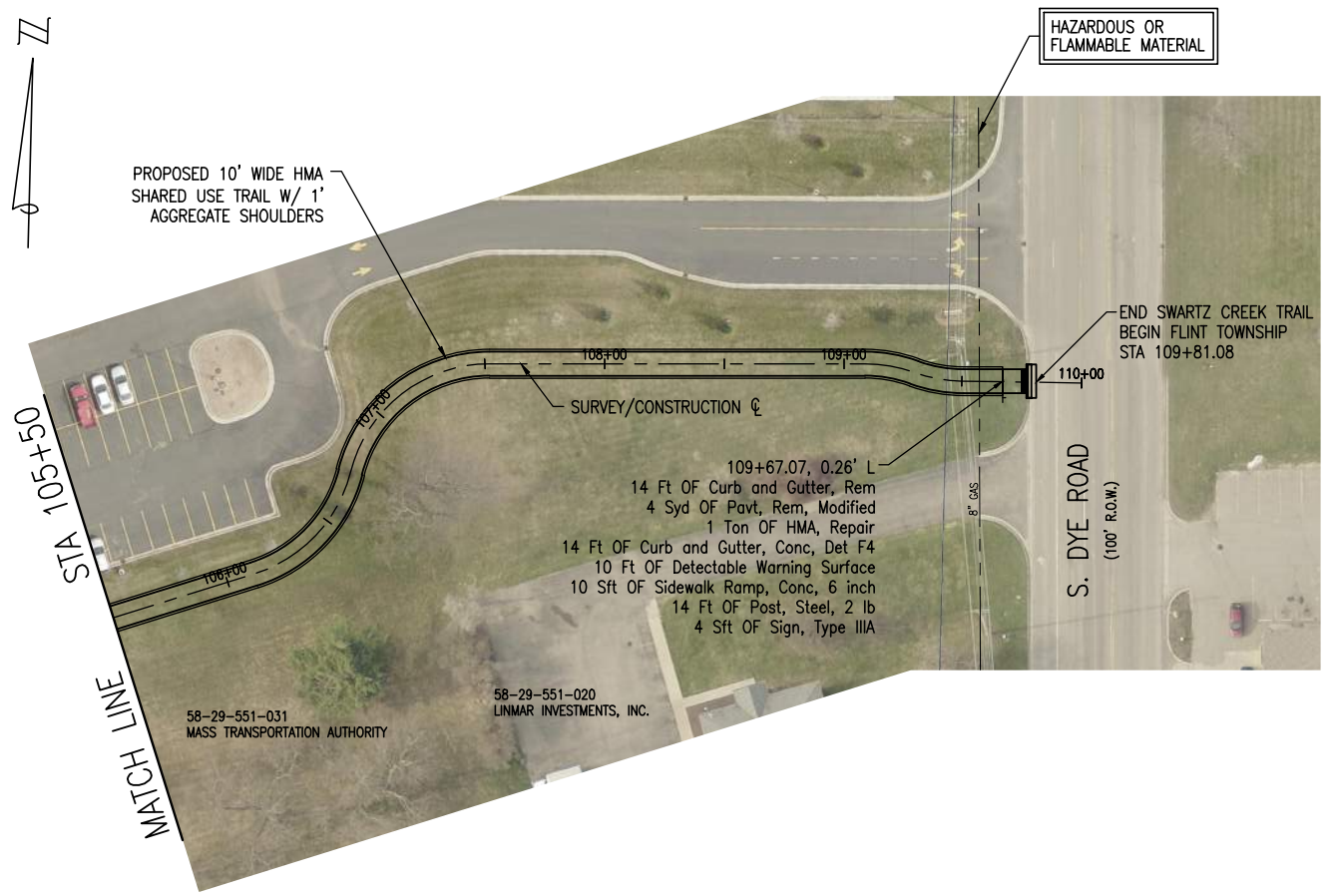
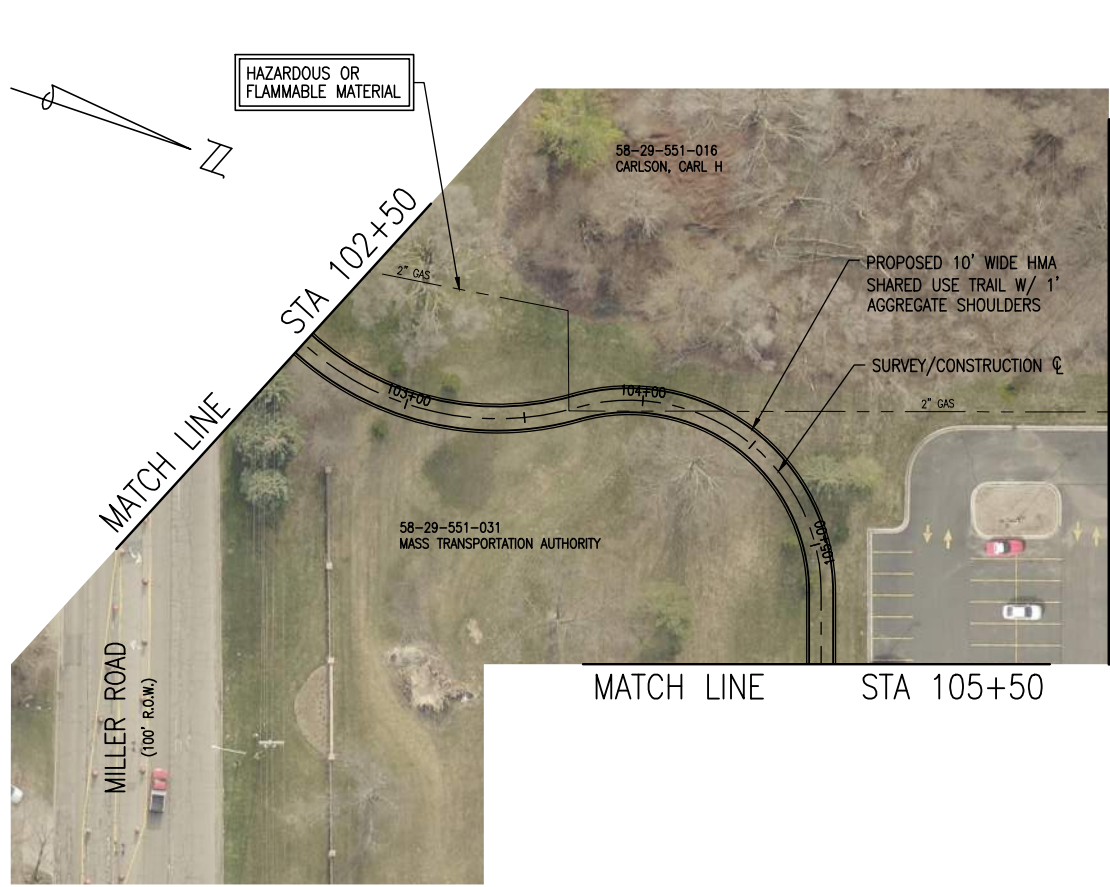


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GRAPHIC SCALE: 1 inch = 40 feet
 0 20 40 80 120



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QUANTITIES THIS SHEET

TOTAL	UNIT	DESCRIPTION
3	Ea	Tree, Rem, 6 inch to 18 inch
14	Ft	Curb and Gutter, Rem
4	Syd	Pavt, Rem, Modified
797	Syd	Aggregate Base, 8 inch, Modified
160	Syd	Shoulder, CI II, 4 inch, Modified
1	Ton	HMA, Repair
14	Ft	Curb and Gutter, Conc, Det F4
10	Ft	Detectable Warning Surface
100	Sft	Sidewalk Ramp, Conc, 6 inch
145	Ton	Shared use Path, HMA
717	Ft	Shared use Path, Grading, Modified
14	Ft	Post, Steel, 2 lb
4	Sft	Sign, Type IIIA
956	Syd	Turf Establishment, Performance

REVISIONS:

NO.	DATE	DESCRIPTION

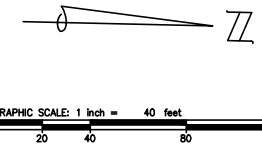
CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
 CONSTRUCTION SHEET

DATE: 4/23/2019
 PROJ NUMBER: 4023160010
 ENG: SLW
 PROJ MGR: SLW
 CADD: KCB
 COUNTY: GENESEE
 CITY: SWARTZ CREEK - FLINT TOWNSHIP
 SCALE: 1"=40'
 V: 1"=40'
 HORIZ DATUM: NAD 83
 VERT DATUM: NAVD 29



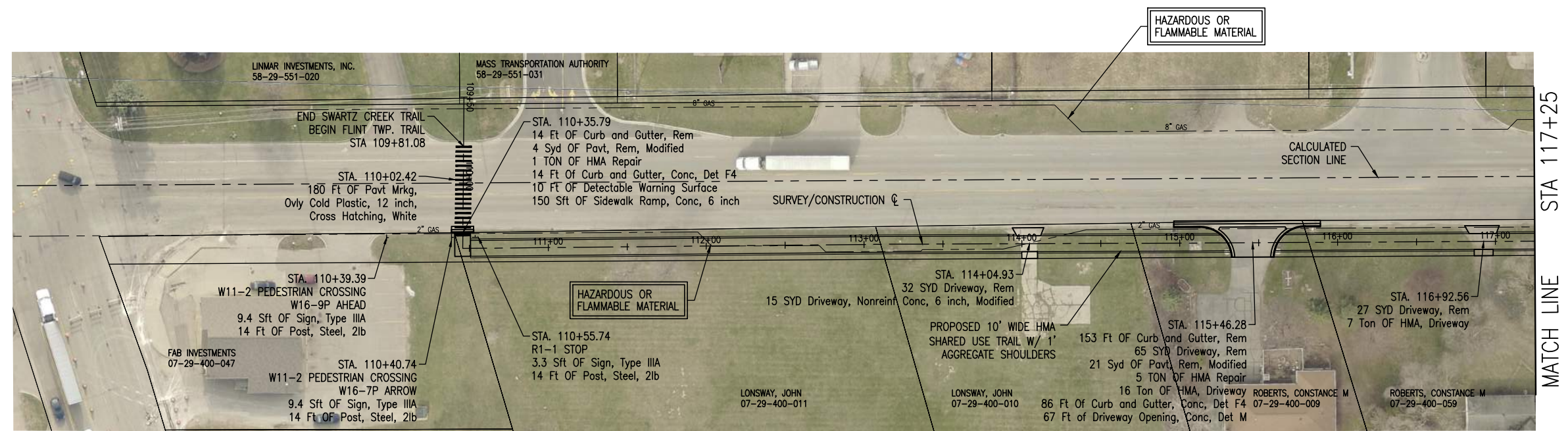
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SOUTH DYE ROAD (100' R.O.W.)



MILLER ROAD

MATCH LINE STA 117+25

QUANTITIES THIS SHEET		
TOTAL	UNIT	DESCRIPTION
167	Ft	Curb and Gutter, Rem
123	Syd	Driveway, Rem
24	Syd	Pavt, Rem, Modified
704	Syd	Aggregate Base, 8 inch, Modified
138	Syd	Shoulder, CI II, 4 inch, Modified
23	Ton	HMA, Driveway
6	Ton	HMA, Repair
15	Syd	Driveway, Nonreinf Conc, 6 inch, Modified
100	Ft	Curb and Gutter, Conc, Det F4
67	Ft	Driveway Opening, Conc, Det M
10	Ft	Detectable Warning Surface
150	Sft	Sidewalk Ramp, Conc, 6 inch
128	Ton	Shared use Path, HMA
634	Ft	Shared use Path, Grading, Modified
42	Ft	Post, Steel, 2 lb
23	Sft	Sign, Type IIIA
180	Ft	Pavt Mrkg, Ovlv Cold Plastic, 12 inch, Cross Hatching, White
846	Syd	Turf Establishment, Performance

REVISIONS:

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
 CONSTRUCTION SHEET

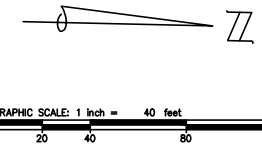
DATE: 4/23/2019
 PROJ NUMBER: 4023160010
 ENG: SLW
 PROJ MGR: SLW
 CAD: KCB
 COUNTY: GENESEE
 CITY: SWARTZ CREEK - FLINT TOWNSHIP
 SCALE: H: 1"=40', V: 1"=4'
 HORIZ DATUM: NAD 83
 VERT DATUM: NAVD 29



Know what's below.
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 March 25, 2019

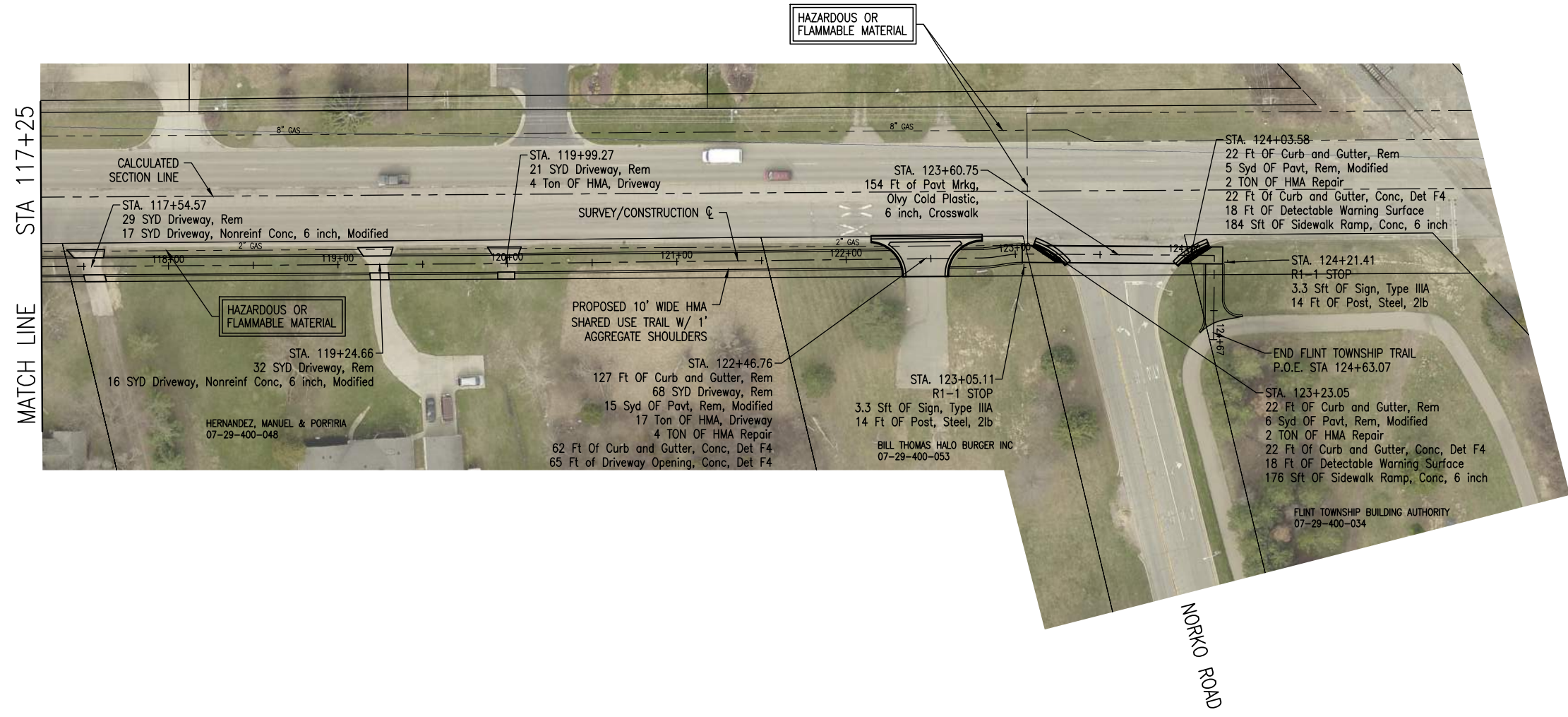
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SOUTH DYE ROAD (100' R.O.W.)



QUANTITIES THIS SHEET		
TOTAL	UNIT	DESCRIPTION
171	Ft	Curb and Gutter, Rem
150	Syd	Driveway, Rem
26	Syd	Pavt, Rem, Modified
618	Syd	Aggregate Base, 8 inch, Modified
123	Syd	Shoulder, CI II, 4 inch, Modified
21	Ton	HMA, Driveway
8	Ton	HMA, Repair
33	Syd	Driveway, Nonreinf Conc, 6 inch, Modified
106	Ft	Curb and Gutter, Conc, Det F4
65	Ft	Driveway Opening, Conc, Det M
36	Ft	Detectable Warning Surface
360	Sft	Sidewalk Ramp, Conc, 6 inch
113	Ton	Shared use Path, HMA
589	Ft	Shared use Path, Grading, Modified
28	Ft	Post, Steel, 2 lb
7	Sft	Sign, Type IIIA
154	Ft	Pavt Mrkg, Olyv Cold Plastic, 6 inch, Crosswalk
786	Syd	Turf Establishment, Performance

REVISIONS:

CITY OF SWARTZ CREEK - FLINT TOWNSHIP
 FROM ELMS PARK THROUGH EASEMENTS AND WITHIN ROAD R.O.W. TO NORKO DRIVE
 CONSTRUCTION SHEET

DATE: 4/23/2016
 PROJ NUMBER: 4023160/010
 ENG: SLW
 PROJ MGR: SLW
 COUNTY: GENESEE
 CITY: SWARTZ CREEK - FLINT TOWNSHIP
 SCALE: H: 1"=40', V: 1"=4'
 HORIZ DATUM: NAD 83
 VERT DATUM: NAVD 83



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GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

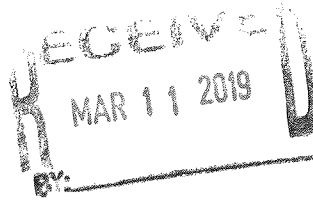
- DIVISION OF -

WATER & WASTE SERVICES

G-4610 BEECHER ROAD - FLINT, MICHIGAN 48532-2617

PHONE (810) 732-7870 - FAX (810) 732-9773

JEFFREY WRIGHT
COMMISSIONER



March 6, 2019

Mr. Adam Zettel, City Manager
City of Swartz Creek
8083 Civic Drive
Swartz Creek, Michigan 48473

Re: Authorization to Reduce Phosphorous Level

Dear Mr. Zettel:

Since April of 2018, the Genesee County Drain Commissioner, Division of Water & Waste Services has requested authorization from the MDEQ to reduce the phosphorous level at the Water Treatment Plant. We have subsequently received a letter from the MDEQ to allow this reduction. As a valued wholesale customer, you will also receive a copy of this same letter from the regulatory agency.

Beginning in March 2019, we began reducing the phosphorous level in our system. We will drop from 2.5 ppm to 0.8 ppm over a period of the next nine (9) months. On the first Monday of each month, and each subsequent month, the level will be reduced at the Water Treatment Plant through the month of October 2019. As part of this, additional sampling will be required two weeks after each reduction at two (2) separate locations within your system.

GCDC-WWS offers to collect the samples for you if you provide the addresses, or we will pay the cost for the sampling if your system will collect the samples and analysis of these samples within your distribution system. This table below provides a schedule with the dates for reducing the phosphorous and the week required to collect and analyze the additional samples.

	March	April	May	June	July	Aug.	Sept.	Oct.
Reduction Date	5th	1st	6th	3rd	1st	5th	2nd	7th
Sampling Week	18th	15th	20th	17th	15th	19th	16th	21st
Phosphorous level (ppm)	2.2	1.9	1.6	1.35	1.1	1.0	0.85	0.8

Page 2
March 6, 2019

Let us know if you desire us to collect the additional samples. The DEQ has sent you the letter for reducing the phosphorus.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin VanSickle', written over a horizontal line.

Kevin VanSickle, Water Plant Superintendent
Genesee County Water & Waste Services
(810) 793-5123

KV/JMW

Enclosure

cc: John F. O'Brien, PE, BCEE, Director
Brian Ross, Sr. Assistant Director

COMMERCIAL REDEVELOPMENT ACT

Public Act 255 of 1978 encourages the replacement, restoration and new construction of commercial property by abating the property taxes generated from new investment for a period up to 12 years. As defined, commercial property means land improvements whether completed or in the process of construction, the primary purpose and use of which is the operation of a commercial business enterprise, including office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities. Mixed-use developments maybe eligible, but the abatement will only apply to the commercial portion of the property. Land and personal property are not eligible for abatement under this act.

WHO IS ELIGIBLE?

“Local governmental unit” means a city or village.

WHAT IS A REPLACEMENT, NEW AND RESTORED FACILITY?

“Replacement facility” means commercial property to be acquired, constructed, altered, or installed for the purpose of being substituted for obsolete commercial property. Property impaired due to changes in design, construction, technology, or improved production processes, or damage due to fire, natural disaster, or general neglect shall be considered obsolete. All other new commercial property is considered a “new facility.” For purposes of granting the tax abatement, the replacement or new facility must meet all of the following conditions:

1. Is located on property that is zoned to allow for mixed-use, including high-density residential.
2. Is located in a qualified downtown revitalization district as defined in section two of the *Neighborhood Enterprise Zone Act (PA 147 of 1992)*. This requires either being located in a *Downtown Development Authority (PA 197 of 1975)*, a *Principal Shopping District or Business Improvement District (PA 120 of 1961)* or an area that is zoned and primarily used for business as determined by the local government unit.
3. The city or village establishes and implements an expedited local permitting and inspection process in the Commercial Redevelopment District. In addition, by resolution provides for the walkable non-motorized interconnections, including sidewalks and streetscapes throughout the Commercial Redevelopment District.

A “restored facility” means changes to obsolete commercial property as may be required to restore the property to an economically efficient condition. Restoration must result in improvements aggregating to more than 10 percent of the true cash value of the property at commencement of the restoration. Restoration includes major renovation including, but not limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to one or two stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes.

WHAT IS THE PROCESS?

Before the Commercial Redevelopment Exemption Certificate (i.e., property tax abatement) can be granted for the Facility, the city or village, by resolution of its legislative body, must establish a Commercial Redevelopment District. The establishment of the district may be initiated by the local government unit or by owners of property comprising 75 percent of state equalized value of the property in the proposed district. At the time of the resolution's adoption, property within the district must meet one of the following:

1. Obsolete commercial property or cleared or vacant land and part of an existing developed commercial or industrial zone. The property must have been zoned commercial or industrial before June 21, 1975, and characterized by obsolete commercial property and a decline in commercial activity.
2. Land cleared as a result of fire damage, or cleared as blighted area under *Blighted Area Rehabilitation Act (PA 344 of 1945)*.
3. Cleared or vacant land included in a redevelopment plan adopted by the Downtown Development Authority (PA 197 of 1975) or Principal Shopping District or a Business Improvement District (PA 120 of 1961).

To establish the Commercial Redevelopment District, the city or village must first hold a hearing to establish a Commercial Rehabilitation District and determine in the resolution the district meets the requirements of the act. Once the district is established, the property owners may file an application

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with the local clerk for a Commercial Facilities Exemption Certificate. Applications are available from the Michigan Department of Treasury. Before acting on the application, the city or village shall hold a public hearing on the application and not more than 60 days after receipt of the application either approved or disapproved by resolution. The local clerk shall provide written notification of the application hearing to the assessor of the local unit of government and each taxing jurisdiction that levies ad valorem property taxes. If approved, the application and resolution must be sent to the State Tax Commission for filing purposes.

COMMERCIAL FACILITIES EXEMPTION CERTIFICATE

The property owner must pay a Commercial Facilities Tax rather than the normal property tax. The certificate must be issued for a period of at least one year, but cannot exceed 12 years. Certificates initially issued for less than 12 years may be extended based upon factors placed in writing at the time the certificate is approved, but shall not exceed 12 years.

DETERMINING COMMERCIAL FACILITIES TAX RATE

For a restored facility: The Commercial Facilities Tax freezes the taxable value of the building at its value prior to restoration, therefore exempting the new investment from local taxes for a period not to exceed 12 years. The school operating tax and the State Education Tax (SET) are also frozen. Land and personal property cannot be abated under this act.

For a new or replacement facility: The Commercial Facilities Tax provides a 50 percent reduction in the number of mills levied as ad valorem taxes, excluding only the State Education Tax (SET). Land and personal property cannot be abated under this act.

Within 60 days after the granting of a new Commercial Facilities Exemption Certificate, the state treasurer may exempt 50 percent of the SET mills for a period not to exceed six years. The state treasurer will not grant more than 25 of these SET exclusions each year.

DISCUSSION

In addition to the Commercial Redevelopment Act (PA 255 of 1978), several other property tax abatements are available for the rehabilitation of commercial property in Michigan, including the Commercial Rehabilitation Act (PA 210 of 2005) and the *Obsolete Property Rehabilitation Act (PA 146 of 2000)*. Each act has unique eligibility requirements, processes, and lengths and terms of the abatement. Please refer to the Michigan Economic Development Corporation (MEDC) fact sheet for more information on each program and consult the authorizing statute to determine the best fit for your project needs.

CONTACT INFORMATION

For more information on the Commercial Rehabilitation Act, please contact the *CAteam specialist* assigned to your territory. For more general information, contact the MEDC customer contact center at 517.373.9808.

SUPPORTING STATUTES

PA 255 of 1978: Commercial Redevelopment Act

Frequently Asked Questions
Commercial Redevelopment Act
(PA 255 of 1978, as amended)

The following frequently asked questions are being provided as a service to assessors and taxpayers to better inform them about the administration of Public Act 255 of 1978, as amended.

Note: The information contained in these frequently asked questions constitutes an analysis of one or more statutes and not legal advice. Since the analysis is limited to general statutory requirements, individual facts may result in different conclusions being reached. Therefore, individuals may wish to consult legal counsel.

1. What is a Commercial Facilities Exemption?

The Commercial Redevelopment Act (known as the Commercial Facilities Exemption), PA 255 of 1978, as amended, provides a tax incentive to commercial business enterprises to enable renovation and expansion of aging facilities and assist in the building of new facilities. A Commercial Redevelopment District (CRD) must be created prior to initiating a project so it is essential that you consult your local assessor before commencing a project. A Commercial Facilities Exemption Certificate entitles the facility to exemption from ad valorem real property taxes for a term of 1-12 years as determined by the local governmental unit. Applications are filed, reviewed, and approved by the local governmental unit. The State Tax Commission (STC) receives a copy of the certificate after issuance by the local governmental unit.

2. Who establishes a Commercial Redevelopment District?

The legislative body of a qualified local governmental unit may establish a Commercial Redevelopment District on its own initiative or upon written request filed by the owner or owners of 75% of the state equalized value of the commercial property located within a proposed district.

3. Who can file an application for a Commercial Facilities Exemption Certificate (CFEC) and with whom is it filed?

The owner or lessee of a commercial facility may file an application for a CFEC with the Clerk of the qualified local governmental unit that established the Commercial Redevelopment District.

4. How do I apply for a Commercial Facilities Exemption Certificate?

Applications can be found on the Michigan Department of Treasury website: www.michigan.gov/propertytaxexemptions. Completed applications are filed with the Clerk of the local governmental unit and must be accompanied by the following documentation:

- a. A legal description of the property referred to in the application.

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- b. A statement describing the facility and its proposed project that must include all of the following items:
 - 1. General description of the facility (including year built, original use, most recent use, number of stories and square footage);
 - 2. General description of the proposed use of the facility;
 - 3. A description of the general nature and extent of the restoration, replacement or construction to be undertaken;
 - 4. A descriptive list of the fixed building equipment that will be a part of the facility, if applicable; and
 - 5. A time schedule for undertaking and completing the restoration, replacement or construction of the facility.
- c. A statement of the economic advantages expected from the exemption, including the number of jobs retained or created due to the exemption, including expected construction employment.

5. Are there provisions in the application process that are time sensitive?

Yes. Work may not begin before the establishment of the district. After work has begun in an established district, the application must be filed with the clerk of the local governmental unit within 45 days. Also, in order to qualify for a State Education Tax (SET) exemption from the State Treasurer, applications and certificates must be completed and received by the State of Michigan no later than October 31st. An application received after October 31st will not be processed until the following tax year.

6. Who determines if a facility qualifies for a Commercial Facilities Exemption Certificate (CFEC)?

The determination of qualification for a CFEC is made by the local governmental unit (LGU) when the application is filed with the clerk. The LGU must determine whether or not an applicant meets the definitions of the Act.

7. Can an application for a Commercial Facilities Exemption Certificate be denied?

Yes. An application can be denied at the local unit level if all of the requirements are not met by the applicant.

8. What is the term of a Commercial Facilities Exemption Certificate (CFEC)?

The CFEC may be issued for a period of at least one (1) year, but not more than twelve (12) years. The total amount of time determined for the certificate, including any extensions, shall not exceed twelve (12) years after the completion of the facility. The certificate shall commence with its effective date and end on the December 30th immediately following the last day of the number of years approved.

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9. What determines the starting date of a Commercial Facilities Exemption Certificate (CFEC)?

The effective date of the CFEC is December 31st immediately following the date of issuance of the certificate by the local governmental unit.

10. How is the tax computed on a Commercial Facilities Exemption Certificate?

Restored Facility: Multiply the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is situated by the taxable value of the real property (excluding land) of the obsolete commercial property for the tax year immediately preceding the effective date of the commercial facilities exemption.

New or Replacement Facility: Multiply 50% of the mills levied as ad valorem taxes for that year by all taxing units other than State Education Tax and multiply 100% of the mills levied as ad valorem taxes for that year for SET by the taxable value of the real property (excluding land) for the current tax year.

11. Are special assessment millage rates impacted by the granting of a Commercial Facilities exemption?

Special assessment millage rates may be impacted. Millage-based special assessments levied under Public Act 33 of 1951 do not apply to property with a Commercial Facilities exemption. However, the special assessments would still be applicable to the land on which the Commercial Facilities exemption property is located. Conversely, for millage-based special assessments levied under public acts other than Public Act 33 of 1951, property with a Commercial Facilities exemption pays on the full special assessment millage rate, the same as any “ad valorem” property.

12. What happens when an incomplete application for a Commercial Facilities Exemption Certificate is received?

The applicant will be contacted to submit the required items.

13. What requirements must be met to gain approval for a Commercial Facilities Exemption Certificate at the local governmental unit level?

The owner or lessee of the property must file an application with the local governmental unit (LGU). The application shall contain or be accompanied by a general description of the facility, a general description of the proposed use of the facility, a detailed description of the nature and extent of the restoration, replacement or construction to be undertaken, a descriptive list of the fixed building equipment that will be a part of the facility, a time schedule for undertaking and completing the restoration, replacement or construction of

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the facility, a statement of the economic advantages expected from the exemption, including the number of jobs to be retained or created as a result of the exemption, including expected construction employment; and additional information as may be required by the LGU. Since individual LGUs may have specific application procedures and requirements, it is recommended that prospective applicants consult with the LGU early in the project planning process.

14. Can a Commercial Facilities Exemption Certificate (CFEC) be transferred?

Yes. A CFEC may be transferred and assigned by the holder of the certificate to a new owner or lessee of the facility if the qualified local governmental unit approves the transfer after application by the new owner(s).

15. Can a Commercial Facilities Exemption Certificate (CFEC) be revoked? If yes, who holds the authority to do so?

Yes. The legislative body of the qualified local governmental unit (LGU) may, by resolution, revoke the CFEC of a facility if it finds that the completion of the restoration, replacement or construction of the facility has not occurred within two years of the effective date of the exemption or a greater time authorized by the LGU for good cause, or that the holder of the exemption certificate has not proceeded in good faith with the replacement, restoration or construction and operation of the facility in a manner consistent with the purpose of the exemption and in the absence of circumstances beyond the control of the holder of the exemption certificate.

16. When does the revocation of a Commercial Facilities Exemption Certificate take effect?

The revocation will take effect December 31st in the year in which the local governmental unit revokes the certificate by resolution.

17. What is the definition of “commercial property?”

MCL 207.653(3) defines “commercial property” as:

“land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to section 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, whether completed or in the process of construction, the primary purpose and use of which is the operation of a commercial business enterprise and shall include office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities but shall not include any of the following:

- a. Land.

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- b. Property of a public utility.
- c. Housing, except that portion of a building containing nonhousing commercial activity.
- d. Financial organizations.”

“Commercial property may be owned or leased. If, in the case of leased property, the lessee is liable for payment of ad valorem property taxes, and furnishes proof of that liability, the lessee is eligible for the exemption. If the lessor is liable for payment of ad valorem property taxes and furnishes proof of that liability, the lessor is eligible for the exemption.”

18. What is the definition of “new facility?”

MCL 207.654(2)(b) defines “new facility” as:

“Beginning July 1, 2008, new commercial property other than a replacement facility to be built in a redevelopment district that meets all of the following:

- (i) Is located on property that is zoned to allow for mixed use that includes high-density residential use.
- (ii) Is located in a qualified downtown revitalization district as defined in section 2 of the neighborhood enterprise zone act, 1992 PA 147, MCL 207.772.
- (iii) The local governmental unit in which the new facility is to be located does all of the following:
 - (A) Establishes and implements an expedited local permitting and inspection process in the commercial redevelopment district.
 - (B) By resolution provides for walkable non-motorized interconnections, including sidewalks and streetscapes throughout the commercial redevelopment district.”

19. What is the definition of “obsolete commercial property?”

MCL 207.654(3) defines “obsolete commercial property” as:

“commercial property the condition of which is impaired due to changes in design, construction, technology, or improved production processes, or damage due to fire, natural disaster, or general neglect.”

20. What is the definition of “replacement facility?”

MCL 207.654(5)(b) defines “replacement facility” as:

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“Beginning July 1, 2008, commercial property on the same or contiguous land within the district which land is or is to be acquired, constructed, altered, or installed for the purpose of being submitted for obsolete commercial property and any part of the old altered property that remains for use as commercial property after the replacement, that meets all of the following:

- (i) is located on property that is zoned to allow for mixed use that includes high-density residential use.
- (ii) is located in a qualified downtown revitalization district as defined in section 2 of the neighborhood enterprise zone act, 1992 PA 147, MCL 207.772.
- (iii) the local governmental unit in which the replacement facility is to be located does all of the following:
 - (A) establishes and implements an expedited local permitting and inspection process in the commercial redevelopment district.
 - (B) by resolution provides for walkable non-motorized interconnections, including sidewalks and streetscapes throughout the commercial redevelopment district.”

21. What is the definition of “restoration?”

MCL 207.654(6) defines “restoration” as:

“Changes to obsolete commercial property other than replacement as may be required to restore the property, together with all appurtenances thereto, to an economically efficient condition. Restoration includes major renovation including but not limited to the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore the commercial property to an economically efficient condition. Restoration does not include improvements aggregating less than 10% of the true cash value of the property at commencement of the restoration of the commercial property.”

22. What is the definition of “restored facility?”

MCL 207.654(7) defines “restored facility” as:

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“A facility that has undergone restoration.”

23. What is the State Treasurer’s State Education Tax (SET) exclusion?

Within sixty (60) days after the granting of a new Commercial Facilities Exemption Certificate, the State Treasurer may exempt 50% of the SET mills for a period not to exceed six (6) years. The State Treasurer will not grant more than 25 of these SET exclusions each year.

24. What is required of the Local Governmental Unit regarding the yearly status reporting of the Commercial Facilities Exemptions to the State Tax Commission?

Not later than October 15th of each year, each qualified local governmental unit granting a Commercial Facilities Exemption shall report to the State Tax Commission on the status of each exemption. The report must include the current value of the property to which the exemption pertains, the value on which the commercial facilities tax is based, and a current estimate of the number of jobs retained or created by the exemption.

25. Where can I obtain copies of previously issued Commercial Redevelopment Act Certificates?

Copies of certificates acted upon by the State Tax Commission after January 1, 2013, are available on the Department of Treasury website at: www.michigan.gov/propertytaxexemptions. Choose the exemption program under which the certificate was issued. Within the “Certificate Activity” link, the certificates are listed according to the date they were acted upon.

COMMERCIAL REHABILITATION ACT

Public Act 210 of 2005, as amended, encourages the rehabilitation of commercial property by abating the property taxes generated from new investment for a period up to 10 years. As defined, commercial property is a qualified facility that includes a building or group of contiguous buildings of commercial property that is 15 years or older, of which the primary purpose is the operation of a commercial business enterprise or multifamily residential use. A qualified facility may also include vacant property or other commercial property which, within the immediately preceding 15 years, was commercial property. Types of commercial business enterprises include office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Multi-family residential is housing that consists of five or more units. Commercial properties allocated new market tax credits are also considered a qualified facility.

Qualified retail food establishments are considered a qualified facility for purposes of granting the tax abatement. These establishments include a retail supermarket, grocery store, produce market, or delicatessen that offer unprocessed USDA-inspected meat and poultry products or meat products that carry the USDA organic seal, fresh fruits and vegetables, and dairy products for sale to the public. The qualified retail food establishment must be located in a “core community” as defined in the Obsolete Property Rehabilitation Act (PA 146 of 2000) or in an area designated as rural as defined by the United States Census Bureau and is located in an underserved area.

Commercial property does not include property that is to be used as a professional sports stadium or a casino. Land and personal property are not eligible for abatement under this act.

Note: This document is offered as a general guide only and the legislation should be reviewed by local officials.

WHO IS ELIGIBLE?

“Qualified local government units” mean any city, village or township.

WHAT IS REHABILITATION?

Rehabilitation is defined as changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. The new investment in the rehabbed property must result in improvements aggregating to more than 10 percent of

the true cash value of the property at commencement of the rehabilitation of the qualified facility. Rehabilitation includes the following: improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment including heating, ventilation, and lighting, reducing multistory facilities to one or two stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition.

Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit.

Rehabilitation for a qualified retail food establishment also includes new construction.

WHAT IS THE PROCESS?

Before the Commercial Rehabilitation Exemption Certificate (i.e., property tax abatement) can be granted to the commercial property owner, the city, village or township by resolution of its legislative body, must establish a Commercial Rehabilitation District. The establishment of the district may be initiated by the local government unit or by owners of property comprising 50 percent of all taxable value of the property in the proposed district. The district must be at least three acres in size unless it is located in a downtown or business area or contains a qualified retail food establishment.

The city, village or township must hold a hearing to establish a Commercial Rehabilitation District. Notification of the hearing must be given to the county board of commissioners and all real property owners in the proposed district.

After the hearing is held and the local unit of government determines the district meets the requirements of the act, a copy of the resolution adopting the district shall be provided to the county where the district is established. Within 28 days, the county may accept or reject the establishment of the district. In a county with a county executive, the executive can write a letter rejecting the establishment of the district. In all other counties, the county board of commissioners can pass a resolution rejecting the establishment of the district.

Once the district is established, the property owners may file an application with the local clerk for a commercial rehabilitation exemption certificate. Applications are available from the Michigan Department of Treasury. The local clerk shall provide written notification to the assessor of the local unit of government and each taxing jurisdiction that levies ad valorem property taxes of the application hearing. The city, village or township has 60 days after receipt of the application to either approve or disapprove the application. If denied, a reason must be given in the resolution. The assessor and applicant shall be sent a copy of the unapproved resolution by certified mail. If approved, the application and resolution must be sent to the State Tax Commission, which will certify or deny the application within 60 days. A resolution is not effective unless approved by the State Tax Commission.

COMMERCIAL REHABILITATION EXEMPTION CERTIFICATE

Upon approval by the State Tax Commission, a commercial rehabilitation certificate is issued. The property owner must pay a Commercial Rehabilitation Tax rather than the normal property tax. The certificate must be issued for a period of at least one year, but cannot exceed 10 years. Certificates initially issued for less than 10 years may be extended, but shall not exceed 10 years. The criteria for extensions must be included in the resolution approving the abatement.

The Commercial Rehabilitation Tax freezes the taxable value of the building and exempts the new investment from local taxes. The school operating tax and the State Education Tax (SET) are still levied on the new investment. Land and personal property cannot be abated under this act.

DISCUSSION

In addition to the Commercial Rehabilitation Act (PA 210 of 2005), several other property tax abatements are available for the rehabilitation of commercial property in Michigan, including the Commercial Redevelopment Act (PA 255 of 1978) and the Obsolete Property Rehabilitation Act (PA 146 of 2000). Each act has unique eligibility requirements, processes, and lengths and terms of the abatement. Please refer to the Michigan Economic Development Corporation (MEDC) fact sheet for more information on each program and consult the authorizing statute to determine the best fit for your project needs.

SUPPORTING STATUTE

[Public Act 210 of 2005: Commercial Rehabilitation Act](#)

CONTACT INFORMATION

For more information on the Commercial Rehabilitation Act, contact the [Community Assistance Team \(CAT\) specialist](#) assigned to your territory or visit www.miplace.org.

Frequently Asked Questions
Commercial Rehabilitation Act
(PA 210 of 2005, as amended)

The following frequently asked questions are being provided as a service to assessors and taxpayers to better inform them about the administration of Public Act 210 of 2005, MCL 207.841 *et seq.*, as amended.

Note: The information contained in these frequently asked questions constitutes an analysis of one or more statutes and not legal advice. Since the analysis is limited to general statutory requirements, individual facts may result in different conclusions being reached. Therefore, individuals may wish to consult legal counsel.

1. What is a Commercial Rehabilitation Exemption?

The Commercial Rehabilitation Act, PA 210 of 2005, MCL 207.841 *et seq.*, as amended, provides a property tax exemption for multifamily residential, commercial business enterprises, or qualified retail food establishments that are rehabilitated and meet the requirements of the Act. Types of commercial business enterprises may include, but are not limited to: office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Multifamily residential is defined as housing that consists of five or more units. Qualified retail food establishments are primarily retail supermarkets, grocery stores, produce markets or delicatessens that offer fresh USDA inspected meat and poultry, fresh fruits and vegetables, and dairy products for sale.

Exemptions are approved for a term of 1-10 years as determined by the local unit of government. The property taxes are based on the previous year's, which is the year prior to the rehabilitation, taxable value. The taxable value is frozen for the duration of the exemption. Completed applications are sent to the local governmental unit for review and approval. Qualified retail food establishment applicants must also submit an additional application. If the local governmental unit approves an application, it is forwarded to the State Tax Commission (STC) for further review and approval.

Commercial Rehabilitation Tax Exemption Certificate applications are available from the Michigan Department of Treasury at: www.michigan.gov/propertytaxexemptions.

2. Who establishes a Commercial Rehabilitation District?

The legislative body of a “qualified local governmental unit” may establish a commercial rehabilitation district on its own initiative or upon a written request filed by the owner or owners of property comprising at least 50% of all taxable value of the property located within a proposed commercial rehabilitation district. See question 26 for an explanation of what constitutes a “qualified local governmental unit.”

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3. What are the requirements for the formation of a Commercial Rehabilitation District?

A Commercial Rehabilitation District may consist of one or more parcels or tracts of land or a portion of a parcel or tract of land, provided that the parcel or tract of land or portion of a parcel or tract of land within the district is a “qualified facility,” as defined by MCL 207.842(h) (see question 27).

A “Commercial Rehabilitation District” or “district” is further defined by MCL 207.842(b) as: “an area not less than 3 acres in size of a qualified local governmental unit However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment, as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size.”

Before adopting a resolution establishing a commercial rehabilitation district, the qualified local governmental unit must give written notice by certified mail to the county in which the proposed district is to be located and the owners of all real property within the proposed commercial rehabilitation district and shall afford an opportunity for a hearing on the establishment of the commercial rehabilitation district. The qualified local governmental unit must give public notice of the hearing not less than 10 days or more than 30 days before the date of the hearing.”

Following the public hearing, the legislative body of the qualified local governmental unit may establish a Commercial Rehabilitation District by resolution. The resolution must set forth a finding determination that the district meets the requirements of the Act. A sample resolution can be found at: www.michigan.gov/propertytaxexemptions.

4. Can a request to establish a Commercial Rehabilitation District be denied?

Yes. The qualified local governmental unit must “give written notice by certified mail to the county in which the proposed district is to be located and the owners of all real property within the proposed commercial rehabilitation district and shall afford an opportunity for a hearing on the establishment of the commercial rehabilitation district at which any of those owners and any other resident or taxpayer of the qualified local governmental unit may appear and be heard.” MCL 207.843(3). The local governmental unit may deny the establishment of the district by resolution.

Once the county receives a copy of the resolution establishing a Commercial Rehabilitation District, they have 28 days to reject the establishment of the district by written notification to the qualified local governmental unit by the elected county executive. If the county does not have an elected county executive, the county can reject the establishment of the district by resolution of the county board of commissioners. MCL 207.843(5).

Frequently Asked Questions
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(PA 210 of 2005, as amended)

5. How do I apply for a Commercial Rehabilitation Exemption Certificate?

Applications for Commercial Rehabilitation Exemption Certificates are filed with the local governmental unit by the owner of the property.

File two (2) copies of the completed application and all attachments with the clerk of the local governmental unit where the property is located. The property must meet the following requirements:

- a. The property must be located in a “qualified local governmental unit” as defined by MCL 207.842(i).
- b. The property must be located in a “commercial rehabilitation district” as defined by MCL 207.842(b).
- c. The property must meet the definition of “commercial property” as defined by MCL 207.842(a).
- d. The proposed project must meet the definition of “rehabilitation” in MCL 207.842(k).

6. What documents must accompany an application for a Commercial Rehabilitation Exemption Certificate?

- a. A general description of the facility (including year built, original use, most recent use, number of stories, square footage);
- b. A general description of the rehabilitated facility’s proposed use;
- c. A detailed description of the general nature and extent of the rehabilitation to be undertaken;
- d. A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility;
- e. A time schedule for undertaking and completing the facility’s rehabilitation;
- f. A statement of economic advantages expected from the exemption;
- g. A legal description of the property outlined in the application;
- h. A building permit, if construction has started on the project.

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- i. A contractor's bid or itemized list of costs matching the investment amount reported on the box titled *Estimated Cost of Rehabilitation* on the first page of the application.
- j. A copy of the resolution approved by the local unit establishing the eligible district;
- k. The local unit resolution, containing all the required statements, approving the application for the exemption; and
- l. If applicable, a completed Form 4753, Commercial Rehabilitation Exemption Certification for Qualified Retail Food Establishments.

7. What does the local governmental unit need to do upon receipt of a Commercial Rehabilitation Exemption Certificate Application?

Upon receipt of an application for a Commercial Rehabilitation Exemption Certificate, the clerk of the qualified local governmental unit shall notify, in writing, the assessor and the legislative body of each taxing unit that levies ad valorem property taxes in the qualified local governmental unit in which the qualified facility is located.

Before acting on the application, the qualified local governmental unit must hold a hearing on the application and give notice to the applicant, assessor, a representative of the affected taxing units, and the general public. The hearing must be held separately from the hearing on the establishment of the Commercial Rehabilitation District.

Not more than 60 days after receiving an application, the qualified local governmental unit must approve or disapprove the application by resolution. Certain resolution statements are required. A sample resolution with all required statements, can be found at: www.michigan.gov/propertytaxexemptions.

8. What requirements for a Commercial Rehabilitation Exemption Certificate must be met to gain approval at the local governmental unit level?

An applicant seeking a Commercial Rehabilitation Exemption Certificate must meet the following qualifications:

- a. The commencement of the rehabilitation of the qualified facility does not occur earlier than six months before the applicant files the application for the Commercial Rehabilitation Exemption Certificate.
- b. The application relates to a rehabilitation program that when completed constitutes a qualified facility within the meaning of the act and that shall be situated within a Commercial Rehabilitation District established in a qualified local governmental unit eligible under the act.

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- c. Completion of the qualified facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the qualified facility is situated.
- d. The applicant states, in writing, that the rehabilitation of the qualified facility would not be undertaken without the applicant's receipt of the exemption certificate.
- e. The applicant is not delinquent in the payment of any taxes related to the qualified facility.

9. What happens if the qualified local governmental unit approves the application?

If the qualified local governmental unit approves the application, the clerk must forward a copy of the application and resolution to the STC.

10. What happens if the qualified local governmental unit disapproves the application?

If the local governmental unit disapproves the application, the reason for disapproval must be set forth in writing in the resolution, and the clerk must send a copy of the resolution to the applicant and assessor by certified mail.

11. Are there provisions in the application process that are time sensitive?

Yes. MCL 207.848 requires that the commencement of the rehabilitation of the qualified facility does not occur earlier than six months before the applicant files the application for the Commercial Rehabilitation Exemption Certificate.

In addition, State Tax Commission Rule 209.111(2) states that “[a]ll complete applications for commercial rehabilitation exemption certificates received through October 31 shall receive consideration and action by the commission before December 31. An application received on or after November 1 shall be considered by the commission contingent upon staff availability.”

12. What does the STC do when it receives an application and resolution from the clerk of the qualified local governmental unit?

The STC reviews the application for completeness and compliance with the statute. If the application is incomplete, staff sends a letter requesting the missing information. Once the application is complete, the STC is required to either approve or disapprove the application within 60 days. If the application is approved, the STC issues a Commercial Rehabilitation Exemption Certificate, and it is effective December 31st immediately following the date of issuance by the STC.

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(PA 210 of 2005, as amended)

13. Who determines if a facility qualifies for a Commercial Rehabilitation Exemption Certificate?

Initially, that determination is made when the application is filed and reviewed by the local governmental unit. However, the local governmental unit's determination is then reviewed by the STC. The STC can approve, modify, or deny the application.

14. Can a decision of the STC regarding a Commercial Rehabilitation Exemption Certificate be appealed?

Yes. A party aggrieved by the issuance, refusal to issue, revocation, transfer or modification of a Commercial Rehabilitation exemption certificate may appeal a final decision of the STC by filing a petition with the Michigan Tax Tribunal, www.michigan.gov/taxtrib, within 35 days. MCL 205.735a(6).

15. What is the term of a Commercial Rehabilitation Exemption Certificate?

A certificate may be issued for a period to be determined by the legislative body of the local governmental unit of at least 1 (one) year but not to exceed 10 (ten) years. If the number of years determined is less than 10 (ten), the certificate may be subject to review by the legislative body of the qualified local governmental unit and the certificate may be extended. The total amount of time determined for the certificate, including any extensions, shall not exceed 10 (ten) years after the completion of the qualified facility.

16. What determines the starting date of a Commercial Rehabilitation Exemption Certificate?

The effective date of the certificate is December 31st immediately following the date of issuance of the certificate by the STC.

17. How is the Commercial Rehabilitation Tax computed for a rehabilitated facility?

A specific tax, known as the commercial rehabilitation tax, is levied upon every owner of a rehabilitated facility to which a Commercial Rehabilitation Exemption Certificate is issued. MCL 207.850.

Calculating the commercial rehabilitation tax is a two-step process.

First, multiply the total mills levied as ad valorem taxes for that year by all taxing units by the taxable value of the real property (excluding land) for the tax year immediately preceding the effective date of the commercial rehabilitation exemption.

Second, multiply the local school district operating and state education tax mills by the difference between the taxable value of the real property (excluding land) for the current

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tax year and the taxable value of the real property (excluding land) for the year immediately preceding the effective date of the exemption.

For a qualified retail food establishment that was issued a certificate on or before December 31, 2009, the tax is the sum of the product computed by multiplying the total mills levied as ad valorem taxes for that year by all taxing units (including local school district operating and the state education tax) by the taxable value of the real property (excluding land) for the tax year immediately preceding the rehabilitation and the product computed by multiplying the local school district operating and state education tax mills by the difference between the taxable value of the real property (excluding land) for the current tax year and the taxable value of the real property (excluding land) for the tax year immediately preceding the rehabilitation.

18. Are special assessment millage rates impacted by the granting of a Commercial Rehabilitation Exemption Certificate?

Special assessment millage rates may be impacted. Millage-based special assessments levied under Public Act 33 of 1951 do not apply to property with a Commercial Rehabilitation Act exemption. However, the special assessments would still be applicable to the land on which the Commercial Rehabilitation Act exemption property is located. Conversely, for millage-based special assessments levied under public acts other than Public Act 33 of 1951, property with a Commercial Rehabilitation Act exemption pays on the full special assessment millage rate, the same as any “ad valorem” property.

19. For Qualified Retail Food Establishments, how do you determine if you are located in an “underserved area?”

Under the “Commercial Rehabilitation Act” link on the Property Tax Exemption Section website (www.michigan.gov/propertytaxexemptions) click on “Qualified Retail Food Establishments.” Then click on “Eligibility Requirements,” which describes how to find the census tract that you are located in. Last, click on “Census Tracts Regarding Underserved Areas” for a listing of qualifying census tracts.

20. Can a Commercial Rehabilitation Exemption Certificate be transferred or amended?

Yes. MCL 207.853 allows a certificate to be transferred and assigned by the holder to a new owner of the qualified facility. The new owner must first apply and be approved by the qualified local governmental unit before the transfer may occur. A certificate may also be amended if the number of years initially exempted was fewer than ten. The certificate may then be subject to review by the legislative body of the qualified local governmental unit and be extended.

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21. Can a Commercial Rehabilitation Exemption Certificate be revoked?

Yes. The legislative body of the qualified local governmental unit may, by resolution, revoke the Commercial Rehabilitation Exemption Certificate of a facility if it finds that the completion of rehabilitation of the qualified facility has not occurred within the time authorized by the legislative body in the exemption certificate or a duly authorized extension of that time or that the holder of the Commercial Rehabilitation Exemption Certificate has not proceeded in good faith with the operation of the qualified facility in a manner consistent with the purposes of the act and in the absence of circumstances that are beyond control of the holder of the exemption certificate. MCL 207.852(1).

In addition, the holder of a Commercial Rehabilitation Certificate may send, by certified mail, a request to revoke the certificate to the qualified local governmental unit. Upon receipt of the request, the legislative body of the local governmental unit may, by resolution, revoke the certificate. MCL 207.852(2).

22. When does the revocation of a Commercial Rehabilitation Exemption Certificate take effect?

The revocation of a Commercial Rehabilitation Exemption Certificate is effective the December 31st of the year in which the local governmental unit resolves to revoke the certificate.

23. Can a revoked Commercial Rehabilitation Exemption Certificate be reinstated?

Yes. Pursuant to MCL 207.853(3), a Commercial Rehabilitation Certificate can be revoked under two circumstances. If the holder of the revoked certificate is requesting reinstatement, they must submit a written request to the qualified local governmental unit and the STC. If a subsequent owner is requesting reinstatement of a revoked certificate, they must file an application with the qualified local governmental unit.

If the legislative body of the qualified local governmental unit submits a resolution of concurrence to the STC, and the facility continues to qualify under the Act, a revoked Commercial Rehabilitation Exemption Certificate may be reinstated by the STC.

24. What is the definition of “Commercial Property?”

MCL 207.842(a) defines “Commercial Property” as:

“. . . land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206; MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise or multifamily residential use. Commercial property shall also include facilities related to

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a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise. Commercial property **does not** include any of the following: land or property of a public utility” (emphasis added).

25. What is the definition of “multifamily residential use?”

“‘Multifamily residential use’ means multifamily housing consisting of 5 or more units.” MCL 207.842(g).

26. What is the definition of a “qualified local governmental unit?”

“‘Qualified local governmental unit’ means a city, village, or township.” MCL 207.842(i).

27. What is the definition of a “Qualified Facility?”

A “Qualified Facility” is defined by MCL 207.842(h) as:

“A qualified retail food establishment or a building or group of contiguous buildings of commercial property that is 15 years old or older or has been allocated for a new market tax credit under section 45d of the internal revenue code, 26 USE 45d. Qualified facility also includes a building or a group of contiguous buildings, a portion of a building or group of contiguous buildings previously used for commercial or industrial purposes, obsolete industrial property, and vacant property which within the immediately preceding 15 years, was commercial property as defined in subdivision (a). Qualified facility shall also include vacant property located within a city with a population of more than 500,000 according to the most recent federal decennial census and from which a previous structure has been demolished and on which commercial property is or will be newly constructed provided an application for a certificate has been filed with that city before July 1, 2010. A qualified facility also includes a hotel or motel that has additional meeting or convention space that is attached to a convention and trade center that is over 250,000 square feet in size and that is located within a county with a population of more than 1,100,000 and less than 1,600,000 as of the most recent decennial census. A qualified facility **does not** include property that is to be used as a casino or a professional sports stadium. As used in this subdivision, “casino” means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the

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Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226” (emphasis added).

28. How is “rehabilitation” defined as it pertains to the Commercial Rehabilitation Act?

“Rehabilitation” is defined by MCL 207.842(k) as:

“. . . [C]hanges to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition. Rehabilitation for a qualified retail food establishment also includes new construction. Rehabilitation also includes new construction of a qualified facility that is a hotel or motel that has additional meeting or convention space that is attached to a convention or trade center that is over 250,000 square feet in size, located within a county with a population of more than 1,100,000 and less than 1,600,000 as of the most recent decennial census, if that new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if that new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the qualified facility.”

29. What is required of the Local Governmental Unit regarding the yearly status reporting of Commercial Rehabilitation Exemptions to the STC?

No later than October 15th of each year, the assessor of each qualified local governmental unit containing properties subject to a Commercial Rehabilitation Exemption Certificate shall file Form 4769 *Assessing Officer Report for Commercial Rehabilitation Exemption* with the STC. The report must include the current value of the property to which the exemption pertains, the value on which the commercial rehabilitation tax is based, and a current estimate of the number of jobs retained or created by the exemption, and the number of new residents.

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30. Where can I obtain copies of previously issued Commercial Rehabilitation Exemption Certificates?

Copies of certificates acted upon by the STC after January 1, 2013 are available on the Department of Treasury website at:
www.michigan.gov/propertytaxexemptions.

Choose the exemption program under which the certificate was issued. Within the “Certificate Activity” link, the certificates are listed according to the date they were acted upon.

INDUSTRIAL PROPERTY TAX ABATEMENT (PA 198 of 1974, as amended)

Industrial property tax abatements provide incentives for eligible businesses to make new investments in Michigan. These abatements encourage Michigan manufacturers to build new plants, expand existing plants, renovate aging plants, or add new machinery and equipment. High technology operations are also eligible for the abatement.

High-technology activity is defined in the Michigan Economic Growth Authority (MEGA) Act as: advanced computing, advanced materials, biotechnology, electronic device technology, engineering or laboratory testing related to product research and development and advanced vehicles technology or technology that assists in the assessment or prevention of threats or damage to human health or the environment. Abatements under PA 198 can significantly reduce property taxes on new investment for eligible firms.

ESTABLISHING THE DISTRICT

Tax benefits are granted by the legislative body of the city, township or village in which the investment will be located. A public hearing is held and a resolution is adopted to approve the establishment of an Industrial Development District (for a new project) or a Plant Rehabilitation District (for a rehabilitation project). A written request to establish the district must be filed with the clerk of the local unit of government prior to commencement of construction, alteration or installation of equipment.

Once the district is established, the company may apply for an abatement on real and personal property taxes for up to 12 years.

APPLICATION PROCESS

Industrial property tax abatements must be approved at both the local and state levels. The eligible business files an application (Michigan Department of Treasury Form 1012) with the local clerk after the district has been established and no later than six months after commencement of the project. The local unit adopts a

resolution approving the application and determines the length of years for the abatement. After a local public hearing, the application is filed and reviewed by the State Tax Commission (STC) and the Michigan Economic Development CorporationSM (MEDC). The STC then grants final approval applications with required attachments must be received by the STC no later than October 31, in order to receive consideration and action by December 31.

Applications to the STC must include an agreement signed by the local unit and the operator of the facility outlining the conditions of the abatement. This shall include an affidavit that no payment of any kind in excess of the fee allowed under the act has been made or promised in exchange for favorable consideration of exemption application.

Once approved, the firm pays an Industrial Facilities Tax (IFT), instead of property tax, which reflects the abatement savings.

ELIGIBLE FACILITIES

Industrial plants eligible for tax abatement are those that primarily manufacture or process goods or materials by physical or chemical change. Related facilities of Michigan manufacturers such as offices, engineering, research and development, warehousing or parts distribution are also eligible for exemption.

Research and development laboratories, high-tech facilities and large communication centers can qualify throughout Michigan.

Facilities used for warehousing, distribution or logistics purposes can be eligible if they locate in specific border counties. At least 90 percent of the property, excluding the surrounding green space, must be used for a warehouse, distribution, logistics or communication center and occupy a building or structure that is more than 100,000 square feet. Eligible border counties include

Berrien, Branch, Cass, Chippewa, Dickinson, Gogebic, Hillsdale, Iron, Lenawee, Menominee, Monroe, St. Clair, St. Joseph, and Wayne.

The exemption applies to buildings, building improvements, machinery, equipment, furniture and fixtures. Real and personal property are eligible whether owned or leased (provided the lessee is liable for payment of taxes on the property).

The exemption covers only the specific project that is the subject of the application. Any buildings and equipment that existed prior to construction of a new facility are not exempt. If the project is rehabilitation, the value of any pre-existing obsolete property is exempt from ad valorem property taxes, but will be used as the base for IFT. Similarly, any structures or equipment added after completion of the project are fully taxable.

TAX IMPACT

Real and Non-industrial

Personal Property IFT Treatment

The IFT on a new plant and non-industrial personal property, such as some high-tech personal property, is computed at half the local property tax mileage rate. This amounts to a reduction in property taxes of approximately 50 percent. In addition, the 6-mill SET may be abated 100 percent, 50 percent or not at all. Any SET abatement must be negotiated with the MEDC.

Rehabilitation of Real or

Personal Property IFT Treatment

For an obsolete plant or machinery that is being replaced or restored, the IFT is frozen at the assessed value of the plant prior to improvement. This results in a 100 percent exemption from property tax on the value of the improvements.

Speculative Building IFT Treatment

In order for a speculative building to qualify for abatement, the local unit must approve a resolution declaring it is a speculative building prior to identifying occupants. Initial construction and finishing costs would be eligible for a reduction in property taxes of approximately 50 percent.

Commercial Personal Property Tax Relief

Commercial personal property will receive an automatic reduction of 12 mills for local school on their property tax bill.

Extension Under Personal Property Tax Reform

Personal property abated under PA 198 and eligible in the future for the Personal Property Tax (PPT) exemption will automatically continue to be abated under PA 198 until that property may be claimed as exempt from the PPT in the current tax year. Businesses with IFT until the property becomes eligible for the PPT exemption.

For more information, contact the MEDC customer contact center at 517.373.9808 or visit our website at www.michiganbusiness.org.

Frequently Asked Questions (FAQ)
Plant Rehabilitation and Industrial Development Act (Industrial Facilities Exemption)
(PA 198 of 1974, as amended)

The following frequently asked questions are being provided as a service to assessors and taxpayers to better inform them about the administration of Public Act 198 of 1974, MCL 207.551 et seq., as amended.

Note: The information contained in these frequently asked questions constitutes an analysis of one or more statutes and not legal advice. Since the analysis is limited to general statutory requirements, individual facts may result in different conclusions being reached. Therefore, individuals may wish to consult legal counsel.

1. What is an Industrial Facilities Exemption?

The Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities and to promote the establishment of high tech facilities. An Industrial Development District (IDD) or a Plant Rehabilitation District (PRD) must be created prior to initiating a project so it is essential that you consult with your local assessor before commencing a project. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the local unit of government. Applications are filed, reviewed and approved by the local unit of government, but are also subject to review at the State level by the Property Services Division and the Michigan Economic Development Corporation. The State Tax Commission (STC) is ultimately responsible for final approval and issuance of certificates. Exemptions are not effective until approved by the STC.

2. What is the difference between an Industrial Development District and a Plant Rehabilitation District?

The main difference is that an Industrial Development District (IDD) covers only new facility projects and a Plant Rehabilitation District (PRD) is designed primarily for rehabilitation projects and requires a finding that 50% or more of the industrial property within the district is obsolete. (See MCL 207.554(5).) The 50% obsolescence requirement is measured by dividing the State Equalized Value (SEV) of the obsolete property by the SEV of all the properties in the district and multiplying the result by 100.

3. Should a Plant Rehabilitation District (PRD) include only the project that is currently being rehabilitated?

Yes. A PRD should only include the project that is currently being rehabilitated and requires at least 50% of the properties within the district to be obsolete. This allows future applicants the ability to apply for additional replacement facilities.

In the case of a district which was created many years ago and encompassed many separate buildings, several separate Industrial Facilities Exemption Certificates could have been issued over the years. The result is that when the assessor calculates whether

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50% of the property in the district is obsolete, there may be so many new and rehabilitated properties that have returned to the ad valorem roll that the 50% obsolescence requirement cannot be met.

4. How do I identify the exact parameter of a project that will be placed within a Plant Rehabilitation District?

The following procedure has been utilized to assist in identifying the exact parameter of the project that is being replaced and the taxable value to be frozen:

- a. Designate a PRD with a legal description that specifically matches the description of the replacement portion or project to be rehabilitated in the application. The legal description of the district will encompass only the building or portion of the building or machinery and equipment that is being rehabilitated.

If the PRD includes more than the property currently being rehabilitated, an exemption certificate may be granted in the future to additional properties within the district even though the local unit objects to it.

- b. Request that the assessor provide the Taxable Value (TV) of all the real and/or personal property contained within the boundaries of the specifically described PRD. This figure becomes the frozen TV of the facility.

It has been the practice of the State Tax Commission (STC) to request that the SEV/TV of the entire PRD for a rehabilitation project be frozen. Many of the early applications involved projects in large established PRD districts where the SEVs of the entire PRD were later found to include additional buildings/personal property that were contained within the district and frozen but were not being rehabilitated at the time of the application. This was at times found to be detrimental to both the company and the local units. The detriment for companies was that there was no allowance on frozen assessments for the depreciation of buildings and equipment. In order to correct the frozen assessment, the company would have to request revocation of the certificate.

5. Can a request to establish an Industrial Development District or a Plant Rehabilitation District be denied?

Yes. A local governmental unit may approve or deny a request to establish a district.. Once a district is established, a local unit cannot stop an application within the established district from being submitted, acted upon and given the full right to the appeal process.

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6. Is there a procedure for dissolving an Industrial Development District or a Plant Rehabilitation District?

Yes. Guidelines for the dissolving of a district can be found in MCL 207.554(8), which states the following:

“A local governmental unit, by resolution of its legislative body, may terminate a plant rehabilitation district or an industrial development district, if there are no industrial facility exemption certificates in effect in the plant rehabilitation district or the industrial development district on the date of the resolution to terminate.”

7. How do I apply for an Industrial Facilities Exemption Certificate?

An application for *Industrial Facilities Exemption Certificate* (Form 1012) can be found at the Michigan Department of Treasury website:

www.michigan.gov/propertytaxexemptions.

File two copies of the completed application and all attachments with the clerk of the local governmental unit where the facility is located. You must meet the following qualifications of the Act:

- a. The facility must be located within an established Industrial Development or Plant Rehabilitation District;
- b. The applicant is a qualifying business as outlined in MCL 207.552; and
- c. The application for the exemption can be prefiled but must be filed within six months of the commencement of the improvements.

8. Are there provisions in the application process that are time sensitive?

Yes. There are several provisions which cause the application process to be time-sensitive.

MCL 207.553(8)(b) provides that a speculative building must be one that is constructed *before* a specific user is identified.

MCL 207.554(3) requires that the request for the establishment of a proposed Plant Rehabilitation District (PRD) or Industrial Development District (IDD) must be made *prior* to the start of construction of the property for which exemption is being sought.

MCL 207.554(4) requires that *before* adopting a resolution establishing a PRD or IDD the legislative body shall give written notice by certified mail to the owners

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of all real property within the proposed PRD or IDD, hold a public hearing on the proposed establishment, and grant a right to appear and be heard regarding same.

MCL 207.554(9) provides that *before* acting on a proposed resolution terminating a PRD or IDD, the local unit shall give at least 14 days written notice by certified mail to owners of all real property within the PRD or IDD and hold a hearing at which those owners have a right to appear and be heard.

MCL 207.555(2) requires that *before* acting upon an application, the legislative body of the local governmental unit shall afford the applicant, the assessor and a representative of the affected taxing units an opportunity for a hearing.

MCL 207.556 requires that no more than 60 days after the clerk's receipt of the application, the legislative body of the local governmental unit shall, by resolution, either approve or disapprove the application. Further, the clerk shall forward the approved application to the commission within 60 days of that approval or before October 31 of that year, whichever is first. In the case of a disapproval of the application, the applicant has 10 days after the date of the disapproval to appeal to the commission.

MCL 207.559(2) requires that the start of construction of the facility cannot occur more than 6 months before the filing of the application for the Industrial Facilities Exemption Certificate with the clerk of the local unit of government.

State Tax Commission Rule No. 57 states that a complete application (with all required attachments) received by the State Tax Commission on or before October 31 will be acted on by the Commission before December 31 of that year. Applications received after October 31 will be processed contingent upon staff availability.

9. Can an application for an Industrial Facilities exemption Certificate be denied?

Yes. An application can be denied by the local governmental unit or by the State Tax Commission if all the requirements are not met by the applicant.

10. Can a decision of the State Tax Commission regarding an industrial facilities Exemption Certificate be appealed?

Yes. MCL 207.570 states as follows:

“A party aggrieved by the issuance or refusal to issue, revocation, transfer, or modification of an industrial facilities exemption certificate may appeal from the finding and order of the commission in the manner and form and within the time provided by Act No. 306 of the Public Acts of 1969, as amended.”

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PA 306 of 1969, also known as the Administrative Procedures Act (APA) provides for an appeal to the circuit court within 60 days of the date the STC denies the application for an IFEC. (See MCL 24.301 through MCL 24.306.)

11. Is it possible for an Industrial Facilities Exemption Certificate to remain in effect for more than 12 years?

Yes. The local unit determines the number of years granted for an exemption request. The number of years can be anywhere from 1 to 12 years with the exception discussed below for the period of construction. If the local unit decides to grant exactly 12 years, it should state this in the resolution, as discussed below in Example #1. If the local unit chooses to grant the application for a period of time greater than 12 years, (*i.e.*, 1-2 years as partially complete and 12 years as fully completed), the local unit should use the language discussed in Example #2 below to accomplish this.

Example #1: If the resolution states “12 years,” the ending date of the certificate will be 12 years added to the tax day on which the exemption becomes effective.

Example #2: If the resolution states “12 years after completion,” the ending date of the certificate will be 12 years added to up to 2 years of construction time. This would allow up to a 14-year exemption period. This could be further extended if an extension of time is granted as provided by STC Rule No. 53.

12. What determines the starting date of an Industrial Facilities Exemption Certificate (IFEC)?

The starting date of the term of an IFEC is December 31st of the year the certificate is issued by the State Tax Commission (STC). [Example: a certificate issued on November 12, 2018 would have a start date of December 31, 2018.]

13. Why is a certificate sometimes issued by the State Tax Commission (STC) for a longer period of time than what was approved by the local unit?

There may be a variance due to the local unit’s resolution stating the number of years as “after completion.” The resolution may be corrected any time prior to being submitted to the STC for issuance of the certificate. After issuance, no corrections are allowed except in the case of an extension of time to complete, as provided by STC Rule No. 53.

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14. Can the ending date of an Industrial Facilities Exemption Certificate be changed after it is issued by the State Tax Commission (STC)?

Yes. The statute calls for the certificate to be issued by the local unit for the number of years it designates. The ending date is determined by the language in the resolution. Once the certificate is issued, the ending date can only be changed when one of the following applies:

- a. STC Rule No. 53, which provides for an extension of time to complete the project.
- b. MCL 207.557a which applies to facilities that exceed \$150,000,000 of State Equalized Value (SEV).
- c. MCL 207.566a which applies to certificates issued after December 31, 1995, for which the exemption period is shorter than the maximum allowed under MCL 207.566.

15. Can the duration of an Industrial Facilities Exemption Certificate (IFEC) be extended?

An IFEC can be approved for a maximum of 12 years. Local units may grant less than the 12-year maximum term when granting exemptions based on criteria they have adopted. (See MCL 207.566a.) Some local units allow extensions beyond the original term granted and some do not. A local unit may state in its original resolution the number of years being granted and include an extension provision which contains the criteria to be used to determine whether someone qualifies for an extension. This could be done at the start of the exemption process.

16. How is the tax computed for a new facility?

Real Property

MCL 207.564(3) states that the tax computation for new facility real property is determined by multiplying the Taxable Value (TV) of the facility by ½ of the total mills other than the State Education Tax (SET) mills levied as ad valorem taxes for that year by all of the taxing units where the property is located plus the total SET mills, unless receiving a 100% or 50% abatement from the State Treasurer under MCL 207.564a.

Personal Property Sited on Real Property Classified as Industrial Real Property

MCL 207.564(4) states that the tax computation for new facility personal property sited on real property classified as industrial real property is determined by multiplying the TV of the facility by ½ of the total mills other than the local school district (LSD) Operating mills and SET mills levied as ad valorem tax for that year by all of the taxing units where the property is located, plus ½ of the Hold-Harmless mills.

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Personal Property Sited on Real Property Classified as Commercial Real Property

MCL 207.564(4) states that the tax computation for new facility personal property sited on real property classified as commercial real property is determined by multiplying the TV of the facility by ½ of the total mills (including SET mills) other than the LSD Operating mills levied as ad valorem tax for that year by all of the taxing units where the property is located, plus ½ of the sum of LSD Operating mills minus 12 mills, plus ½ of the Hold-Harmless mills.

Personal Property Sited on Real Property Not Classified as Industrial or Commercial Real Property

MCL 207.564(3) states that the tax computation for new facility personal property sited on real property not classified as industrial or commercial real property is determined by multiplying the TV of the facility by ½ of the total mills other than the SET mills levied as ad valorem tax for that year by all of the taxing units where the property is located plus the total SET mills unless receiving a 100% or 50% abatement from the State Treasurer under MCL 207.564a.

A parcel of property holding a new Industrial Facilities Exemption Certificate (IFEC) will have two assessments: the land will be addressed on the regular (ad valorem) assessment roll that the assessor has turned over to the March Board of Review and the building, land improvements and personal property (pertaining to the same certificate) will have an assessment on the Industrial Facility Tax tax roll.

MCL 207.553(11) requires the assessor to calculate a Capped Value and a Taxable Value for the building and land improvements of a parcel of real property holding a new IFEC.

Taxes on a property holding a new certificate shall be levied against the TV of the property, not the SEV. The TV of real property which has a new certificate is calculated the same way that TV is calculated for the non-IFT, ad valorem assessment roll.

The property's land assessment on the ad valorem roll may be adjusted by the March Board of Review. The IFT tax roll assessment of a new IFEC may also be adjusted by the March Board of Review.

17. How is the tax computed for a “replacement facility”?

MCL 207.564(1) states that the tax computation for a replacement facility is determined by multiplying the total mills levied as ad valorem taxes by the Taxable Value (TV) of the real and/or personal component of the obsolete industrial property for the tax year immediately preceding the effective date of the certificate.

A parcel of property holding a “rehabilitation” Industrial Facilities Exemption Certificate will have two assessments. The land will be assessed on the regular (ad valorem) assessment roll that the assessor has turned over to the March Board of Review. The building, land improvements and personal property (pertaining to the same certificate)

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will have an assessment on the Industrial Facility Tax (IFT) tax roll. The taxes on properties holding a “rehabilitation” or “replacement” certificate shall be levied against TV.

The TV of a property on the IFT tax roll with a “rehabilitation” or “replacement” certificate is the amount of the TV of the real and/or personal property for the tax year immediately preceding the effective date of the certificate. That amount is frozen until the exemption certificate expires.

The TV of a property on the IFT tax roll with a “rehabilitation” or “replacement” certificate which began PRIOR to 1995 will still be the same as the frozen SEV for the property until the exemption certificate expires. The TV of a property covered by a rehabilitation or replacement certificate which began in 1995 or AFTER will be the same as the frozen TV for the property until the exemption certificate expires.

The property’s land assessment on the ad valorem roll may be adjusted by the March Board of Review. The IFT tax roll assessment of a property with a rehabilitation or replacement certificate cannot have its assessment altered by the Board of Review during the term of the certificate.

18. Can a 1% Administration Fee be added to an Industrial Facility Tax (IFT) tax roll?

Yes. Per MCL 207.561(11)(1), the 1% Administration Fee can be added to an IFT tax roll.

19. Why are the dollar amounts on some Industrial Facilities Exemption Certificates (IFEC) different from what was applied for?

If the dollar amounts on a certificate are different from what was applied for, it may have been changed by Property Services Division (PSD) staff due to one of the following reasons:

- a. The application was filed more than 6 months after the start of construction of real property or the start of installation of personal property. See also Question #7.
- b. Some of the equipment was existing equipment which is ineligible for exemption as new property. See also Question #20.
- c. Used equipment was purchased from another manufacturing company, not from a broker of used equipment. See also Question #20.
- d. The application involves leased property, but the property tax liability is not held by the applicant. In other words, the applicant is not responsible for direct payment of taxes to the local unit. See MCL 207.552(6).

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- e. The real property investment cost listed within box 6a of the application includes the purchase price of the land. See also Question #33.

20. What happens when an incomplete application for an Industrial Facilities Exemption Certificate (IFEC) is received?

The applicant will be contacted by letter regarding the incomplete application and the applicant must submit a completed application with the required documents within 30 days. If the required documents are not submitted within 30 days, the application may be dismissed as inactive.

21. What types of equipment qualify as new industrial property as defined in MCL 207.552(4)?

The State Tax Commission (STC) has interpreted the term “new industrial property” to mean new to the tax base in Michigan. Following this interpretation, the following would be considered new industrial property:

- a. New equipment purchased from an equipment manufacturer.
- b. Used equipment never before located in Michigan.
- c. Used equipment purchased from a broker of used equipment with the rationale that because the prior owner is a broker, the equipment has lost its status as existing equipment in Michigan as it has become inventory.

The following would not qualify as new industrial property:

- a. Existing equipment already in the possession of the applicant.
- b. Existing equipment in the possession of another Michigan company.

22. Can an application for an Industrial Facilities Exemption Certificate (IFEC) include equipment/devices which are also going to be submitted for an Air or Water Pollution Control Exemption?

Yes. It is recommended that all new equipment and machinery be included in the IFEC application so that the equipment and machinery meet the timeline requirements of PA 198 of 1974, as amended. The same equipment can then also be submitted for an Air or Water Pollution Control Exemption. If all of the property does not qualify as exempt Air or Water Pollution Control equipment, the remainder may then qualify for the IFEC exemption. Refer to the Air or Water Pollution Control Exemption FAQs for more information.

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23. Can a real property replacement facility include more floor space than the original obsolete facility?

Yes. MCL 207.552(3) states that a replacement facility can consist of either replacement or restoration. MCL 207.553(5) defines “replacement” as:

“...the complete or partial demolition of obsolete industrial property and the complete or partial reconstruction or installation of new property of similar utility.”

“Replacement” usually involves the construction of a new building or a part of a building. “Restoration” is defined in MCL 207.553(6) as:

“... changes to obsolete industrial property other than replacement as may be required to restore the property ... to an economically efficient functional condition.”

When replacement includes additional floor space, it can still be a replacement facility, provided that the building does not exceed the size of the original building by more than 10%. If the replacement building exceeds the size of the original by more than 10%, the additional space must be treated as a new facility. The tax on a new facility is calculated differently from the tax on a replacement facility.¹ When restoration includes more floor space than the original building, ALL of the additional floor space is treated as a new facility.

24. Why are some projects approved by the State Tax Commission (STC) as new facilities even though they were submitted as rehabilitation facilities?

If an application was submitted as a rehabilitation facility project but was approved as a new facility, it may be due to one of the following reasons:

- a. The description of the investment undertaken did not speak to restoration and/or replacement of a functionally obsolete facility involving major improvements such as roof, windows, plumbing, heating, code compliances, etc.
- b. The Plant Rehabilitation District (PRD) in which the project is located no longer qualifies as a PRD because at least 50% of the properties in the district are no longer obsolete. Therefore, only new facilities can be located within the district.
- c. The district established was an Industrial Development District (IDD) in which only new projects are allowed, not a PRD.

¹ See MCL 207.564 regarding the calculation of the industrial facility tax for new and replacement facilities.

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- d. The local unit's resolution approving the request approved a new facility project, not a rehabilitation project.

25. Can leased equipment qualify for an Industrial Facilities Exemption Certificate?

Yes, under the following conditions:

- 1. The length of the lease must be as long as or longer than the length of the certificate to be granted.
- 2. The lessee must have the tax liability for the length of the certificate to be granted. (Any indication that the taxes are being paid "as additional rent" is not acceptable.)

26. Can an Industrial Facilities Exemption Certificate (IFEC) be transferred to a new owner?

Yes. MCL 207.571 states as follows:

"An industrial facilities exemption certificate may be transferred and assigned by the holder of the industrial facilities exemption certificate to a new owner or lessee of the facility but only with the approval of the local governmental unit and the commission after application by the new owner or lessee, and notice and hearing in the same manner as provided under section 5 for the application for a certificate."

Once the application for transfer has been presented to the local unit, they must review the application and issue a decision after a review of the prerequisites and qualifications contained in MCL 207.559. If the local unit denies the application, the applicant may appeal to the State Tax Commission (STC), pursuant to MCL 207.556. If the local unit approves the application, the STC must make a decision pursuant to MCL 207.557. If the local unit disapproves the application and the taxpayer files an appeal with the STC within 10 days, the STC shall review the facility to determine if it meets the qualifications in MCL 207.559. If the STC denies the approval, the applicant may appeal pursuant to the Administrative Procedures Act (APA).

The STC has allowed a shortened procedure for transfers when they involve a name change only. This is the case when the ownership remains exactly the same and the activity at the facility remains the same. The only change is in the name of the company. Certain mergers and restructuring may also qualify for this shortened procedure. Please contact the Tax Exemption Section at (517) 373-2408 with questions regarding transfers involving a name change, mergers, and restructurings.

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- 27. Company “A” has an Industrial Facilities Exemption Certificate that was issued a year ago. They have purchased new equipment that qualified for exemption. Is it more advantageous to add this new equipment to the existing Exemption Certificate or apply for a new exemption certificate for this equipment?**

As long as the new equipment is purchased within the two-year post construction period from the effective date of the original issuance of the certificate, the equipment may be added by amending the existing certificate. If the new equipment purchase is closer to the end of the two-year post construction period from the effective date of the original issuance of the certificate, it may be more advantageous to apply for a new certificate for this equipment thereby attaining a greater number of years of exemption than could be gained by an amendment.

- 28. Is there a limit on the amount of time that an applicant can take to complete a project?**

Yes. MCL 207.565 states that a certificate can be revoked if the project has not been completed in a two-year time period from the issuance of the certificate. STC Rule No. 53 allows for a one-year extension of time to complete a project. If a resolution is received by the State Tax Commission (STC) and it does not specifically state that the local unit is granting a three-year construction completion period, the assumption is made that the local unit is only granting a two-year construction completion period. Companies may obtain a third year to complete construction through a resolution by the local governmental unit granting a one-year extension of time as outlined in STC Rule No. 53. Upon receipt of a request for an extension, the local unit may: (a) deny the request; (b) approve the request with no change in the ending date of the certificate issued; or (c) approve the extension of time for the completion of the project and a revised ending date on the certificate. Depending upon the outcome at the local level, the request for an extension of time for the completion of a project shall be filed with the commission by the certificate holder and shall be accompanied by a resolution of approval adopted by the local governmental unit. Please see MCL 207.557a for the construction period of a facility whose cost will exceed \$150,000,000 of state equalized value.

- 29. What happens when the cost or the size of the project turns out to be greater than what was stated on the original application?**

The Property Services Division (PSD) staff distinguishes between an increase in costs versus an amendment to the project. For example, if the original application listed 10 computers at a total cost of \$20,000, but it turns out that the 10 computers cost a total of \$25,000 that is an increase in costs. However, if the original application listed 10 computers at a total cost of \$20,000 but it turn out that 20 computers were purchased at a total cost of \$40,000, that is determined to be an amendment.

If there is an increase in costs of the project that exceeds the original approved amount by 10% or less, it is not necessary for the local unit to approve the new amount. If the

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increase is greater than 10%, the procedures in STC Rule No. 54 must be followed. STC Rule No. 54 states that the certificate holder shall request that the local governmental unit approve the revised cost if greater than 10% over the original approved amount. If the local unit approves the revised cost, the holder of the certificate shall request that the commission issue a revised certificate. The request shall be accompanied by a copy of the resolution of approval adopted by the local governmental unit.

When additional real and/or personal property components are added, an amendment to the project has occurred, and regardless of the dollar amount of the additional property, it must be approved at the local level and ultimately by the STC.

30. Can an Industrial Facilities Exemption Certificate (IFEC) be revoked? If yes, who holds the authority to do so?

Yes. MCL 207.565 provides for the revocation of an IFEC. MCL 207.565(1) addresses requests for revocations initiated by the holder of the certificate. MCL 207.565(2) addresses requests for revocation initiated by the local governmental unit and includes specific reasons why a certificate may be revoked. In either case, only the State Tax Commission (STC) has the authority to revoke a certificate.

A party aggrieved by a revocation by the STC may appeal the revocation under the provisions of the Administrative Procedures Act (APA). The APA provides that a request for a rehearing of an STC decision should be filed, in writing, within 60 days from the date the STC mailed the notice of revocation.

In a related matter, MCL 207.563(2) provides for automatic termination of an IFEC when the Industrial Facility Tax on real property has not been paid. Please see MCL 207.563 for the procedure to be followed.

31. When does the revocation of an Industrial Facilities Exemption Certificate (IFEC) take effect?

The revocation of an IFEC is effective the December 31st of the year in which the State Tax Commission (STC) revoked the certificate.

32. If a company announces that it will cease operations in the coming year, will the State Tax Commission approve the revocation of that company's Industrial Facilities Exemption Certificate (IFEC) for the tax day prior to the actual cessation of operations?

No. It has been the State Tax Commission's past practice, that an IFEC could not be revoked as of December 31, 2018 even though it was announced during 2018 that operations would cease as of February of 2019.

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33. Is there a limit to the application fee that may be charged by a local unit of government for the cost of processing the application for an Industrial Facilities Exemption Certificate (IFEC)?

Yes. MCL 207.555(3) specifically limits the amount of an exemption certificate application fee that may be charged by a unit of local government to the lesser of the actual cost of processing the application or 2% of total property taxes abated during the term that the exemption certificate is in effect and specifically prohibits local units of government from charging applicants any other fee.

Local units may not require, as a condition precedent to approving an IFEC application, that applicants make or promise to make payments to the local unit. Whether referred to as fees, payments in lieu of taxes, donations, or another name, such payments are contrary to the legislative intent of PA 198 of 1974. [See STC Bulletin 3 of 1998, at www.michigan.gov/propertytaxexemptions].

34. What is the definition of “Industrial Property”?

MCL 207.552(6) defines “Industrial Property” as:

land improvements, buildings, structures, and other real property and machinery, equipment, furniture, and fixtures or any part or accessory whether completed or in the process of construction comprising an integrated whole, the primary purpose and use of which is:

- a. the engaging in a high-technology activity;
- b. operation of a strategic response center;
- c. operation of a motorsports entertainment complex;
- d. operation of a logistical optimization center;
- e. operation of a qualified commercial activity;
- f. operation of a major distribution or logistics facility;
- g. the manufacture of goods or materials;
- h. creation of synthesis of biodiesel fuel;

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- i. the processing of goods and materials by physical or chemical change²;
- j. property acquired, constructed, altered, or installed due to the passage of Proposal A in 1976;
- k. the operation of a hydroelectric dam by a private company other than a public utility;
- l. agricultural processing facilities;
- m. facilities related to a manufacturing operation under the same ownership, including but not limited to, office, engineering, research and development, warehousing, or parts distribution facilities;
- n. research and development laboratories of companies other than those companies that manufacture the products developed from their research activities;
- o. research development laboratories of a manufacturing company that are related to the products of the company;
- p. an electric generating plant that is not owned by a local unit of government, including, but not limited to, an electric generating plant fueled by biomass, if the application is approved by the legislative body of a local governmental unit between June 30, 1999 and December 31, 2007;
- q. convention and trade centers in which construction begins not later than December 31, 2010 and is over 250,000 square feet in size or, if located in a county with a population of more than 750,000 and less than 1,100,000 is over 100,000 square feet in size or, if located in a county with a population of more than 26,000 and less than 28,000, is over 30,000 square feet in size;
- r. a federal reserve bank operating under 12 USC 341, located in a city with a population of 750,000 or more.

² “Manufacture of goods or materials” or “processing of goods or materials” means any type of operation that would be conducted by any entity included in the classifications provided by Section 31-33 – Manufacturing, of the North American Industry Classification System – United States (1997), published by the Office of Management and Budget, regardless of whether the entity conducting that operation is included in that manual.

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Note: Industrial property may be owned or leased. However, in the case of leased property, the lessee must be liable for payment of ad valorem property taxes and shall furnish proof of the liability.

Industrial property does not include any of the following:

- a. land;
- b. property of a public utility other than an electric generating plant that is not owned by a local unit of government for which an application was approved by the legislative body of a local governmental unit between June 30, 1999 and December 31, 2007;
or
- c. inventory.

35. What is the definition of “high-technology activity”?

Section 3 of the Michigan economic growth authority act, 1995 PA 24, MCL 207.803 defines “high-technology” as:

- i. Advanced computing, which is any technology used in the design and development of any of the following:
 1. Computer hardware and software.
 2. Data communications.
 3. Information technologies.
- ii. Advanced materials, which are materials with engineered properties created through the development of specialized process and synthesis technology.
- iii. Biotechnology, which is any technology that uses living organisms, cells, macromolecules, microorganisms, or substances from living organisms to make or modify a product, improve plants or animals, or develop microorganisms for useful purposes. Biotechnology does not include human cloning as defined in section 16274 of the public health code, 1978 PA 368, MCL 333.16274, or stem cell research with embryonic tissue.
- iv. Electronic device technology, which is any technology that involves microelectronics, semiconductors, electronic equipment, and instrumentation, radio frequency, microwave, and millimeter electronics, and optical and optic-electrical devices, or data and digital communications and imaging devices.

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- v. Engineering or laboratory testing related to the development of a product.
- vi. Technology that assists in the assessment or prevention of threats or damage to human health or the environment, including, but not limited to, environmental cleanup technology, pollution prevention technology, or development of alternative energy sources.
- vii. Medical device technology, which is any technology that involves medical equipment or products other than a pharmaceutical product that has therapeutic or diagnostic value and is regulated.
- viii. Product research and development.
- ix. Advanced vehicles technology that is any technology that involves electric vehicles, hybrid vehicles, or alternative fuel vehicles, or components used in the construction of electric vehicles, hybrid vehicles, or alternative fuel vehicles. For purposes of this act:
 - 1. "Electric vehicle" means a road vehicle that draws propulsion energy only from an on-board source of electrical energy.
 - 2. "Hybrid vehicle" means a road vehicle that can draw propulsion energy from both a consumable fuel and a rechargeable energy storage system.

36. What is the definition of “obsolescence”?

The assessor must make a recommendation to the local governing unit that 50% or more of the property to be contained in a Plant Rehabilitation District (PRD) is obsolete. “Obsolete industrial property” is defined in MCL 207.552(7) as:

“... industrial property the condition of which is substantially less than an economically efficient functional condition.”

“Economically efficient functional condition” is further defined in MCL 207.552(8) as:

“... a state or condition of property the desirability and usefulness of which is not impaired due to changes in design, construction, technology, or improved production processes, or from external influencing factors which make the property less desirable and valuable for continued use.”

The following are examples of the restoration of obsolete industrial property from MCL 207.553(6):

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Restoration includes major renovation including but not necessarily limited to the improvement of floor loads, correction of deficient or excessive height, new or improved building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, improvements or modifications of machinery and equipment to improve efficiency, decrease operating costs, or to increase productive capacity, and other physical changes as may be required to restore the industrial property to an economically efficient functional condition, and shall include land and building improvements and other tangible personal property incident to the improvements.

When the planned improvements are less than 10% of the true cash value of the industrial property, the improvements are considered delayed maintenance and not considered restoration. (MCL 207.553(6).)

37. What are some of the special provisions that apply to speculative buildings?

MCL 207.553(8) defines a “speculative building” as:

“Speculative Building means a new building that meets all of the following criteria and the machinery, equipment, furniture, and fixtures located in the new building:

- a. the building is owned by or approved as a speculative building by resolution of a local governmental unit in which the building is located or the building is owned by a development organization and located in the district of the development organization.
- b. the building is constructed for the purpose of providing a manufacturing facility before the identification of a specific user of that building.
- c. the building does not qualify as a replacement facility.”

Subsection 8(b) requires that a speculative building be constructed before a specific user is identified. This law does not require that a building be approved by the local governmental unit before identification of the specific user.

The following are additional requirements specific to speculative buildings:

- a. that the speculative building was constructed less than 9 years before the filing of the exemption certificate.

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- b. that the speculative building has not been occupied since the completion of construction.

Important note: It is sometimes advantageous to divide a speculative building into several smaller units rather than having the entire building as one unit. (*e.g.*, if a 50,000 square foot building is designed to be occupied by 5 separate users, but it is only approved as a single speculative building, after the first user takes occupancy, the building may no longer qualify as speculative for future occupants because it may no longer qualify under paragraph b, above.)

38. Where can I find information regarding the Industrial Facilities Exemption Certificate (IFEC) application process?

Application instructions, sample documents, and a checklist regarding the IFEC application process can be found on the Department of Treasury website at: www.michigan.gov/propertytaxexemptions.

39. Where can I obtain copies of previously issued Industrial Facilities Exemption Certificates?

Copies of certificates acted upon by the State Tax Commission after January 1, 2013, are available on the Department of Treasury website at: www.michigan.gov/propertytaxexemptions Choose the exemption program under which the certificate was issued. Within the “Certificate Activity” link, the certificates are listed according to the date they were acted upon.

40. Where can I check on the status of an Industrial Facilities Exemption application?

The status of an application is available through a search tool on the Department of Treasury website at: www.michigan.gov/propertytaxexemptions . Choose the Industrial Facilities Exemption (IFE) program. Then select the Industrial Facilities Application/Certificate Search link.



*Industrial Facilities Tax
Abatement Guidelines*

*&
Forms*

*Scott Bennett
Supervisor*

*Cathy Lane
Clerk*

*Rebecca Salvati
Director of Assessing*

Charter Township of Grand Blanc
5371 South Saginaw Street
P.O. Box 1833
Grand Blanc, Michigan 48480-0057
(810) 424-2600

Dear Industrial Facilities Exemption Certificate Applicant:

Enclosed please find the following:

1. **P.A. 198 Tax Abatement Process**
Instructions for Companies and Local Units
2. **Guidelines for Tax Abatement Status-** C= Personal Property D= Real Property
3. Form 1012 (Formerly L-4380) "APPLICATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE"
(Excel format of this form can be requested from assessor)
4. INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE LETTER OF AGREEMENT
5. AFFIDAVIT OF FEES

Items 1 and 2 are enclosed for your information. It is important for companies to have an understanding of the requirements for filing complete applications with the Charter Township of Grand Blanc. This helps to alleviate problems that may arise if in fact the application is lacking information and / or important documentation that is required by the State Tax Commission.

Items 3-5 are the required forms that must be completed and filed with the Township prior to a public hearing being held for the requested abatement.

If you have questions regarding the enclosed information packet, feel free to contact Rebecca Salvati, Director of Assessing at (810) 424 -2694.

Grand Blanc Township Board of Trustees

P.A. 198

Tax Abatement Process

Instructions for Companies and Local Units

Industrial Property Tax Abatement

(P.A. 198 of 1974, as amended)

P.A. 198 of 1974, as amended, is designed to maintain existing jobs and create new job opportunities for Michigan residents by providing substantial property tax incentives to industry to renovate and expand aging manufacturing plants or to build new plants in Michigan.

Local Option

Tax benefits under the Act are granted by the legislative body of the city, township or village in which the facility will be located. The process is started by the adoption of a resolution establishing a plant rehabilitation district (for a rehabilitation project) or an industrial development district (for a new project) after a public hearing. A request for establishment of the district must be filed with the clerk prior to commencement of construction, alteration, or installation of equipment.

After the district is established, the company may apply for an Industrial Facilities Exemption Certificate (**IFEC**), which exempts it from property taxes (real & personal) for up to 12 years. Instead of the property tax, the firm pays a specific tax called the Industrial Facilities Tax, which is described below.

New Facility – Industrial Development District

For a new plant, the Industrial Facilities Tax is also determined like the property tax but only half the millage rate is applied, plus the 6-mill State Education Tax. This amounts to approximately a 50% reduction in the property taxes on new construction and/or machinery and equipment.

Obsolete Facility - Plant Rehabilitation District

For an obsolete plant or machinery that is being replaced or restored, the Industrial Facilities Tax is determined like an ad valorem property tax except the assessed value of the plant is “frozen” at the level of the obsolete facility prior to improvement. This results in a 100% exemption from the property taxes on new construction and/or new machinery and equipment.

Application Process

Granting Industrial Facilities Exemption Certificates is a two-step process- local and state. Applications must be filed locally no later than six months after commencement of the project. Applications are filed, reviewed, and approved locally (After a second public hearing) and then are reviewed by the State Tax Commission and the Michigan Jobs Commission. The State Tax Commission grants final approval and issues the exemption certificates. Locally approved applications (with attachments) must be received by the State Tax Commission by October 31 to receive consideration and action by December 31.

As of December 31, 1993 each application must include an agreement signed by the local unit and the operator of the facility outlining conditions/recourses to be upheld during the abatement.

Eligible Facilities

Industrial plants eligible for tax benefits under Act 198 are those which primarily manufacture or process goods or materials by physical change. Related facilities of Michigan manufacturers such as offices, engineering, research and development, warehousing or parts distribution are also eligible for exemption.

The exemption applies to buildings, building improvements, machinery, equipment, furniture and fixtures. Real property and personal property are eligible whether owned or leased (provided the lessee is liable for payment of taxes on the property).

The exemption covers only the specific project which is the subject of the application for an Industrial Facilities Exemption Certificate. Any existing buildings and any equipment which existed prior to construction of a "new facility" are not exempt. If the project is a "rehabilitation," the value of pre-existing obsolete property is exempt from ad valorem taxes but will be used as the base for Industrial Facility Tax. Similarly, any structures or equipment added subsequent to the completion of the project are fully taxable. Land is specifically excluded from the benefits of the act and is fully taxable.

Transfer of an Industrial Facilities Exemption Certificate

An Industrial Facilities Exemption Certificate may be transferred and amended by the holder to a new owner, but only with the approval of the Grand Blanc Charter Township Board and the State Tax Commission (27753 M.C.L.A. 207.5710). The new owner must use the form for the "Application for the Industrial Facilities Exemption Certificate" to apply for a transfer.

State Tax Commission Rule 209.55

R209.55 Notification of date of project completion, filing of final cost Rule5.5

1. The applicant for an Industrial Facilities Exemption Certificate, or holder of a certificate, shall notify the assessing officer and the State Tax Commission of the date of completion, as explained in Section 16 of Act No. 198 of the Public Acts of 1974, as amended, being paragraph 207.566 of the Michigan Compiled Laws.
2. The notification of the completion of the project shall be filed within thirty (30) days of completion.
3. The final cost of a facility shall be filed with the assessing officer and the State Tax Commission within ninety (90) days of completion.

State Tax Commission Rule 209.57

All completed applications for Industrial Facilities Exemption Certificates received by October 31, shall receive consideration and action by the State Tax Commission

before December 31. An application received on or after November 1 shall be considered by the State Tax Commission contingent upon staff availability.

Community Goals and Objectives in Establishing A Tax Abatement Policy

The Grand Blanc Township Board will evaluate all Act198 applications in light of the following goals and objectives. These goals and objectives are to be applied equally in the review of applications from both local applicants and those from outside the community.

1. It is determined that a good public purpose for Grand Blanc Township would be served, i.e. and expanded tax base and employment.
2. The project will promote diversification of Grand Blanc Township's present industrial base in order to lessen the impact of unemployment during periods of recession.
3. The project will promote the continuing upgrade of Grand Blanc Township's labor force by promoting more skilled and technically oriented jobs within the township.
4. The project will increase the township's average income level through the promotion of higher paying jobs within Grand Blanc Township.
5. The development of the proposed industrial facilities will compliment Grand Blanc Township's land use and environmental objectives.
6. The proposed industrial facilities will be compatible with Grand Blanc Township's present and future requirement for township services such as roads, utilities, and public services.
7. The abatement applicant meets current financial obligations to the township, or if moving from another location has met the financial obligations to that jurisdiction.
8. Promoting this project can and will provide economic stimulus to other private sector facilities, especially supportive facilities in Grand Blanc Township.

Grand Blanc Township is desirous of continuing to provide opportunity for industrial development and expansion, and hence the creation of additional jobs for its residents. The Township also recognizes its responsibility to the community to maintain service and uphold the quality of life within the community. To carry out these responsibilities, the Township has established the procedures outlined herein.

It is the hope of Grand Blanc Township that these guidelines will assist the industrial community in its continuing efforts to contribute to the welfare of the community as a whole.

DETERMINATION OF NUMBER OF YEARS FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

The Grand Blanc Charter Township Board will review, calculate and determine the term of each IFEC based on the criteria and objectives listed in Attachment (C) and/or (D). These criteria are intended to provide Grand Blanc Township with a fair and consistent system for a determination. The Grand Blanc Charter Township Board however, reserves the discretion to consider such other criteria, which are consistent with Public Act 198, as amended, and the general health safety and welfare of Grand Blanc Township. Based on this criteria the board may approve, deny or adjust the determination as to the number of years the IFEC will be in effect for the tax abatement.

ALL APPLICANTS, HOWEVER, SHOULD RECOGNIZE THAT DECISIONS ON THE TYPE OF ABATEMENT PROVIDED AND/OR THE DURATION OF THE ABATEMENT ARE THE SOLE DISCRETION OF THE GRAND BLANC CHARTER TOWNSHIP BOARD AND ARE SUBJECT TO REVIEW BY THE STATE TAX COMMISSION.

No representations or estimates by employees or agents of Grand Blanc Township as to the type and/or duration of tax abatement to be provided should be construed as binding upon the Township Board in making its decision.

STEPS FOR COMPANIES TO FOLLOW

- A. Establishment of a Plant Rehabilitation District or an Industrial Development District:
1. Before commencement of the project an Industrial Development District must be / or have been established that would encompass the legal description of the property. (Assessor has current District information)
 2. If a district has not been established, a request to establish the district must be filed with the clerk by the owner(s) of 75% of state equalized value in the district, or by the initiative of the local governmental unit.
 - i. Furnish the local unit with a letter of request to establish the district. The legal description of the property must be in the letter.
 - ii. Attend the Hearing and explain the proposed project.
- B. Filing of the Application for Industrial Facilities Exemption Certificate
1. Follow "INSTRUCTIONS" on Page 4 of the Application for Industrial Facilities Exemption Certificate. It is very important that all of the required documents accompany your application.
 2. Applicant must file an **original** and three **(3) copies** of the completed application (Form 1012 formerly L-4380) including all attachments with the Grand Blanc Township Clerk. **Each copy must be signed and dated.** Said application must be filed with the clerk no later than 6 months after commencement of the replacement, restoration, upgrading, expansion or construction of the facility, or cannot be considered for approval.
 3. Applications received by the State Tax Commission after December 31, 1997 must include the **Letter of Agreement** signed by the local unit and operator of the facility outlining conditions/recourses to be upheld during abatement. Also required is the **Affidavit of Fees** which states that no payment of any kind in excess of the fee allowed by Act 198 has been made or promised in exchange for favorable consideration of this exemption application. (Both forms are enclosed in this packet and must accompany the application).

STEPS FOR GRAND BLANC TOWNSHIP TO FOLLOW

- A. Upon receipt of the Industrial Facilities Exemption Certificate application, Grand Blanc Township Clerk will notify the assessor and the legislative body of each taxing unit that levies ad valorem taxes within the township that would be affected by allowance of the tax abatement. The Township Clerk, after posting proper public and legal notices, would then place the matter on the agenda for the Grand Blanc Township Board for consideration within sixty (60) days of receipt of the tax abatement application.

- B. Local approval of the Industrial Facilities Exemption Certificate will be decided by the Grand Blanc Charter Township Board. The Grand Blanc Charter Township Board may exercise its discretion not only to accept or reject the application, but to determine the length of the Public Act 198 abatement certificate in accordance with the objectives and guidelines set forth in this document, and the general health, safety and welfare of the Charter Township of Grand Blanc.

- C. Final certification for the tax abated project will be made by the State Tax Commission upon timely receipt (prior to November 1st of each year) of the application approved by the Charter Township of Grand Blanc.

Disapproval / Appeals

Grand Blanc Charter Township Board shall by resolution either approve or disapprove the application for an Industrial Facilities Exemption Certificate in not more than sixty (60) days after receipt of the application by the Grand Blanc Township Clerk in accordance with Section 9 and the other provisions of Public Act 198, as amended. If disapproved, the Grand Blanc Township Clerk shall return the application to the applicant. The applicant may appeal the disapproval to the State Tax Commission within ten (10) days after the date of disapproval.

Local Agreement / Annual Report

The State Tax Commission mandates that each community enter into an agreement with companies or corporations granted tax abatement benefits. This agreement covers such issues as investment, job creation, non-relocation and maintenance of property. In addition, the agreement requires that all companies or corporations receiving tax abatement benefits shall submit to the Grand Blanc Township Assessor an annual status report recapping the activity of the abated project as of December 31st of each year for the term of the Industrial Facilities Exemption Certificate. The report will be due no later than February 20th of each subsequent year. The report will indicate actual monies expended as of each annual report date, the total project actual costs by year of completion and the actual number of jobs created and retained

at the level set forth in the Industrial Facilities Exemption Certificate as of December 31st of each year of the project. If, as of any annual report date during the life of the project, there is a variation of more than ten (10) percent in regards to estimated employment levels or monies from what was set forth in the IFEC application, the Company or Corporation must include an explanation in the annual status report.

Revocation of an Industrial Facilities Exemption Certificate

The Charter Township of Grand Blanc will not petition the State Tax Commission for a revocation of an IFEC unless the Company or Corporation fails to follow the law under Section 15 of Public Act 198, as amended.

**INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
LETTER OF AGREEMENT**

This Agreement, made this ____ day of _____, in the year 2____ by and between (company name): _____ of (address): _____ (hereafter referred to as “the Company”) and Grand Blanc Charter Township of 5371 S. Saginaw Street, Grand Blanc, Michigan 48439, hereafter referred to as “the Charter Township”, for purposes of fulfilling the requirements of Act. No. 198 of the Public Acts of 1974, as amended in the year 1999, herein sets forth the rights, duties and obligations of the respective parties.

1. The Company acknowledges that said Company has made certain material representation to the Charter Township in its application for an Industrial Facilities Exemption Certificate dated _____, 2____, upon which the Charter Township has justifiably relied, and upon which the Charter Township will continue to rely unless otherwise notified. And furthermore, that based on these material representations, the Company will receive monetary benefits, i.e. tax abatements, to which it would otherwise not be entitled.
2. The Company further acknowledges that all material representations made in the application for the Industrial Facilities Exemption Certificate are true and correct to the best of the Company’s information, knowledge and belief; and that said representations include the past history of the Company, the present status of the Company and the future duties and obligations to be performed by the Company as set forth by the Charter Township.
3. In consideration of the receipt of an Industrial Facilities Exemption Certificate, it is expressly agreed by the Company that should the material representations of the Company be erroneous, or should the company fail to substantially perform any of the future duties, and obligations as set forth by the Charter Township, the same shall be deemed to constitute a breach of this agreement; and the Charter Township Board, upon its three year review, may exercise its option to deny renewal of the said abatement.
4. Company shall submit to the Township Assessor, for the term of the Industrial Exemption Certificate, an annual status report recapping activity regarding the abated project as of December 31st of each year of the abated project. Said report will be due no later than February 20th, of each subsequent year for the term of the abated project. It will indicate the actual monies expended as of each annual report date, actual costs for the total project by year of completion and actual number of jobs created as forecast in the application for the Industrial Facilities Exemption Certificate. If, as on any annual report date during the term of the tax abated project, there is a variation of more than ten percent (10%) in the estimated employment level or the expended monies from what was set forth in

the application, the Charter Township Board, upon its three (3) year review, may exercise its option to deny renewal of the tax abatement.

5. The Company further agrees that it shall pay all taxes and assessments on the regular ad valorem tax roll, real and personal, hereupon levied on said premises, or on any equipment or personal property thereon before any penalty for non – payment attaches thereto. This is to take effect beginning with the next tax billing and continuing throughout the term of the Industrial Facilities Certificate. Failure to pay all such taxes as provided above shall be deemed to constitute a breach of this agreement and the Charter Township may petition the State Tax Commission to revoke the Industrial Facilities Exemption Certificate and/or may otherwise proceed in accordance with remedies provided by statute. The Company maintains the right to protest any tax assessments it believes are improper without jeopardizing the benefits of the Industrial Facilities Exemption Certificate.
6. Under this provision, the Company agrees to maintain buildings, equipment and employment relating to the tax abated project at the level as represented by the Company in it's application for an Industrial Facilities Exemption Certificate and its site plan as recorded by the Charter Township. Failure to implement and maintain and/or improve buildings, equipment and employment at the level represented by the Company in its application for an Industrial Facilities Exemption Certificate and its site plan as recorded by the Charter Township shall be deemed a breach of this agreement and the Charter Township, upon its three year review, may exercise its option to deny renewal of the Industrial Facilities Exemption Certificate.
7. The Company represents that it intends to remain within the Charter Township of Grand Blanc during the entire period of time for which the Industrial Facilities Exemption Certificate has been approved. The Company acknowledges that if the Company fails to remain within the Charter Township of Grand Blanc during the entire period for which the Industrial Facilities Exemption Certificate was granted, the Company is liable to the government unit from which it is leaving, upon relocating, for an amount equal to the difference between the industrial facilities tax to be paid by the Company for the tax years remaining under the Industrial Facilities Exemption Certificate that is effect and the general ad valorem property tax that the Company would have paid if the Company did not have an Industrial Facilities Exemption Certificate in effect for years.
8. The Company acknowledges that the Charter Township will review and renew or discontinue all Industrial Facilities Exemption Certificates in three (3) year increments. All Industrial Facilities Exemption Certificates are for up to three (3) years with the option for renewal for up to another three (3) years. The Charter Township acknowledges that, in some instances, economic conditions,

technology, or conditions beyond the control of the Company may prevent the Company from complying with all the terms of the agreement within any one-year of the three-year increment. Therefore, with the exception of the Company leaving the Charter Township of Grand Blanc, or failure to pay all taxes and assessments as stated in Item 5, the Charter Township will take no action to revoke or deny renewal of the tax abatement. An exception would occur when, after reviewing the yearly reports after a three-year period or increment of the Industrial Facilities Exemption Certificate the Charter Township Board determines that there has been a measurable, continuing, or obvious breach of this agreement. The Charter Township agrees that it shall give the Company an opportunity to explain to the Grand Blanc Charter Township Board the reasons for any variations from the representations as contained in the Application for the Industrial Facilities Exemption Certificate and/or the site plan of the tax abated property as recorded by Grand Blanc Charter Township. The Grand Blanc Charter Township Board in its sole discretion, will evaluate the Company's situation prior to taking any action authorized by this Agreement regarding renewal, denial of renewal or revocation.

9. This agreement shall become effective upon its issuance of an Industrial Facilities Exemption Certificate for a tax abatement in compliance with the Application for an Industrial Facilities Exemption Certificate by the Michigan State Tax Commission and shall be null and void and of no force and effect whatsoever if the Michigan State Tax Commission fails to issue such a Certificate. The Agreement shall be null and void upon expiration of the Industrial Facilities Exemption Certificate.
10. The Affidavit herein attached as "Exhibit A" is incorporated by reference as if fully set forth herein.

In WITNESS WHEREOF, the parties have hereunto set their hands and seals this date.

WITNESSES

COMPANY

WITNESSES

GRAND BLANC
 CHARTER TOWNSHIP

 Scott Bennett, Supervisor

 Catherine Lane, Clerk

AFFIDAVIT OF FEES

STATE OF MICHIGAN)
)ss
COUNTY OF GENESEE)

The undersigned, being first duly sworn deposes and says as follows:

"No payment of any kind in excess of the fee allowed by Act 198, as amended, has been made or promised in exchange for favorable consideration of the Industrial Facilities Exemption Certificate application."

COMPANY

On the ___ day of _____, 2____, before me, a Notary Public in and for said County, appeared _____, to me personally known, who being duly sworn did say that he is the _____ of _____, the corporation named herein and which executes the within instrument, and that said instrument was signed in behalf of said corporation by the authority of its Board of Directors, and acknowledged said instrument to be the free act and deed of said corporation.

_____, Notary Public
_____, County, Michigan
My Commission Expires: _____

GRAND BLANC TOWNSHIP

Supervisor

On the ___ day of _____, 2____, before me a Notary Public in and for said County, appeared _____, to me personally known, who being duly sworn did say that he is the _____ of Grand Blanc Charter Township the governmental entity named herein and which executes the within instrument, and that said instrument was signed and sealed in behalf of said governmental entity by authority of the Grand Blanc Township Board and acknowledged said instrument to be the free act and deed of said governmental entity.

_____, Notary Public
_____, County, Michigan
My Commission Expires: _____

**Guidelines for Tax Abatement Status
Grand Blanc Charter Township, Genesee County, Michigan**

Personal Property

1. <u>Type of Use</u>			<u>Maximum Years of Tax Exemption</u>	
		R & D (Research and Development)		4
		High Technology		4
		Manufacturing		2
		Assembly		1
		Warehousing		1
2. <u>Capital Investment (Personal Property)</u>			<u>New</u>	<u>Rehab</u>
	\$	0--- 500,000	0	1
	\$	500,001--- 1,000,000	1	1
	\$	1,000,001--- 3,000,000	2	2
	\$	3,000,001--- 7,000,000	3	3
	\$	7,000,001--- 10,000,000	4	4
**	\$	10,000,001 and up		
3. <u>Total Potential Average Increase in Full-Time Employees Earning Three Times the National Minimum Wage Rate or More</u>				
	5---	25 Employees		1
	26---	50 Employees		2
	51---	100 Employees		3
	101---	200 Employees		4
	201---	500 Employees		5
**		501 and up Employees		

Maximum time for personal property tax abatements, except for those falling within the starred lines (**) is for six years. Applicants may use any combination of the above criteria to reach those six years.

Those personal property tax abatement projects falling within the categories of the starred lines may be eligible for up to 12 years maximum tax abatement time.

It must be understood that this is merely a guideline and does not infer any obligation on the part of the Grand Blanc Township Board.

(D)

**Guidelines for Tax Abatement Status
Grand Blanc Charter Township, Genesee County, Michigan**

Real Property

1.	<u>Type of Use</u>	<u>Maximum Years of Tax Exemption</u>	
	R & D (Research and Technology)		4
	High Technology		4
	Manufacturing		2
	Assembly		1
	Warehousing		1
2.	<u>Capital Investment</u>	<u>New</u>	<u>Rehab</u>
	<u>Real Property (Ad Valorem)</u>		
	\$ 0--- 300,000	0	1
	\$ 300,001--- 700,000	1	1
	\$ 700,001--- 1,000,000	2	2
	\$ 1,000,001--- 3,000,000	3	3
	\$ 3,000,001--- 6,000,000	4	4
**	\$ 6,000,001 and up		
3.	<u>Total Potential Average Increase in Employees Earning Three Times the National Minimum Wage Rate or More</u>		
	5--- 25 Employees		1
	26--- 50 Employees		2
	51---100 Employees		3
	101---200 Employees		4
	201---500 Employees		5
**	501 and up Employees		

Maximum time for real property tax abatement, except for those within the starred lines (**) is for six (6) years. Applicants may use any combination of the above criteria to reach the required six year abatement period.

Those real property tax abatement projects falling within the categories of the starred lines may be eligible for up to 12 years maximum tax abatement time on real property.

It must be understood that these are merely guidelines and do not infer any obligation on the part of the Grand Blanc Charter Township Board.

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	▶ Date received by Local Unit
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)	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code)	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location)	▶ 1d. City/Township/Village (indicate which)	▶ 1e. County
▶ 2. Type of Approval Requested <input 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))	▶ 3a. School District where facility is located	▶ 3b. School Code
4. Amount of years requested for exemption (1-12 Years)		

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.

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
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.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements ▶ _____	_____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements ▶ _____	_____	_____	▶ <input type="checkbox"/> Owned <input 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. ▶ 10. No. of new jobs at this facility expected to create within 2 years of completion.

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) ▶ 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes 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	13b. Telephone Number	13c. Fax Number	13d. E-mail Address
14a. Name of Contact Person	14b. Telephone Number	14c. Fax Number	14d. E-mail Address
▶ 15a. Name of Company Officer (No Authorized Agents)			
15b. Signature of Company Officer (No Authorized Agents)		15c. Fax Number	15d. Date
▶ 15e. Mailing Address (Street, City, State, ZIP Code)		15f. Telephone Number	15g. E-mail Address

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

Instruction for Completing Form 1012, Industrial Facilities Tax Exemption (IFT) Application

The completed original application form 1012 and all required attachments, plus two additional copies, **MUST** be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government within six months of commencement of project.)

The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village) in triplicate. (Providing an accurate school district where the facility is located is vital.)

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.
2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs (see sample). Detail listing of machinery and equipment must match amount shown on question 6b of the application. Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).
3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.
4. Complete copy of lease agreement as executed, if

applicable, verifying lessee (applicant) has direct ad valorem real and/or personal property tax liability. The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original and one complete copy are required by the STC. The remaining items are to be retained at the local unit of government for future reference. **(The local unit must verify that the school district listed on all IFT applications is correct.)**]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.
2. Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.
3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.
4. Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement "the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit – see sample).
5. Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample).

6. Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be incorporated into the Letter of Agreement (see sample).
7. Treasury Form 3222 (if applicable) - Fiscal Statement for Tax Abatement Request.

The following information is required for rehabilitation applications in addition to the above requirements:

1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

The following information is required for speculative building applications in addition to the above requirements:

1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.

Please refer to the following Web site for P.A. 198 of 1974:
<http://www.legislature.mi.gov/>.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

EXAMPLE

Length of the Tax Abatement

The job creation and property investment numbers listed below are used in **combination** to calculate the recommended abatement term in years, up to the maximum of 12 years for both the IFEC and OPRA. As an example, a Business creating a total of 50 jobs with a maximum property investment of \$1M will be considered for an abatement of 4 years (3 + 1).

Tax Abatement Matrix for Real and Personal Property				
Job Creation		Real and/or Personal Property Investment		
10-24	1 year	\$750,000 - \$1,999,999		1 year
25 - 49	2 years	\$2,000,000 - \$4,999,999		2 years
50 - 99	3 years	\$5,000,000 - \$9,999,999		3 years
100 - 149	4 years	\$10,000 - \$20,000,000		4 years
150 - 199	5 years	\$20,000,000 +		5 years
200 +	6 years			

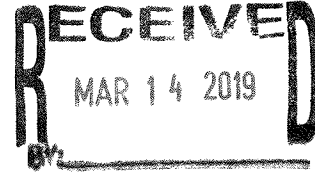


STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

March 7, 2019



Adam Zettel, City Manager
City of Swartz Creek, Genesee County
8083 Civic Drive
Swartz Creek, MI 48473

Dear Adam Zettel:

As you are aware, Tax Management and Associates recently conducted an Audit of Minimum Assessing Requirements (AMAR) on behalf of the State Tax Commission. The audit indicated that the City of Swartz Creek met all of the requirements of the AMAR. We wish to congratulate the City on receiving a perfect score on the review and thank you for your cooperation throughout this process.

Sincerely,

Kelli Sobel
Michigan Department of Treasury

Enc: AMAR Review

Cc: Local Unit Clerk
Local Unit Assessor
Equalization Director

**Michigan State Tax Commission
Audit of Minimum Assessing Requirements
AMAR Review Sheet**

The State Tax Commission, per MCL 211.10f, has jurisdiction to determine substantial compliance with the requirements of the General Property Tax Act. The AMAR review reflects the minimum assessing requirements of a local unit of government based on statute and STC Rules, Policy, Bulletins and Publications. Local units of government that do not meet one or more of the minimum requirements must submit a corrective action plan detailing how and when the deficiencies will be resolved.

Failure to submit an acceptable corrective action plan, or failure to resolve the deficiencies as outlined within the corrective action plan that is approved by the State Tax Commission, will result in a determination of substantial non-compliance and may result in the State Tax Commission assuming jurisdiction of the assessment roll of the local unit of government. Failure to meet one or more of the minimum AMAR requirements does not automatically result in State Tax Commission assumption of jurisdiction of the assessment roll.

Local Unit Background Information:

Year of Audit: 2019 (2018 database)
Name of Local Unit: CITY OF SWARTZ CREEK
Name of County: GENESEE
Name of Assessor: HEATHER MACDERMAID
Assessor Certification Level: MAAO 3
Name of Supervisor, City Manager or Mayor: ADAM ZETTEL Title: CITY MANAGER
Mailing Address for Supervisor: 8083 Civic Dr., Swartz Creek, MI 48473

What date did the assessor certify the assessment roll? **L-4037 signed and dated 2-27-18.**

What is the Residential Coefficient of Dispersion (COD) for the local unit? **Assessor had 169 valid sales to calculate a Residential COD of 10.92.**

What is the Residential Price Related Differential (PRD) for the local unit? **Assessor had 169 valid sales to calculate a Residential PRD of 1.02.**

Does the L-4022 in possession of the local unit match the L-4022 in possession of the County Equalization Director and the information uploaded on the L-4023 on the E-File Site?

YES: NO:

The local unit's L-4022 signed and dated 3-21-18 matches the L-4022 in possession of the County Equalization Director and the information uploaded on the L-4023 on the E-File Site. 2,440 total real parcels with a total assessed value of \$167,586,500.

MCL 211.7cc requires interest at a rate of 1.25% per month or fraction of a month to be charged to the owner of property that has been issued a PRE-denial notice. Upon collecting the interest, MCL 211.7cc also details the required distribution of the interest depending on the governmental unit that issued the denial notice. Was Form 4142 completed and submitted to the Michigan Department of Treasury by a County, City or Township when the State's portion of PRE denial interest is remitted? YES: N/A NO: N/A

Unit did not have any PRE-denial notices issued for 2018.

Does the local unit have written procedures, including audit procedures, for determining how to grant real property exemptions or remove real property exemptions when the property no longer qualifies for the exemption? YES: NO:

Unit adopted Policies and Procedures for Granting Real Property Exemptions or to Remove Real Property Exemptions under MCL 211.7 as Resolution #17-1204-04 on 12-4-17 with an application and list of documents for determining real property exemptions. Assessor is to grant or deny.

Does the local unit have accurate Land Value Maps that meet the State Tax Commission Land Value Map Publications?

Requirement Met: YES: NO:

Notes:

Assessor had a large map color coded by land tables with a matching legend and land value rates listed. Another map had sales numbered to match detailed information listed.

Assessment Roll Analysis:

1. Does the local unit have properly calculated and appropriately documented Economic Condition Factors that meet State Tax Commission requirements per MCL 211.10e and STC ECF Publications?

Requirement Met: YES: NO:

Notes:

Assessor had properly calculated and appropriately documented ECF studies for the commercial, industrial and residential classes. There are no agricultural parcels. Assessor reviews and analyzes the commercial and industrial classes together.

2. Does the local unit have Land Value Determinations that are appropriately documented, properly calculated and meet State Tax Commission requirements per MCL 211.10e and State Tax Commission Land Value Determination Publications and less than 1% land adjustments without reason?

Requirement Met: YES: NO:

Notes:

Unit has 0 parcels with a land adjustment and no reason. 90 total adjustments, 1 needing further explanation (2 units). Land value analysis was performed and was reviewed during the interview. It was appropriate with documented sales and analysis of front foot rates, site values or acreage rates for all property classes in the unit. The commercial and industrial classes are reviewed together.

3. Does the true cash value on the local unit record cards agree with the true cash value indicated on the assessment roll with less than 1% overrides and less than 1% flat land values – excluding DNR PILT Property (STC Policy)?

Requirement Met: YES: NO:

Notes:

Unit has 0 parcels on override. Unit has 0 flat land values.

4. Personal Property Review:

- a) Does the local unit conduct an annual personal property canvass?
 YES: NO:
Unit conducts an annual personal property canvass by printing the personal property canvass report and driving by businesses to update changes or add new accounts.
- b) Did the local unit grant any exemptions under MCL 211.9o (Small Business Taxpayer Exemption)?
 YES: NO:
Unit has 312 personal property parcels. 174 have the Form 5076 Accepted, granting an exemption.
- c) If the answer to item 5b is yes, does a sampling indicate the local unit properly processed the exemptions received? This includes: Form 5076 filled out completely, timely received and received annually. If Form 5076 is not received the exemption is removed, parcel number created for any business that was granted an exemption, ensuring that a parcel with the exemption is not retired, all locations within the local unit are considered when granting the exemption.

Requirement Met: YES: NO:

Notes:

Based upon a sample, form 5076 was filled out, timely received (date stamp or hand-written date was on or before Feb 20) and received annually.

5. Review of Exemptions Granted under MCL 211.7u (poverty exemptions)

- a) Did the local unit grant any exemptions under MCL 211.7u (Poverty Exemption)?
 YES: NO:
Unit did not have any Poverty Exemptions granted for 2018.
- b) Does the local unit have poverty exemption guidelines?
 YES: NO:
Unit adopted poverty exemption guidelines on 12-4-17 with Federal income guidelines and an application.
- c) Does the local unit poverty exemption guidelines include an asset level test?
 YES: NO:
The asset level test is not to exceed \$10,000.
- d) Does a sampling of the exemptions granted under MCL 211.7u indicate that the statutory requirements were met and that the local unit policy was followed?

Requirement Met: YES: NO:

Notes:

Unit had 9 Veteran Exemptions granted by the MBOR for 2018. Local unit policy was followed when granting an exemption.

6. Does a sample of the July and December Board of Review actions indicate the Board met the requirements of MCL 211.53b and considered only those items over which they have statutory authority?

Requirement Met: YES: X NO:

Notes:

JBOR and DBOR actions indicate the Board met the requirements on those items which they have statutory authority. JBOR granted veteran exemptions, qualified errors and current year PRE-requests for untimely filed Affidavits. DBOR granted prior year(s) PRE-requests, qualified errors, current year PRE-requests for untimely filed Affidavits and re-capping previously uncapped transfers.

7. Does the local unit follow the requirements under MCL 211.27b to levy the interest and penalty for failure to file a Property Transfer Affidavit? If waived did the local unit waive the interest and penalty by resolution and is that resolution kept on file?

Requirement Met: YES: X NO:

Notes:

Unit adopted Resolution #18-1008-07 on 10-8-18 to Waive Penalty and Interest Fees for Failure to File a Property Transfer Affidavit. Resolution is kept on file. Unit had 258 transfers, 59 did not have a PTA and 16 had the PTA filed after 45 days. There was no penalty billed.

Comments:

I hereby declare that the foregoing information submitted is a complete and true statement.

Alfonso A Consiglio

Signature

2/28/19

Date

By checking this box, I agree and confirm that the signature I have typed above is the electronic representation of my original, handwritten signature when used on this document and creates a legally-binding contract. I further understand that signing this document using my electronic signature will have the same legally-binding effect as signing my signature using pen and paper.

REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK
PERIOD ENDING 02/28/2019

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
Fund 101 - General Fund					
000.000 - General	2,293,643.00	2,300,843.00	1,851,177.93	449,665.07	80.46
215.000 - Administration and Clerk	75.00	75.00	35.90	39.10	47.87
253.000 - Treasurer	1,000.00	1,000.00	6,229.07	(5,229.07)	622.91
301.000 - Police Dept	5,400.00	5,400.00	5,040.10	359.90	93.34
345.000 - PUBLIC SAFETY BUILDING	18,200.00	18,200.00	17,542.88	657.12	96.39
410.000 - Building & Zoning & Planning	51,350.00	51,350.00	60,514.00	(9,164.00)	117.85
448.000 - Lighting	8,990.00	8,990.00	5,147.68	3,842.32	57.26
728.005 - Holland Square Streetscape	0.00	0.00	90,000.00	(90,000.00)	100.00
782.000 - Facilities - Abrams Park	195.00	195.00	0.00	195.00	0.00
783.000 - Facilities - Elms Rd Park	7,600.00	7,600.00	3,300.00	4,300.00	43.42
786.000 - Non-Motorized Trailway	0.00	0.00	15,000.00	(15,000.00)	100.00
790.000 - Facilities-Senior Center/Libr	8,200.00	8,200.00	5,289.78	2,910.22	64.51
790.012 - CDBG Senior Center Operations	1,724.00	1,724.00	0.00	1,724.00	0.00
TOTAL REVENUES	2,396,377.00	2,403,577.00	2,059,277.34	344,299.66	
000.000 - General	1,000.00	350.00	0.00	350.00	0.00
101.000 - Council	16,708.82	16,953.58	13,996.36	2,957.22	82.56
172.000 - Executive	103,388.18	104,680.66	69,124.43	35,556.23	66.03
201.000 - Finance,Budgeting,Accounting	46,874.00	48,658.76	34,135.71	14,523.05	70.15
215.000 - Administration and Clerk	28,262.00	30,457.85	18,468.97	11,988.88	60.64
228.000 - Information Technology	16,300.00	16,300.00	12,944.37	3,355.63	79.41
247.000 - Board of Review	6,104.00	6,074.00	565.16	5,508.84	9.30

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
253.000 - Treasurer	42,127.00	42,340.57	26,629.34	15,711.23	62.89
257.000 - Assessor	48,198.00	48,383.09	34,132.42	14,250.67	70.55
262.000 - Elections	39,358.40	39,012.68	24,866.43	14,146.25	63.74
266.000 - Legal Council	15,500.00	15,500.00	11,424.00	4,076.00	73.70
301.000 - Police Dept	0.00	7,850.60	8,475.59	(624.99)	107.96
301.851 - Retiree Employer Health Care PSFY	24,000.00	24,000.00	15,161.71	8,838.29	63.17
334.000 - Metro Police Authority	995,200.00	995,200.00	728,195.25	267,004.75	73.17
336.000 - Fire Department	178,200.00	186,322.00	157,962.51	28,359.49	84.78
345.000 - PUBLIC SAFETY BUILDING	51,632.26	51,632.26	28,479.68	23,152.58	55.16
410.000 - Building & Zoning & Planning	81,648.24	96,790.62	82,022.44	14,768.18	84.74
410.025 - 2017 CDBG 5157 Morrish Demo	375.00	375.00	0.00	375.00	0.00
448.000 - Lighting	140,000.00	140,000.00	62,131.63	77,868.37	44.38
463.000 - Routine Maint - Streets	0.00	0.00	15,850.18	(15,850.18)	100.00
728.005 - Holland Square Streetscape	0.00	0.00	19,840.00	(19,840.00)	100.00
781.000 - Facilities - Pajtas Amphitheat	2,217.98	2,217.66	773.04	1,444.62	34.86
782.000 - Facilities - Abrams Park	41,629.78	42,009.10	21,002.89	21,006.21	50.00
783.000 - Facilities - Elms Rd Park	62,552.39	63,315.45	38,944.42	24,371.03	61.51
783.016 - Elms Park Brm-Trail Reno RP15-0003	2,710.50	140.00	982.85	(842.85)	702.04
784.000 - Facilities - Bicentennial Park	1,527.00	1,527.32	1,138.47	388.85	74.54
786.000 - Non-Motorized Trailway	150,000.00	150,000.00	0.00	150,000.00	0.00
787.000 - Veterans Memorial Park	3,273.55	3,273.55	1,983.37	1,290.18	60.59
790.000 - Facilities-Senior Center/Libr	36,065.22	35,665.22	21,475.60	14,189.62	60.21
790.012 - CDBG Senior Center Operations	1,724.00	1,724.00	0.00	1,724.00	0.00

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
793.000 - Facilities - New City Hall	19,468.56	19,118.56	10,358.88	8,759.68	54.18
794.000 - Community Promotions Program	32,056.05	34,426.55	25,692.11	8,734.44	74.63
796.000 - Facilities - Cemetary	2,535.77	2,485.77	3,754.13	(1,268.36)	151.02
797.000 - Facilities - City Parking Lots	105,825.60	106,975.60	12,314.82	94,660.78	11.51
851.000 - Retired Employee Health Care	26,800.00	26,800.00	9,573.24	17,226.76	35.72
852.000 - Insurance Claims Assessmernt (Tax)	110.00	110.00	17.20	92.80	15.64
965.000 - Transfers Out	168,730.00	278,730.00	219,930.00	58,800.00	78.90
TOTAL EXPENDITURES	2,492,102.30	2,639,400.45	1,732,347.20	907,053.25	
Fund 101 - General Fund:					
TOTAL REVENUES	2,396,377.00	2,403,577.00	2,059,277.34	344,299.66	85.68
TOTAL EXPENDITURES	2,492,102.30	2,639,400.45	1,732,347.20	907,053.25	65.63
NET OF REVENUES & EXPENDITURES	(95,725.30)	(235,823.45)	326,930.14	(562,753.59)	
Fund 202 - Major Street Fund					
000.000 - General	419,300.00	419,300.00	298,382.40	120,917.60	71.16
441.000 - Miller Rd Park & Ride	5,200.00	5,200.00	3,263.87	1,936.13	62.77
449.500 - Right of Way - General	0.00	0.00	1,250.00	(1,250.00)	100.00
453.105 - Fairchild-Cappy to Miller TIP	230,601.00	230,601.00	19,463.83	211,137.17	8.44
463.000 - Routine Maint - Streets	0.00	0.00	287.50	(287.50)	100.00
478.000 - Snow & Ice Removal	500.00	500.00	2,314.44	(1,814.44)	462.89
TOTAL REVENUES	655,601.00	655,601.00	324,962.04	330,638.96	
228.000 - Information Technology	825.00	825.00	1,076.64	(251.64)	130.50
429.000 - Occupational Safety	26.91	26.91	0.00	26.91	0.00
441.000 - Miller Rd Park & Ride	6,787.80	6,787.80	4,056.22	2,731.58	59.76
449.500 - Right of Way - General	10,000.00	10,000.00	4,857.23	5,142.77	48.57
449.501 - Right of Way - Storms	200.00	15,920.00	0.00	15,920.00	0.00

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
453.105 - Fairchild-Cappy to Miller TIP	288,251.00	304,330.71	14,055.59	290,275.12	4.62
463.000 - Routine Maint - Streets	104,333.87	146,058.87	69,011.29	77,047.58	47.25
463.104 - Winston Drive Reconstruction	1,200.00	1,200.00	299.88	900.12	24.99
463.307 - Oakview - Seymour to Chelmsford	0.00	22,500.00	4,965.50	17,534.50	22.07
463.308 - Winstron - Oakview to Chesterfield	0.00	5,000.00	0.00	5,000.00	0.00
473.000 - Routine Maint - Bridges	400.00	400.00	0.00	400.00	0.00
474.000 - Traffic Services	39,708.00	39,683.00	23,378.57	16,304.43	58.91
478.000 - Snow & Ice Removal	41,544.80	81,066.20	29,577.18	51,489.02	36.49
482.000 - Administrative	18,887.00	18,885.00	5,549.03	13,335.97	29.38
538.500 - Intercommunity storm drains	7,000.00	7,000.00	2,904.29	4,095.71	41.49
786.000 - Non-Motorized Trailway	20,000.00	20,000.00	0.00	20,000.00	0.00
965.000 - Transfers Out	85,000.00	85,000.00	85,000.00	0.00	100.00
TOTAL EXPENDITURES	624,164.38	764,683.49	244,731.42	519,952.07	
Fund 202 - Major Street Fund:					
TOTAL REVENUES	655,601.00	655,601.00	324,962.04	330,638.96	49.57
TOTAL EXPENDITURES	624,164.38	764,683.49	244,731.42	519,952.07	32.00
NET OF REVENUES & EXPENDITURES	31,436.62	(109,082.49)	80,230.62	(189,313.11)	
Fund 203 - Local Street Fund					
000.000 - General	133,125.00	133,125.00	116,337.17	16,787.83	87.39
449.000 - Right of Way Telecomm	15,000.00	15,000.00	0.00	15,000.00	0.00
449.500 - Right of Way - General	0.00	0.00	1,250.00	(1,250.00)	100.00
463.000 - Routine Maint - Streets	475.00	475.00	287.50	187.50	60.53
478.000 - Snow & Ice Removal	300.00	300.00	1,596.36	(1,296.36)	532.12
931.000 - Transfers IN	596,500.00	596,500.00	596,500.00	0.00	100.00
TOTAL REVENUES	745,400.00	745,400.00	715,971.03	29,428.97	

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
228.000 - Information Technology	825.00	825.00	1,076.65	(251.65)	130.50
429.000 - Occupational Safety	0.00	174.70	174.70	0.00	100.00
449.500 - Right of Way - General	8,800.00	15,558.84	17,033.84	(1,475.00)	109.48
449.501 - Right of Way - Storms	1,500.00	1,100.00	0.00	1,100.00	0.00
463.000 - Routine Maint - Streets	261,810.47	271,095.47	189,893.67	81,201.80	70.05
463.103 - Worcester/Chesterfield Reconstruction	0.00	0.00	4,312.78	(4,312.78)	100.00
463.105 - Daval Reconstruction	96,386.78	96,386.78	56,458.26	39,928.52	58.57
463.106 - Hemsley Reconstruction	0.00	63,635.00	17,702.00	45,933.00	27.82
463.107 - Chelmsford - Seymour to Oakview	0.00	19,790.00	5,887.25	13,902.75	29.75
463.108 - Oxford Court	0.00	10,000.00	0.00	10,000.00	0.00
474.000 - Traffic Services	8,990.20	13,385.54	13,453.00	(67.46)	100.50
478.000 - Snow & Ice Removal	50,206.02	72,335.85	26,408.36	45,927.49	36.51
482.000 - Administrative	19,538.64	18,801.08	5,923.58	12,877.50	31.51
538.500 - Intercommunity storm drains	6,800.00	5,070.45	2,904.29	2,166.16	57.28
TOTAL EXPENDITURES	454,857.11	588,158.71	341,228.38	246,930.33	
Fund 203 - Local Street Fund:					
TOTAL REVENUES	745,400.00	745,400.00	715,971.03	29,428.97	96.05
TOTAL EXPENDITURES	454,857.11	588,158.71	341,228.38	246,930.33	58.02
NET OF REVENUES & EXPENDITURES	290,542.89	157,241.29	374,742.65	(217,501.36)	
Fund 204 - MUNICIPAL STREET FUND					
000.000 - General	628,290.00	628,290.00	608,850.35	19,439.65	96.91
TOTAL REVENUES	628,290.00	628,290.00	608,850.35	19,439.65	
905.000 - Debt Service	164,444.40	164,444.40	14,843.03	149,601.37	9.03
965.000 - Transfers Out	462,000.00	462,000.00	461,500.00	500.00	99.89
TOTAL EXPENDITURES	626,444.40	626,444.40	476,343.03	150,101.37	

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
Fund 204 - MUNICIPAL STREET FUND:					
TOTAL REVENUES	628,290.00	628,290.00	608,850.35	19,439.65	96.91
TOTAL EXPENDITURES	626,444.40	626,444.40	476,343.03	150,101.37	76.04
NET OF REVENUES & EXPENDITURES	1,845.60	1,845.60	132,507.32	(130,661.72)	
Fund 226 - Garbage Fund					
000.000 - General	393,465.00	393,465.00	375,562.89	17,902.11	95.45
TOTAL REVENUES	393,465.00	393,465.00	375,562.89	17,902.11	
000.000 - General	10,373.00	10,373.00	0.00	10,373.00	0.00
101.000 - Council	5,865.88	5,865.88	2,574.78	3,291.10	43.89
172.000 - Executive	8,937.06	8,937.06	5,061.73	3,875.33	56.64
201.000 - Finance,Budgeting,Accounting	6,497.00	6,781.03	5,659.14	1,121.89	83.46
215.000 - Aministration and Clerk	4,587.00	4,801.76	2,714.08	2,087.68	56.52
228.000 - Information Technology	2,200.00	2,200.00	1,447.25	752.75	65.78
253.000 - Treasurer	7,993.00	8,044.19	4,964.52	3,079.67	61.72
257.000 - Assessor	3,000.00	2,805.97	0.00	2,805.97	0.00
528.000 - Sanitation Collection	282,905.90	282,394.36	189,134.39	93,259.97	66.98
530.000 - Wood Chipping	41,993.60	40,730.44	22,864.98	17,865.46	56.14
782.000 - Facilities - Abrams Park	3,366.80	4,875.00	4,914.74	(39.74)	100.82
783.000 - Facilities - Elms Rd Park	5,384.54	5,800.84	5,786.77	14.07	99.76
793.000 - Facilities - New City Hall	3,904.49	3,754.69	2,424.15	1,330.54	64.56
TOTAL EXPENDITURES	387,008.27	387,364.22	247,546.53	139,817.69	
Fund 226 - Garbage Fund:					
TOTAL REVENUES	393,465.00	393,465.00	375,562.89	17,902.11	95.45
TOTAL EXPENDITURES	387,008.27	387,364.22	247,546.53	139,817.69	63.91
NET OF REVENUES & EXPENDITURES	6,456.73	6,100.78	128,016.36	(121,915.58)	
Fund 248 - Downtown Development Fund					
000.000 - General	49,600.00	49,600.00	54,581.19	(4,981.19)	110.04

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
728.004 - Family Movie Night	1,000.00	1,000.00	500.00	500.00	50.00
TOTAL REVENUES	50,600.00	50,600.00	55,081.19	(4,481.19)	
173.000 - DDA Administration	3,365.00	3,365.00	2,507.95	857.05	74.53
728.000 - Economic Development	10,125.00	10,125.00	10,673.75	(548.75)	105.42
728.002 - Streetscape	101,200.00	101,200.00	90,000.00	11,200.00	88.93
728.003 - Facade Program	10,000.00	29,150.50	4,750.50	24,400.00	16.30
728.004 - Family Movie Night	3,900.00	3,900.00	2,329.00	1,571.00	59.72
TOTAL EXPENDITURES	128,590.00	147,740.50	110,261.20	37,479.30	
Fund 248 - Downtown Development Fund:					
TOTAL REVENUES	50,600.00	50,600.00	55,081.19	(4,481.19)	108.86
TOTAL EXPENDITURES	128,590.00	147,740.50	110,261.20	37,479.30	74.63
NET OF REVENUES & EXPENDITURES	(77,990.00)	(97,140.50)	(55,180.01)	(41,960.49)	
Fund 350 - City Hall Debt Fund					
000.000 - General	14.50	14.50	13.93	0.57	96.07
931.000 - Transfers IN	88,730.00	88,730.00	88,730.00	0.00	100.00
TOTAL REVENUES	88,744.50	88,744.50	88,743.93	0.57	
905.000 - Debt Service	89,480.00	89,480.00	7,240.00	82,240.00	8.09
TOTAL EXPENDITURES	89,480.00	89,480.00	7,240.00	82,240.00	
Fund 350 - City Hall Debt Fund:					
TOTAL REVENUES	88,744.50	88,744.50	88,743.93	0.57	100.00
TOTAL EXPENDITURES	89,480.00	89,480.00	7,240.00	82,240.00	8.09
NET OF REVENUES & EXPENDITURES	(735.50)	(735.50)	81,503.93	(82,239.43)	
Fund 402 - Fire Equip Replacement Fund					
000.000 - General	70.00	70.00	(226.85)	296.85	(324.07)
931.000 - Transfers IN	30,000.00	140,000.00	81,200.00	58,800.00	58.00
TOTAL REVENUES	30,070.00	140,070.00	80,973.15	59,096.85	
336.000 - Fire Department	0.00	250,000.00	191,187.48	58,812.52	76.47

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
TOTAL EXPENDITURES	0.00	250,000.00	191,187.48	58,812.52	
Fund 402 - Fire Equip Replacement Fund:					
TOTAL REVENUES	30,070.00	140,070.00	80,973.15	59,096.85	57.81
TOTAL EXPENDITURES	0.00	250,000.00	191,187.48	58,812.52	76.47
NET OF REVENUES & EXPENDITURES	30,070.00	(109,930.00)	(110,214.33)	284.33	
Fund 590 - Water Supply Fund					
000.000 - General	1,100.00	1,100.00	(2,177.53)	3,277.53	(197.96)
540.000 - Water System	2,164,550.00	2,164,550.00	1,018,443.25	1,146,106.75	47.05
TOTAL REVENUES	2,165,650.00	2,165,650.00	1,016,265.72	1,149,384.28	
000.000 - General	71,858.10	71,858.10	0.00	71,858.10	0.00
101.000 - Council	8,736.44	8,736.44	6,481.21	2,255.23	74.19
172.000 - Executive	28,347.05	28,649.55	18,960.91	9,688.64	66.18
201.000 - Finance,Budgeting,Accounting	20,581.00	20,581.00	16,992.69	3,588.31	82.56
215.000 - Aministration and Clerk	17,209.00	18,439.23	10,716.09	7,723.14	58.12
228.000 - Information Technology	6,855.00	6,855.00	5,402.23	1,452.77	78.81
253.000 - Treasurer	28,629.00	28,751.38	19,050.84	9,700.54	66.26
540.000 - Water System	1,974,615.10	1,974,615.10	1,251,783.25	722,831.85	63.39
542.000 - Read and Bill	53,243.20	53,243.20	30,430.03	22,813.17	57.15
543.230 - Water Main Repair USDA Grant	0.00	215,918.00	123,206.75	92,711.25	57.06
793.000 - Facilities - New City Hall	9,588.51	9,588.51	6,043.14	3,545.37	63.02
850.000 - Other Functions	12,000.00	12,000.00	0.00	12,000.00	0.00
905.000 - Debt Service	49,115.60	49,115.60	4,433.63	44,681.97	9.03
TOTAL EXPENDITURES	2,280,778.00	2,498,351.11	1,493,500.77	1,004,850.34	
Fund 590 - Water Supply Fund:					
TOTAL REVENUES	2,165,650.00	2,165,650.00	1,016,265.72	1,149,384.28	46.93
TOTAL EXPENDITURES	2,280,778.00	2,498,351.11	1,493,500.77	1,004,850.34	59.78

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
NET OF REVENUES & EXPENDITURES	(115,128.00)	(332,701.11)	(477,235.05)	144,533.94	
Fund 591 - Sanitary Sewer Fund					
000.000 - General	1,080.00	1,080.00	1,126.44	(46.44)	104.30
536.000 - Sewer System	1,287,485.00	1,287,485.00	611,046.67	676,438.33	47.46
TOTAL REVENUES	1,288,565.00	1,288,565.00	612,173.11	676,391.89	
000.000 - General	23,582.50	23,582.50	0.00	23,582.50	0.00
101.000 - Council	8,336.44	8,336.44	6,481.24	1,855.20	77.75
172.000 - Executive	29,315.89	29,013.39	18,845.81	10,167.58	64.96
201.000 - Finance,Budgeting,Accounting	19,646.00	19,646.00	16,992.16	2,653.84	86.49
215.000 - Aministration and Clerk	15,744.00	16,954.23	10,712.37	6,241.86	63.18
228.000 - Information Technology	6,900.00	6,900.00	5,402.23	1,497.77	78.29
253.000 - Treasurer	29,730.00	29,857.44	19,051.27	10,806.17	63.81
536.000 - Sewer System	950,565.12	952,784.42	229,967.74	722,816.68	24.14
537.000 - Sewer Lift Stations	14,257.20	14,022.90	8,766.54	5,256.36	62.52
542.000 - Read and Bill	59,561.04	58,836.04	37,719.42	21,116.62	64.11
543.401 - Flush & TV Sewers	30,904.00	30,054.00	0.00	30,054.00	0.00
543.408 - Sewer Rehab Phase 8	220,000.00	220,000.00	0.00	220,000.00	0.00
793.000 - Facilities - New City Hall	10,861.55	10,451.55	6,029.08	4,422.47	57.69
850.000 - Other Functions	10,000.00	10,000.00	0.00	10,000.00	0.00
TOTAL EXPENDITURES	1,429,403.74	1,430,438.91	359,967.86	1,070,471.05	
Fund 591 - Sanitary Sewer Fund:					
TOTAL REVENUES	1,288,565.00	1,288,565.00	612,173.11	676,391.89	47.51
TOTAL EXPENDITURES	1,429,403.74	1,430,438.91	359,967.86	1,070,471.05	25.16
NET OF REVENUES & EXPENDITURES	(140,838.74)	(141,873.91)	252,205.25	(394,079.16)	
Fund 661 - Motor Pool Fund					
000.000 - General	161,750.00	158,200.00	82,935.14	75,264.86	52.42

GL NUMBER	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 2/28/2019	AVAILABLE BALANCE	% BDGT USED
TOTAL REVENUES	161,750.00	158,200.00	82,935.14	75,264.86	
172.000 - Executive	11,424.12	11,424.12	9,409.30	2,014.82	82.36
201.000 - Finance,Budgeting,Accounting	7,602.00	7,602.00	4,912.02	2,689.98	64.61
228.000 - Information Technology	865.00	865.00	690.45	174.55	79.82
795.000 - Facilities - City Garage	153,877.11	150,327.11	106,263.45	44,063.66	70.69
TOTAL EXPENDITURES	173,768.23	170,218.23	121,275.22	48,943.01	
Fund 661 - Motor Pool Fund:					
TOTAL REVENUES	161,750.00	158,200.00	82,935.14	75,264.86	52.42
TOTAL EXPENDITURES	173,768.23	170,218.23	121,275.22	48,943.01	71.25
NET OF REVENUES & EXPENDITURES	(12,018.23)	(12,018.23)	(38,340.08)	26,321.85	
Fund 865 - Sidewalks					
478.000 - Snow & Ice Removal	1,400.00	1,400.00	0.00	1,400.00	0.00
TOTAL REVENUES	1,400.00	1,400.00	0.00	1,400.00	
478.000 - Snow & Ice Removal	1,950.00	1,950.00	0.00	1,950.00	0.00
TOTAL EXPENDITURES	1,950.00	1,950.00	0.00	1,950.00	
Fund 865 - Sidewalks:					
TOTAL REVENUES	1,400.00	1,400.00	0.00	1,400.00	0.00
TOTAL EXPENDITURES	1,950.00	1,950.00	0.00	1,950.00	0.00
NET OF REVENUES & EXPENDITURES	(550.00)	(550.00)	0.00	(550.00)	
Fund 866 - Weed Fund					
000.000 - General	7,000.00	7,000.00	4,050.00	2,950.00	57.86
TOTAL REVENUES	7,000.00	7,000.00	4,050.00	2,950.00	
000.000 - General	1,000.00	1,000.00	1,125.00	(125.00)	112.50
TOTAL EXPENDITURES	1,000.00	1,000.00	1,125.00	(125.00)	
Fund 866 - Weed Fund:					
TOTAL REVENUES	7,000.00	7,000.00	4,050.00	2,950.00	57.86
TOTAL EXPENDITURES	1,000.00	1,000.00	1,125.00	(125.00)	112.50
NET OF REVENUES & EXPENDITURES	6,000.00	6,000.00	2,925.00	3,075.00	

MINUTES OF THE METRO POLICE AUTHORITY OF GENESEE COUNTY
REGULAR BOARD MEETING HELD ON FEBRUARY 27, 2019

METRO POLICE AUTHORITY OF GENESEE COUNTY BUILDING
5420 HILL 23 DRIVE
FLINT, MI 48507

The Regular Meeting of the Metro Police Authority of Genesee County was called to Order by the Board Chair, Curt Porath on February 27, 2019, at 10:00 a.m. Mr. Porath led the Board and audience in the saying of the Pledge of Allegiance.

Curt Porath introduced and welcomed Rae Lynn Hicks to the Metro Police Authority Board. Curt Porath requested Janette MacAinsh to do a roll call of members present.

Present: Curt Porath, Cory Bostwick, David Krueger, Rae Lynn Hicks, Kay Doerr, and Tonya Ketzler. Vane King was absent.

Also Present: Chief Matt Bade, Lieutenant Joel Grahn, Shawna Farrell, Kevin Kilby, Adam Zettel, and Chad Young

MINUTES

Curt Porath requested a motion to approve the minutes from the last meeting. David Krueger made a motion to accept the minutes as printed; Tonya Ketzler seconded the motion. **MOTION CARRIED**, unanimously.

AGENDA

Curt Porath requested a motion to approve the agenda and asked if there were any additions to the agenda. Tonya Ketzler made a motion to accept the agenda; Kay Doerr seconded the motion. **MOTION CARRIED**, unanimously.

1. DEPARTMENT ACTIVITY

Curt Porath turned the meeting over to Chief Matt Bade and Lt. Joel Grahn regarding department activity.

- A. Department Meeting on 1/30/19 – Chief Bade reported on the department meeting which included cultural expectations, and the new Pillars of Excellence signs posted throughout the building. Chief Bade also reported that the department meeting included Hope Network who gave a presentation to the department about mental health first aid.
- B. Hartland Township – Chief Bade reported that he, Adam Zettel, and Chad Young had met with Hartland Manager James Brickland who was interested in forming an Authority. Chief Bade said this was an informational meeting only.
- C. Collaborative Casework – Chief Bade highlighted a case handled by FANG, Det. Diem, Det. Larry Pirochta, Gaines, Genesee, Grand Blanc Township, and the MSP Fugitive Team.

- D. 2018 Service Activity – Lt. Joel Grahn reviewed the statistics received from the State for 2017 and 2018 reported cases and reports are up 10% from 2017 to 2018. Lt. Grahn also reported that about 50 warrants had been issued since the beginning of the year. Lt. Grahn also explained the difference in Part I and Part II crime classifications.

2. APPROVAL OF ADDENDUM TO THE INTER-LOCAL AGREEMENT

- A. Prosecution Services. Chief Bade presented the Addendum to the Interlocal Agreement to change the contract for prosecution services. David Krueger made a motion to accept the Addendum; Tonya Ketzler seconded the motion.

Curt Porath requested Janette MacAinsh to do a roll call vote:

Cory Bostwick – Yes
David Krueger – Yes
Rae Lynn Hicks – Yes
Kay Doerr – Yes
Tonya Ketzler – Yes
Curt Porath - Yes

MOTION CARRIED.

3. PROSECUTION PROTOCOL & COURT REPORTS STATUS

Curt Porath asked Chief Bade about the status of the protocol. Chief Bade reported that the emails had been given to the prosecutors and the warrant forms set up for digital signatures. Chief Bade reported that the department was still trying to get reports from the Court as to the fines and ordinance fees. Shawna Farrell reported that the Court is being cooperative, but not very quick about developing the report.

4. GAINES TOWNSHIP UPDATE

Curt Porath turned the meeting over to Chief Bade who reported having a meeting with Paul Fortino regarding the shared services agreement. Curt Porath reported that the 18 month commitment is about to expire and Gaines is not in a position to make a decision about Authority participation at this time. Chief Bade reported that there has been a cooperative effort by Gaines to assist the Metro Police Authority when needed. Board members expressed a desire to extend the shared services agreement. Tony Ketzler made a motion to extend the shared services agreement for another 6 months; Kay Doerr seconded the motion.

Curt Porath requested Janette MacAinsh to do a roll call vote:

David Krueger – Yes
Rae Lynn Hicks – Yes
Kay Doerr – Yes

Tonya Ketzler – Yes
Curt Porath - Yes
Cory Bostwick – Yes

MOTION CARRIED, unanimously.

5. BUDGET

Curt Porath turned the meeting over to Shawna Farrell. Shawna Farrell reported that she now has a more accurate picture. Shawna reported that we are over budget due to equipment budgeted in 2018 but was not received until 2019. Tonya Ketzler made a motion to accept the budget and check register; Cory Bostwick seconded the motion.

Curt Porath requested Janette MacAinsh to do a roll call vote:

Rae Lynn Hicks – Yes
Kay Doerr – Yes
Tonya Ketzler – Yes
Curt Porath - Yes
Cory Bostwick – Yes
David Krueger – Yes

MOTION PASSED, unanimously.

6. FUNDRAISING

Curt Porath presented the topic of fundraising for the MVP's as well as the new park coming up in Mundy Township. Curt Porath expressed that he believed officers, civic leaders and MVP should be involved. There was Board discussion about implementing fundraising for the volunteer program. Tonya Ketzler made a motion to put together a fundraising committee of 3 people. Cory Bostwick volunteered to be on the committee. Kay Doerr suggested Tonya Ketzler lead the committee. David Krueger suggested that Rae Lynn Hicks also sit on the committee. Tonya Ketzler restated the motion to put together a fundraising committee of 3 people to discuss opportunities and advantages; Kay Doerr seconded the motion. **MOTION CARRIED**, unanimously.

7. Appointment of Vice Chair

Curt Porath addressed the Board that he was resigning from the Swartz Creek City Council on 2/28/19 and was therefore resigning from the Metro Police Authority Board. Curt Porath recognized that vice-chair Kay Doerr would be assuming the Chair position. Curt Porath also introduced Dennis Cramer who will be taking over the Swartz Creek position on the Board, and Rae Lynn Hicks who was filling the seat previously filled by Dennis Pinkston.

Tonya Ketzler made a motion that David Krueger be the vice president of the Metro Police Authority; Cory Bostwick seconded the motion. Curt Porath asked David Krueger if he was

willing to accept the position, which David Krueger acknowledged that he was willing. **MOTION CARRIED**, unanimously. Curt Porath expressed his congratulations to both.

Curt Porath mentioned that the MVP dinner would be tomorrow 2/28/19 at 6:00 and thanked everyone who donated for the dinner.

Dennis Cramer wanted to let Board members know that he would be meeting with Representative John Cherry and Senator Hart on 3/20/19 regarding Senate Bill 2 reference decreasing the time frame for Law Enforcement to process forfeitures.

PUBLIC COMMENT

Chad Young, Mundy Township Manager, extended an invitation for March 5th for Social Media Training from 3:00 – 6:00 p.m. at the Mundy Township Hall to be facilitated by Mundy Township Trustee, Matt Bach, who is also the Director of communications for the Michigan Municipal League. Chad Young also thanked Curt Porath for being a tireless advocate for the Metro Police Authority organization.

Faye Porath said this was sad and bittersweet everyone has been wonderful. She added that she will love having Curt with her.

Curt Porath said he thought about what he was going to say. He said this group has been wonderful, and he wished he was going to be here to see it done and wanted to thank everyone.

BOARD COMMENT

David Krueger joked that to Curt Porath that he now has a wonderful opportunity to start a new Authority.

Kay Doerr wanted to thank Curt Porath for being a cornerstone of this organization by being the first Chair and welcomed the new members to the Board.

Cory Bostwick welcomed the new members and gave well wishes to Curt Porath and his wife.

David Krueger wished Dennis Pinkston could have been present, but he just couldn't make the meetings and that's why he resigned. He added he was dedicated to the job he offered to do and enthusiastic to see the Authority, and is glad to see it will be continuing.

Curt Porath thanked Shawna Farrell for all of her hard work. Shawna Farrell extended her best wishes to Curt Porath and his wife, and said Curt Porath would be missed.

Rae Lynn Hicks said she was looking forward to working with everyone on the Board, and said she had already said her goodbyes to Curt Porath.

Tonya Ketzler said the day meetings are good for retirees and Chief, but would like to look at some evening meetings to get younger people involved. She also reported that she was almost in an accident yesterday because someone was pushing snow in the road and thought that people should be made aware that it was illegal to push the snow into the road. Chief Bade said they were aware of the problem and it was being addressed when they were made aware of it.

Tonya Ketzler also said that roll calls seem to be at the discretion of the Chair and would like to know the policy for the Board.

Tonya Ketzler told Curt Porath that it was nice to work with him and thanked him for his support over the years.

Chief Bade asked if roll call policies would be something the Board would come up with or the attorney. Kevin Kilby said it was totally at the discretion of the Board. Chief Bade said roll call is easier for the department. Tony Ketzler said that if it was easier, then maybe that's what should be done on everything.

Chief Bade welcomed Rae Lynn Hicks and Dennis Cramer. Chief Bade said he was looking forward to working with them. Chief Bade said he believed the MVP program is very important to the Board and has been on a recruiting effort and specifically targeting Swartz Creek. Chief Bade said Lania was good enough to put an article in The View and it was put in the Swartz Creek newsletter. Chief Bade reported that they have received some responses, and that they are putting together an abbreviated version of the MVP Academy to get it up and running.

David Krueger added that Dennis Cramer is on the Boards of both GAIN and FANG and said he would probably be happy to give a monthly report if it was something he wanted to add to the Agenda.

Chief Bade asked Curt Porath to come forward. Chief Bade presented Curt Porath with a plaque thanking him on behalf of Metro Police Authority of Genesee County.

Curt Porath shared that at the first meeting Tonya Ketzler said to him, you're going to be the Chair, and he said of what? Curt Porath expressed that he was honored to be selected and said that it had been fun.

Chief Bade said he also had a plaque for Dennis Pinkston that he would present at the next council meeting. Chief Bade also invited everyone to the luncheon after the meeting in honor of Curt Porath.

Tonya Ketzler made a motion to adjourn; Kay Doerr seconded the motion. **MOTION CARRIED**, unanimously.

Meeting adjourned at 11:32 a.m.

Metro Police Authority Offense Summary

For Swartz Creek

Occurred 2/1/2019 - 2/28/2019

Offense	Total Offenses
1302 - 13002 - Aggravated/Felonious Assault - Family - Other Weapon	1
1380 - 13003 - Telephone Used for Harassment, Threats	2
2202 - 22001 - Burglary - Forced Entry - Residence (Including Home Invasion)	1
2308 - 23003 - Larceny - From Building (Includes library, office used by public, etc)	1
2399 - 23007 - Larceny (Other)	1
2505 - 25000 - Pass Counterfeited - Any Object	1
2609 - 26007 - Fraud - Identity Theft	1
2902 - 29000 - Damage to Property - Private Property	1
2996 - 29000 - Damage to Property - Throwing Stone, etc., at Train or Motor Vehicle	1
5015 - 50000 - Failure to Appear	1
5561 - 55000 - Animals at Large	1
5707 - 57001 - Trespass (Other)	1
8011 - 54001 - Motor Vehicle Accident - Failed to Stop and Identify	1
8013 - 54001 - Motor Vehicle Accident - Failed to Report Accident	1
8271 - 54003 - Traffic - No Operators License	1
8273 - 54003 - Traffic - Driving on Susp/Revoked/Refused License	1
9910 - 93001 - Traffic, Non-Criminal - Accident	11
9911 - 93002 - Traffic, Non-Criminal - Non-Traffic Accident	2
9913 - 93004 - Traffic, Non-Criminal - Parking Violations	3
9947 - 99002 - Miscellaneous - Natural Death	2
9954 - 99009 - Miscellaneous - Non-Criminal	1
Total	36

2019 REPORT OF ASSESSMENT ROLL CHANGES AND CLASSIFICATION

Assessing officers are required to report the total assessed value for each class of property and the assessment roll changes for each class of property for County and State Equalization. This form is issued under authority of P.A. 206 of 1893. This report shall be signed by the assessing officer and filed with the State Tax Commission and the County Equalization Department immediately following the turnment of the Board of review - Administrative Rule 209.26(6b). **REPORT ONLY ASSESSED VALUES ON THIS FORM.**

COUNTY GENESEE CITY OR TOWNSHIP CITY OF SWARTZ CREEK

REAL PROPERTY	Parcel Count	2018 Board of Review	Loss	(+/-) Adjustment	New	2019 Board of Review	Does Not Cross Foot (*)	
100 Agricultural	0	0	0	0	0	0		
200 Commercial	153	39,714,600	696,800	-17,200	981,400	39,982,000		
300 Industrial	8	11,542,000	0	-47,500	0	11,494,500		
400 Residential	2,289	116,329,900	414,500	9,794,945	1,495,655	127,206,000		
500 Timber - Cutover	0	0	0	0	0	0		
600 Developmental	0	0	0	0	0	0		
800 TOTAL REAL	2,450	167,586,500	1,111,300	9,730,245	2,477,055	178,682,500		
PERSONAL PROPERTY	Parcel Count	2018 Board of Review	Loss	(+/-) Adjustment	New	2019 Board of Review	Does Not Cross Foot (*)	
150 Agricultural	0	0	0	0	0	0		
250 Commercial	251	5,373,400	639,400	0	578,700	5,312,700		
350 Industrial	1	617,100	406,300	0	0	210,800		
450 Residential	0	0	0	0	0	0		
550 Utility	1	3,838,300	0	0	273,200	4,111,500		
850 TOTAL PERSONAL	253	9,828,800	1,045,700	0	851,900	9,635,000		
TOTAL REAL & PERSONAL	2,703	177,415,300	2,157,000	9,730,245	3,328,955	188,317,500		
No. of Exempt Parcels:	94	Amount of 2019 Loss from Charitable Exemption granted for first time in 2019 Under MCL 211.7o:					0	
CERTIFICATION								
Assessor Printed Name HEATHER MACDERMAID					Certificate Number 7128			
Assessor Officer Signature <i>Heather MacDermaid</i>					Date 03/20/2019			

The completed form must be signed by the local unit assessor who is the assessor of record with the State Tax Commission.

The form may be submitted in one of the following manners:

- 1) Mail the ORIGINAL completed form, with the ORIGINAL assessor of record signature to the State Tax Commission, PO Box 30471, Lansing, MI 48909
- 2) Email the completed form with the assessor of record signature to Equalization@michigan.gov

The assessor must submit the first copy of the completed form to the County Equalization Department. The form is to be re-viewed and approved by County Equalization.

If errors are found by County Equalization, the errors are to be corrected and a revised copy is to be immediately submitted to the State Tax Commission.

Assessor of record must retain a copy of the completed form.

If after submitting the completed form to the State Tax Commission and County Equalization, the assessor of record discovers there are errors within the form, the assessor of record shall correct the form and submit the revised copy to the County Equalization Department. The revised form must be identifying as a revised copy. Once the revised copy is reviewed and approved by County Equalization, the revised copy must be immediately submitted to the State Tax Commission.

NOT A REQUIRED STATE REPORT

03/20/2019 01:54 PM
 Db: City Of Swartz Creek
 2019

2019

This report will not crossfoot

L-4022-TAXABLE

COUNTY GENESEE

CITY OR TOWNSHIP CITY OF SWARTZ CREEK

REAL PROPERTY		2018 Board of Review	Losses	(+/-) Adjustment	Additions	2019 Board of Review
	Count					
101 Agricultural	0	0	0	0	0	0
201 Commercial	153	33,301,031	329,554	-114,265	443,700	33,137,444
301 Industrial	8	11,527,003	0	-66,168	0	11,460,835
401 Residential	2,289	94,712,680	226,588	3,991,833	1,202,875	99,573,624
501 Timber - Cutover	0	0	0	0	0	0
601 Developmental	0	0	0	0	0	0
800 TOTAL REAL	2,450	139,540,714	556,142	3,811,400	1,646,575	144,171,903
PERSONAL PROPERTY		2018 Board of Review	Losses	(+/-) Adjustment	Additions	2019 Board of Review
	Count					
151 Agricultural	0	0	0	0	0	0
251 Commercial	251	5,373,400	525,500	-512,000	976,800	5,312,700
351 Industrial	1	617,100	391,100	-15,200	0	210,800
451 Residential	0	0	0	0	0	0
551 Utility	1	3,838,300	56,200	-128,400	457,800	4,111,500
850 TOTAL PERSONAL	253	9,828,800	972,800	-655,600	1,434,600	9,635,000
TOTAL REAL & PERSONAL	2,703	149,369,514	1,528,942	3,155,800	3,081,175	153,806,903
TOTAL TAX EXEMPT	94					

Adam Zettel

From: Michelle Stebbins <mcstebbins@yahoo.com>
Sent: Tuesday, March 19, 2019 10:55 AM
To: Adam Zettel
Subject: Fwd: form for boosters
Attachments: 20190319092719159.pdf

Good morning Adam-

Thank you for the quick call back. The Athletic Boosters is looking to apply for 50/50 licenses for the upcoming Football and Basketball season. The State has asked us to provide information to verify the Athletic Boosters tax-exempt status. Attached is the form they have requested be completed at a City Council meeting, along with a couple other items the Boosters are getting together for the submission: by-laws, written statement on membership criteria, proof of bank account in organization name, a copy of several bank statements. This will allow us to be in good standing with the department that handles 50/50 licensing for the state - the Charitable Gaming Division.

I am happy to answer any questions and will plan to attend the meeting you are able to put this item on the agenda.

Thank you again!
Michelle Stebbins
President, Swart Creek Athletic Boosters
810-240-7218

Sent from my iPhone

Begin forwarded message:

From: "Stebbins, Michelle " <michelle.stebbins@stifel.com>
Date: March 19, 2019 at 9:14:06 AM EDT
To: "mcstebbins@yahoo.com" <mcstebbins@yahoo.com>
Subject: form for boosters