

AGENDA CITY COMMISSION MEETING WEDNESDAY, OCTOBER 11, 2023 CITY HALL | 130 N. NOTTAWA ST. WIESLOCH RAUM

WORK SESSION 5:00 P.M.

1. Second Precinct Commissioner Interviews

REGULAR MEETING 6:00 P.M.

- 1. CALL TO ORDER BY MAYOR
- 2. PLEDGE OF ALLEGIANCE
- 3. INVOCATION
- 4. ROLL CALL
- 5. PROCLAMATIONS / PRESENTATIONS
- 6. VISITORS (Public comments for items not listed as agenda items)
- 7. APPROVAL OF AGENDA
- 8. APPROVAL OF CONSENT AGENDA
 - A. Action of Minutes of Previous Meetings
 - APPROVE the minutes from the September 27, 2023 regular meeting as presented
 - B. Pay Bills
 - AUTHORIZE the payment of the City bills in the amount of \$2,744,683.56 as presented.
- 9. UNFINISHED BUSINESS
- **10. NEW BUSINESS**
 - A. Newell Brands Groundwater Contamination Update & Easement Request Barry Cox
 - B. Sturgis Farmer's Market Request Anthony VanNest
 - C. Demo of Structures at 26846 State Line Rd. Jeffrey Coney
 - D. 303 St. Joseph St. PILOT Ordinance First Reading Kenneth Rhodes
- 11. COMMISSIONER / STAFF COMMENTS
- 12. STURGIS HOUSING DEVELOPMENT CORPORATION MEETING
 - A. Call to Order
 - B. Closed Session Purchase of Property
 - C. Adjourn
 - 13. CLOSED SESSION Purchase of Property and to conduct a periodic personnel evaluation at the request of the employee
- 14. ADJOURN

Manager's Report

OCTOBER 11, 2023



Submitted by:

Andrew Kuk City Manager

Work Session

1. Second Precinct Commissioner Interviews

Staff: Mayor Mullins

Included in your packet are applications and associated information from individuals who applied for the 2nd Precinct Commissioner position being vacated by Commissioner Kinsey. Three candidates submitted information: Alan Albarran, C. Daniel Boring and Rodger Moyer.

As directed by the Commission, this work session will allow time for the Commission to interview the candidates. Discussion regarding their qualifications and a decision to appoint will take place at the October 25th City Commission meeting. The selected applicant will be sworn in at the Organizational Meeting on November 13, 2023.

Interviews will take place in the Large Conference Room of City Hall beginning at 5:00 pm.

Included in your packet:

- 1. Candidate Interview Agenda
- 2. Precinct 2 Commissioner Applications

8. Consent Agenda

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the Consent Agenda for October 11, 2023 as presented.

Staff Recommendation:

APPROVE

8A. Action of Minutes of Previous Meetings

Consent Agenda Motion:

APPROVE the minutes from the September 27, 2023 regular meeting as presented.

8B. Pay Bills

Consent Agenda Motion:

AUTHORIZE the payment of the City bills in the amount of \$2,744,683.56 as presented.

A. Newell Brands Groundwater Contamination Update & Easement Request

Staff: Barry Cox

Newell Brands is overseeing the EPA Superfund site cleanup for chlorinated compounds in the underground aquifer. The State of Michigan's Department of Environment, Great Lakes, and Energy (EGLE) is requiring Newell Brands to further investigate an area by the airport where the concentrations remain high. Newell Brands is looking to install additional monitoring wells within the City's street right of way and on airport property. The exact location of siting the wells has not be determined. Once the well sites are approved and installed, Newell Brands will have a surveyor pinpoint the well site and create a 10-foot by 10-foot easement centered on the well's location. Easement descriptions would be written, and access provided. The approximate locations are shown in the PowerPoint presentation included in your packet.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY three monitoring well easements and vehicular access to the monitoring well locations on the Kirsch Municipal Airport property pending staff and City Attorney review and AUTHORIZE City Manager Andrew Kuk to sign all necessary documents.

Staff Recommendation:

APPROVE and AUTHORIZE

Information Included in Packet:

1. Easement Request Information

B. Sturgis Farmer's Market Request

Staff: Anthony VanNest

Jamie Allen, a representative from the Sturgis Farmer's Market, is requesting use of a portion of Oak Lawn Park to host the Sturgis Farmer's Market starting in spring 2024. At this time, the Sturgis Farmer's Markets are held on Wednesday evenings from 4:00 pm-7:00 pm and Saturday mornings from 9:00 am-2:00 pm. The market runs from May until October. The request is for use of the north side of the park, in the island area. A map of the proposed area is included in your packet. The map indicates where they would like to have vendors set up and parking for vendors. Parking for customers would be along the paths/roads around the island area of the park.

Mrs. Allen indicated the Sturgis Farmer's Market is looking for a quieter venue with shade during the hotter summer months.

The Doyle, Recreation, and Parks Board approved this request to be sent to the City Commission at their October 2, 2023 regular meeting.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the use of Oak Lawn Park for the Sturgis Farmer's Market beginning in the spring of 2024 as presented.

Staff Recommendation:

APPROVE

Information Included in Packet:

Request Letter & Map

C. Demo of Structures at 26846 State Line Rd.

Staff: Jeffrey Coney

The intent of purchasing the property at 26846 State Line Rd. was to clear the existing structures and combine the property with the surrounding EDC controlled land. The City Commission approved a contract with F&V at the February 8, 2023, Commission Meeting for the Stateline Business Park planning, and this parcel plays a role in the final layout options being created.

Staff released an RFP for demolition of all structures, above and below grade, at 26846 State Line Road, owned by the City of Sturgis's Economic Development Corporation (EDC).

The City received two sealed bids on or before the September 11, 2023, deadline for the demolition, and the removal/reporting of the abandoned well, and septic field to the county health department. Michigan Demolition submitted a bid of \$14,900.00 and Parrish Excavating Inc, submitted a bid of \$27,516.00.

The EDC has budgeted funds for the demolition of this property in the current budget.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the bid from Michigan Demolition for demolition of the structures located at 26846 State Line Road in the total amount of fourteen thousand nine hundred dollars (\$14,900.00) as presented.

Staff Recommendation:

APPROVE

Information Included in Packet:

- 1. Bid Tab
- 2. Bid Letter

D. 303 St. Joseph St. PILOT Ordinance First Reading

Staff: Kenneth Rhodes

In 2020, the City of Sturgis was approached by Spire Development about locating a housing development project in Sturgis. The proposed St. Joseph Street Lofts project would be located at 303 St. Joseph Street, the former Paramount Furniture Company site currently owned by the Sturgis Economic Development Corporation (EDC).

Spire Development was seeking funding through MSHDA's Low Income Housing Tax Credit (LIHTC) program for the project, a 45-unit income based apartment building.

LIHTC housing developments can only rent units to individuals or families with low to moderate incomes and rent for these units is capped at levels tied to income. The LIHTC program competitively awards tax credits to affordable housing projects based on a number of factors.

Part of the application process for LIHTC tax credits is for the developer to have a number of elements addressed including site control (purchase of the property or a purchase agreement), site plan review, and a Payment in Lieu of Tax (PILOT) with the local community. The establishment of a PILOT is done via City ordinance, where the property of a qualifying project is exempted from taxes and a PILOT established in its place.

Spire complete all these elements with the City in 2020 and applied for LIHTC tax credits, but were not awarded. Subsequently the purchase agreement in place at the time with the EDC was voided and the PILOT ordinance was automatically repealed based on a lack of action towards the development.

Recently, the criteria for LIHTC funding through MSHDA has changed, greatly increasing the probability of a project being awarded this year. As such, Spire has renewed efforts to develop the St. Joseph Street Lofts project. At the end of September the EDC approved terms of a new purchase agreement for the property and Spire is working to refresh and update site plans and building drawings for the project. They are looking to apply for the December 1st LIHTC funding round.

In order to complete this application, Spire will also require a new PILOT ordinance be approved. As stated above, where a PILOT is established, the property of a qualifying project is exempted from taxes and the terms of the PILOT are used to pay the City for services.

The PILOT is calculated by taking the yearly rents from the project less utilities and applying an agreed-to percentage not more than 10%. The PILOT remains in place during the term the Housing Development remains subject to the income and rent restrictions under the LIHTC Program. Apartments in the proposed project would rented by individuals or families that make between 30% and 80% of the Area Median Income (AMI) for St. Joseph County; the average AMI for renters on this project is expected to be around 60%.

Included in your packet is a memo from Spire Development formally requesting a PILOT for the St. Joseph Street Lofts project. Following discussion with City staff, they are proposing a PILOT percentage of 9%; based on their projected annual shelter rents, this percentage is in line with past PILOTs granted by the Sturgis City Commission and the same percentage approved by the Commission for the St. Joseph St. Lofts project in 2020.

Also included in your packet is draft language of an ordinance amendment establishing the new PILOT for the St. Joseph Street Lofts project. The City Commission adopted a similar ordinance in 2020. Changes to the current ordinance reflect language requirements that were dictated by MSHDA. In addition to the PILOT percentage, this ordinance outlines the duration of the PILOT, terms of payment, ability to terminate, and other details. If passed, the PILOT will only take effect once the project is constructed and will automatically be repealed if the project is not granted approval by MSHDA by December 31, 2025. It may likewise be terminated if construction has not begun within one year of funding approval and is not completed within a year of construction beginning.

Proposed Motion:

Move that the Sturgis City Commission CONSIDER/NOT CONSIDER this the first reading of an amendment to Chapter 2, Article IV, Division 1 of the Ordinances of the City of Sturgis adding Section 2-309. - Tax exemption for St. Joseph Street Lofts and fee in lieu of taxes.

Staff Recommendation:

CONSIDER

<u>Information Included in Packet</u>:

- 1. PILOT Request Memo
- 2. Sec. 2-307 St. Joseph Street Lofts PILOT DRAFT (02-21-20)

12. Sturgis Housing Development Corporation Meeting

Proposed Motion:

Move that the Sturgis City Commission RECESS the October 11th 2023 Regular Meeting.

CALL TO ORDER the Sturgis Housing Development Corporation.

12B. Closed Session

Proposed Motion:

Move that the Sturgis Housing Development Commission ENTER Closed Session for the Discussion of Purchase of Property.

RECONVENE the Sturgis City Commission Meeting.

Noteworthy Meetings / Events

- Airport Board Meeting | September 26th
- St. Joseph County Brownfield Redevelopment Authority Board Meeting | September 28th
- Business After Hours Prime Quality Electric | September 28th
- Berrien County Community Foundation Visit | September 29th
- Rick Miller Retirement | September 29th
- Barbecue Fest | September 30th
- Childcare Crisis Municipal Leaders Workgroup Discussion | October 3rd
- Downtown Development Authority Meeting | October 4th
- Emergency Action Plan Training | October 5th

Upcoming Events

- The Magic Hour Finale | Sturges-Young | 7pm | October 6th
- HaasCaywood 125 Year Anniversary Open House | 112 S. Monroe St. | 4pm-7pm | October 12th
- Cinema Circle Young Frankenstein | Sturges-Young | 7pm | October 12th
- Comedian Rhapsody The Best of The Second City | Sturges-Young | 7:30pm |
 October 13th
- Mom2Mom Sale | Doyle | 9:30am-12pm | October 14th
- MML Conference | Traverse City | October 18th-20th
- Monster Mash | Sturges-Young | 8pm | October 28th
- Holiday Kaleidoscope | Sturges-Young | 5:30pm | November 3rd
- Styrofoam Recycling | DPS | 9am-12pm | November 4th
- Chamber Annual Dinner | Sturges-Young | 5pm | November 9th

City of Sturgis 2nd Precinct Commissioner Candidate Interviews October 11, 2023

Upon arrival, candidates will draw to determine the order of their interview.

5:00 p.m. Everyone will meet in the City Hall Conference Room.

Mayor Mullins welcomes the candidates and introduces them to the other Commissioners:

Alan Albarran - 260 John Street, #6B

Dan Boring - 170 W. Chicago Road, #4B

Rodger Moyer – 401 S Nottawa Street

Mayor Mullins explains the format for the interviews:

Sixteen minutes per interview:

Fourteen minutes of Commissioner questions;

Two minutes of candidate questions:

No Commissioner discussion of candidates during work session;

Other candidates may wait in Wiesloch Raum;

Candidates can stay for regular meeting.

Mayor Mullins details certain parameters for appointment:

All candidates have met the requirement as an elector in the City; Commission is made up of nine members, two from each precinct and one at-large;

Precinct Commissioner term is four years, two years for At-Large;

Elections are non-partisan in November of even years;

Half the terms up every two years;

This appointment is up for reelection in November 2024;

The appointment will be effective November 13, 2023;

Commissioner's role requires a time commitment;

2 regular Commission meetings a month, along with various special meetings and committees

Training opportunities

- 5:05 5:21 First Candidate Interview
- 5:24 5:40 Second Candidate Interview
- 5:42 5:58 Third Candidate Interview
- 5:58 Mayor Mullins thanks Candidates for their interest and participation

Alan Albarran

260 John St STE 6B Sturgis, Michigan

(269) 503-4844

Employer: KLS Underground INC 67297 US 131 Constantine MI (260) 350-1534 Alan Albarran 260 John St STE 6B Sturgis MI

To whom it may concern:

Since I was young, I have always had an interest in politics and community leadership. In recent years, I have gotten involved in politics and could see a future in it for myself. For quite some time, I have been looking for my next step to best cultivate my passion for community service and politics. I believe that I am very well suited to positively contribute as a member of the Sturgis City Commission.

Having been born and raised in Sturgis, I have had the privilege of witnessing first hand the many changes and progressions that have occurred in the last 10-15 years. I have seen how much of a positive impact that has been made in the lives of the citizens of Sturgis and hope to be a contributing factor to this change and the many changes going forward. From my professional experience as an office manager and active involvement in various positions within the St Joseph County Republican party, I have had the opportunity to cultivate relationships and gained tons of knowledge that would help me to become a strong and effective leader.

I respectfully ask for your consideration for the position as a Precinct 2 City Commissioner in my hometown. I commit myself to serve with integrity and genuine desire to serve my fellow residents.

Man Aldanar

Alan J Albarran

260 John St STE 6B Sturgis MI 49091 (269) 503-4388 (Text or Call) alanjalbarran@gmail.com

EXPERIENCE

KLS Underground INC Constantine, Michigan — Office Manager

01/2022-Now

KLS Underground is a Underground Utility Contractor specializing in the underground placement of conduit. My duties include but are not limited to employee relations, invoicing, DOT Compliance, inventory, and anything that may come up on a day to day basis.

Big Al's Baits and Tackle LLC Sturgis, Michigan — Owner

01/2022- Now

Big Al's Baits is a custom fishing tackle company. As owner I create all inventory such as ice fishing jigs and steelhead jigs, I also manage orders, inventory, and anything else related to owning a small business.

Unique Truck Accessories Sturgis, Michigan — TIG Welder

07/2021-01/2022

Unique Truck Accessories is a custom truck accessory fabricator. As a welder, I was in charge of putting together truck tool boxes per design specs and finishing them to be sold to the consumer.

EDUCATION

Glen Oaks Community College Centreville, Michigan — Associate's Degree

08/2020-05/2022

Associates of General Studies

Sturgis High School Sturgis, Michigan — High School Diploma

08/2016-05/2020

High School Diploma

St Joseph County GOP

Precinct Delegate, Sturgis Precinct 1 08/2022-Now

Vice Chairman 08/2023-Now

Young Republicans Chairman 02/2023-Now

Secretary 11/2022-09/2023



St. Joseph County Office of the Prosecuting Attorney

P.O. Box 250 Centreville, MI 49032 (269) 467-5547 (voice) (269) 467-5658 (fax) PROSECUTING ATTORNEY David A. Marvin

CHIEF ASST. PROSECUTING ATTORNEY Josh Robare

ASSISTANT PROSECUTING ATTORNEY Deborah Davis Casey Johnson

September 29, 2023

Re: Alan Albarran

To Whom it May Concern,

This letter is in promotion of Alan Albarran who demonstrates maturity beyond his years. I first encountered Alan a couple years ago as a newcomer to the Republican Party where he regularly attended and participated in meetings and events, establishing his reputation as a reliable supporter and promoter of core values including hard work and individual responsibility.

I am now Chairman of the St. Joseph County GOP and work with Alan regularly to that end. Having gotten to know him better, I recognize he is more responsible and reliable than most. He has a strong work ethic and seemingly endless energy. Alan is a go-getter. He's demonstrated a natural ability to identify, pursue and accomplish goals with no prompting, management or oversight: wind him up and let him go.

Alan is a self-motivated, young man with old school values.

Sincerely yours,

David A. Marvin

St. Joseph County Prosecutor

To Whom it concerns,

I have known Alan Albarron for over 10 years since he was a student in Sturgis Public Schools. Alan has always had great ambition and determination to achieve and most importantly, to serve. He was very active in student leadership in school with Youth in Government.

In his current supervisory role Alan has again demonstrated his leadership abilities by running multiple underground boring/installation crews over a wide area. He handles scheduling, inventory control, maintenance scheduling for equipment, insurances, Human resource duties, employee relations invoicing, payroll. He acts as a liaison for DOT and local officials, crews from other entities and coordinates legal, union, and many contractual obligations. He does the above with unusual skill and timeliness.

In the last couple years I have been working with him directly as an elected precinct delegate at the county and state level in the Republican party. During time spent personally with Alan I immediately recognized his natural leadership abilities. He is St Joseph co GOP Youth Chair, County GOP Secretary, and is very active in many GOP duties that are in addition to his other responsibilities.

He is very obviously a future leader in local and state level GOP party activities.

I worked for the City of Sturgis for over a decade. This experience leads me to make on final observation; Alan will be a huge asset to the City of Sturgis going forward, he is a leader waiting/wanting to make good things happen. I believe Sturgis will be served in a steadfast, honest, hard working manner by Alan Albarron.

Thank you for your consideration,

Craig Crabill Sturgis Mi. October 1, 2023

Dear Sturgis City Commission,

I highly recommend Alan Albarran for the City Commission position. With a proven track record of community engagement and a deep understanding of local issues, he is well-equipped to contribute meaningfully to the progress of the city of Sturgis. With his involvement with the local St. Joseph County Republican party, he has volunteered time to become elected as our vice Chairman after serving as secretary for the group. His accuracy with recording the details of the parliamentary procedures has been impeccable. He is also proficient at the parliamentary procedure, Roberts Rules, for conducting meetings or committee oversight.

In his professional life, Alan has worked with lawyers in developing policies and procedures for the company that he works for, KLS Underground. He does deal with expenses and invoicing. While also managing his own entrepreneurial business at home, he has maintained an exceptional business and community minded relationship with his customers.

Alan brings a unique blend of professional experience and civic involvement, which includes marketing, developing items for purchase, expertise with CANVA programs and such for targeting specific audiences. He developed and managed a booth at our recent St Joseph County Fair, with lots of interaction with the community. He is in the formative stage of developing a club for young voters for the county and networking with the Southwest Michigan area. This demonstrates his commitment to the betterment of our community.

Moreover, Alan does possess exceptional communication skills, a collaborative spirit, and a keen ability to analyze complex problems. These attributes are crucial for effective policymaking and ensuring that the interests of all citizens are represented. His multi-ethnicity will bring a younger, future oriented perspective and face to the vision of Sturgis.

His passion for sustainable development for the new generation of citizens to work collaboratively makes him a standout candidate for the City Commission. I have no doubt that he will bring fresh perspectives and innovative solutions to the table.

Wishing you all the best on your decision for this position.

Sincerely,

Regina Chapman R.N. (regchapi73@gmail.com)

Ken Rhodes

From:	Dan Boring <d.boring@metalloidcorp.com></d.boring@metalloidcorp.com>
Sent:	Thursday, September 28, 2023 1:27 PM
To:	Ken Rhodes

Subject: [EXTERNAL] Precinct 2

CAUTION! This message originated from outside your organization.



Hello Ken,

I am reaching out with interest in the Precinct 2 Commissioner position that is available. I am a long time resident of Sturgis growing up here and graduating high school from here. I attended Glenn Oaks and moved on to finish my degree at College of DuPage in Glen Ellyn Illinois. I moved back to town in 2003 and have been here since. I own multiple properties actually all of which are in precinct 2 and have resided in this precinct since 2006. Currently I am in a management roll at Metalloid Corporation and have been here for 10 years which is also in precinct 2. Prior to that I was in another local management roll for 9 years. I am divorced with 2 teenage boys who reside with me full time and I have a strong interest in the welfare of this town and where things are going which has lead me to feel compelled to be a part of the decision making process. I feel that I would be able to have helpful input and be able to work well with the commission and the city. I feel it is important to have someone involved who also has a vested interest in this city.

I'm not sure what other information you may need but I hope this helps in getting started.

Appreciate your consideration here.

Thank you,

C. Daniel Boring

Purchasing Manager

P 269-503-7300

C 269-503-3880



Boards and Commissions Application

Name	Bodger	R	VA-11	
Name:	(First)	(Middle)	(Last)	
\ddress:	401 S. Noth	Was St. Sturge my (Zip		in
re you a cit	ty resident?	Yes	Home/Cell Phone: 269-625-4498	
	24	thousan wood	Work Phone:269-651-7841	
mployment	: Thursto	Employer)	CEO-Tim Stoll	
Table 1		rs sturgs n	T 49091	
V-9-9-96 (4)	(Street)	(City)	(Zip)	
ny relevant	experience/exp	ertise in the area you wis	nbership (Include all City Boards you ser th to serve): yrs, <u>Leading Church Forward</u> , b	
		n, vvy piosli orientel	,	
easons for	seeking appoint	ment (Areas of interest,	goals, etc.):	
Market Carlo			e possibility. Would just went t	n cea
	Control of the contro		region The course of the College of	o ste
he city c	ontinoi to in	sprove a grow, or good	place for work a firmine	
re there an	y reasons you m	ay have a conflict of inte	rest if you were appointed to a Board or	
Commission	which you listed	1? <u>NO</u> If yes, plea	se explain.	
References (Non-family, thes	se may be personal or pr	ofessional):	
TIM S	toll	307 Franks Aux	269-651-7541	
lame)	70/1	(Address)	(Phone)	
Marcu	S Gouthier	307 Franks Aus	269-657-7841	
ame)	2 Vite line	(Address)	(Phone)	
ignature: _	TR(M)	/	Date: 10-3-23	
Choose a	ov boards/commissio	ns that you are interested in our	bering them in order of preference, 1 being the most	preferred
		To the part of the		picienea.
	Advisory Board of Review		LDFA Board of Directors	
	or Review ruction Board of Ap	neals	Parks and Cemetery Board ▼ Planning Commission Preunch #2 val	or contative
	loard of Directors	peais	Sister City Committee	1111111111111111111
	and Recreation Ad	visory Board	Sturges-Young Center for the Arts Board	1
EDC &	BRA Board of Dire	ectors	Sturgis Building Authority	
		sation Commission	Sturgis District Library Board	
	n Commission	1.112.0	Sturgis Housing Commission	
	yee's Retirement S Facilities & Hospit	al Finance Authority	Zoning Board of Appeals	
	CONTRACTOR OF THE PARTY OF THE	The state of the s		

Please contact the City Clerk or refer to the Boards and Commissions Handbook on the City's website for more information.

REGULAR MEETING - STURGIS CITY COMMISSION WEDNESDAY, SEPTEMBER 27, 2023 WIESLOCH RAUM - CITY HALL

Mayor Mullins called the meeting to order at 6:00 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Mayor Mullins.

Commissioners present: Bir, Nieves, Smith, Harrington, Hile, Perez, Vice-Mayor Miller, Mayor

Mullins

Commissioners absent: Kinsey

Also present: City Attorney, City Manager, City Controller, Wastewater Superintendent, Electric Department Superintendent, Economic Development Specialist, City Clerk

Economic Development Specialist Jeff Coney provided information on the award of the Redevelopment Ready Communities Certification. Julie Turnbull, MEDC presented the award.

Moved by Comm. Hile and seconded by Comm. Smith to approve the agenda as presented with the replacement of Item 10C with a hospital bond item.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

Moved by Comm. Hile and seconded by Comm. Smith to approve the Consent Agenda of September 27, 2023 as presented with a correction of the minutes to remove the Nay vote on the motion to postpone consideration.

8A. Action of Minutes of Previous Meetings

- APPROVE the minutes from the August 28, 2023 special meeting as presented.
- APPROVE the minutes from the September 13, 2023 regular meeting as presented.

B. Pav Bills

• AUTHORIZE the payment of the City bills in the amount of \$2,339,917.96 as presented.

C. MML Liability and Property Pool Board of Directors Election

• APPROVE submittal of ballot for the Michigan Municipal League Liability Property Pool Board of Directors as presented and AUTHORIZE the City Manager to sign all necessary documents.

D. LDFA Board Member

• APPOINT Rod Chupp to the Local Development Finance Authority Board of Directors through May 2026.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

Electric Department Superintendent Chris McArthur provided details on the bids for Line Clearance and Tree Maintenance bids. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Perez to approve the bid of Treecore, LLC for line clearance services for 2023-2024 with two one-year renewal options as presented and authorize City staff to sign all necessary documents.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

Moved by Comm. Hile and seconded by Comm. Perez to approve the bid of Asplundh Tree Experts LLC for Public Tree Maintenance services for 2023-2024 with two one-year renewal options as presented and authorize City staff to sign all necessary documents.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

Wastewater Superintendent Brandon Schrader provided details on the bids for the upgrade of the WWTP Laboratory. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Smith to approve the bid from Teclab, Inc. for the purchase and installation of laboratory cabinets, countertops, fixtures and fume hood in the amount of sixty-two thousand, five hundred forty-five dollars and twenty cents (\$62,545.20) with a five thousand dollar (\$5,000.00) contingency budget, as presented.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

City Manager Andrew Kuk provided information on a small change related to the recently approved Letter of Agreement with Askar Corporation to allow for additional time for payment. He also explained the request for a quit claim deed as it relates to the property. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Perez to approve the change of the Payment in the LOA with Askar Corp from October 16, 2023 to October 23, 2023.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

City Controller Holly Keyser provided details on the annual resolution related to PA152. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Perez to approve the Resolution to Control Municipal Health Care Costs as presented.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED RESOLUTION TO CONTROL 2024 MUNICIPAL HEALTH CARE COSTS

WHEREAS, Public Act 152 of 2011 (PA 152), an act to limit a public employer's expenditures for employee medical benefit plans, was approved by the State of Michigan and made effective September 27, 2011 and

WHEREAS, PA 152 mandates hard cap limits on health care expenses for public employers in a total amount equal to \$7,702.85 times the number of employees with single person coverage, \$16,109.06 times the number of employees with individual and spouse coverage or individual plus

one nonspouse dependent coverage, and \$21,007.83 times the number of employees with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2024; and

WHEREAS, PA 152 allows public employers the option, instead of the hard cap, of electing to pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials with a majority vote of its governing body; and

WHEREAS, PA 152 allows local units of government, including cities, the option to opt out of all limits set forth in the act with a $2/3^{\text{rds}}$ majority vote of its governing body; and

WHEREAS, these limits would impact all non-union employees beginning January 1st, 2024 and all union employees upon the expiration of their current union contract; and

WHEREAS, the City Commission has approved cost-sharing levels for non-union employees equal to 20% of the rates for traditional health care plans; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STURGIS, that the City will comply with the requirements of Public Act 152 of 2011 for the 2024 calendar year by opting out of the requirements of the Act as stipulated in Section 8 of the Act; and

LET IT BE FURTHER RESOLVED, that the City will implement cost-sharing levels for employees equal to \$200 for a single or \$300 for dual and family coverage when enrolled in the high deductible health plan; and

LET IT BE FURTHER RESOLVED, that the City will implement health incentives equal to \$100 for employees that complete 24 visits to the Doyle Community Center in the calendar year and \$100 for each employee and an additional \$100 if the employee's spouse also participates in a health screening which will be discounted from the biweekly employee contribution levels; and

LET IT BE FURTHER RESOLVED, that the City will contribute \$0.00 in 2024 to Flexible Spending Accounts; and

LET IT BE FURTHER RESOLVED, that the City will rebate \$3,500.00 for declining medical coverage and an additional \$200 for also declining dental.

LET IT BE FURTHER RESOLVED, that the City will contribute \$1,200.00 in 2024 to each Health Savings Account established, with payments distributed during January 2024.

City Clerk/Treasurer Kenneth Rhodes provided details on the agreement with St. Joseph County for early voting services. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Perez to approve the Agreement for Election Services Between St. Joseph County and the City of Sturgis et al as presented.

Voting yea: Eight Voting nay: None Absent: Kinsey MOTION CARRIED

City Controller Holly Keyser provided details on the needed budget amendments. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Perez to approve the Budget Amendments for Fiscal Year 2022-2023 as presented.

Voting yea: Seven Voting nay: Bir Absent: Kinsey MOTION CARRIED

The meeting was adjourned at 7:03 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

Page: 1 ACCOUNTS PAYABLE BILL PROOF - CITY OF STURGIS, MI Date: 10/11/2023 Month: 01

Date	Check#	Vendor	Vendor Name	Amount
Manual Chec	ks			
09-29-2023	PR0619M	00061	CITY OF STURGIS PAYROLL	335,198.91
09-01-2023	T16119M	03951	SOUTHERN MICHIGAN BANK & TRUST	5,277.77
09-25-2023	T16120M	04197	MI PUBLIC POWER AGENCY	160,507.66
09-29-2023	T16121M	05033	HUNTINGTON NATIONAL BANK	544,481.25
09-22-2023	T16122M	04088	BLUE CROSS BLUE SHIELD OF MI	27,320.35
09-22-2023	T16123M	03173	FIFTH THIRD BANK	15,660.66
09-29-2023	T16124M	04088	BLUE CROSS BLUE SHIELD OF MI	40,500.09
09-29-2023	T16125M	00062	CITY OF STURGIS-EMPLOYEE INS	70,647.96
09-29-2023	T16126M	05588	ALERUS FINANCIAL/MERS TRANSFER	2,879.24
09-29-2023	T16127M	00065	DOYLE MEMBERSHIP TRANSFER	4,042.44
09-29-2023	T16128M	00063	CITY OF STURGIS TAX TRANSFER	18,708.98
09-29-2023	T16129M	05123	COMERICA BANK-INST TRUST SERV	33,180.05
09-29-2023	T16130M	03229	CITY OF STURGIS-WORKERS COMP	2,849.06
09-29-2023	T16131M	00064	INTL CITY MGMT ASSOC RETR CORP	8,198.67
09-29-2023	T16132M	00108	STATE OF MICHIGAN	65,429.75
09-28-2023	T16133M	05892	PAYCOR	384.53
Automatic C		06156		451 11
10-11-2023	247241	06156	AGILE TICKETING SOLUTIONS LLC	471.11
10-11-2023	247242	00332	ALEXANDER CHEMICAL CORP	276.00
10-11-2023	247243	06102	ALLIED FIRE SALES & SERVICE	270.00
10-11-2023 10-11-2023	247244 247245	06119 06318	AMAZON.COM SALES INC AMBULANCE BILLING NETWORK LLC	1,328.69
10-11-2023	247245	00310	AMERICAN SAFETY & FIRST AID	2,002.74 214.16
10-11-2023	247247	04696	APX INC	115.64
10-11-2023	247248	03968	ARROW ENERGY INC	28,980.38
10-11-2023	247249	03576	ARROW SERVICES INC	83.00
10-11-2023	247250	02292	ASPLUNDH TREE EXPERT CO	5,408.30
10-11-2023	247251	00379	AUTO PARK FORD	1,331.80
10-11-2023	247252	05868	B & B ENVIRONMENTAL SERV LLC	29,812.00
10-11-2023	247253	06117	BENITA ANN LEWIS	60.00
10-11-2023	247254	06082	BEST AIRE COMPRESSOR SERVICES	235.64
10-11-2023	247255	00072	BIRD, SCHESKE, REED & BEEMER,	7,543.00
10-11-2023	247256	06433	BLUE ROSE CAPITAL ADVISORS LLC	800.00
10-11-2023	247257	00296	BRIAN AND JAMIE WIARD	25.19
10-11-2023	247258	06416	BX2 EXCAVATING LLC	5,500.00
10-11-2023	247259	05108	CORRIGAN OIL CO	1,924.17
10-11-2023	247260	06325	COTTIN'S HARDWARE	246.30
10-11-2023	247261	06308	CRAIG'S LAWN CARE LLC	4,690.00
10-11-2023 10-11-2023	247262 247263	06158 05694	CULLIGAN WATER OF STURGIS	60.00 1,183.95
10-11-2023	247263	05909	CUMMINS INC TONY D'HAESE	1,163.95
10-11-2023	247265	02005	DELL MARKETING LP	3,308.20
10-11-2023	247266	03109	DOWNTOWN DEVELOPMENT AUTHORITY	450.00
10-11-2023	247267	00364	CAROL DUSTIN	360.00
10-11-2023	247268	01064	EJ USA INC	1,957.50
10-11-2023	247269	00166	ELHORN ENGINEERING CO	1,345.00
10-11-2023	247270	04955	ENVIRO-CLEAN	7,768.00
10-11-2023	247271	05929	FACTUAL DATA	50.00
10-11-2023	247272	05151	FAWN RIVER MECHANICAL LLC	295.00
10-11-2023	247273	01204	FERGUSON DBA POLLARDWATER	50.25
10-11-2023	247274	05841	FERGUSON FACILITIES SUPPLY	488.15

Page: 2 ACCOUNTS PAYABLE BILL PROOF - CITY OF STURGIS, MI Date: 10/11/2023 Month: 01

Date	Check#	Vendor	Vendor Name	Amount
10-11-2023	247275	05490	FERGUSON WATERWORKS #3386	4,331.53
10-11-2023	247276	01182	FIEBIG JEWELERS INC	200.00
10-11-2023	247277	00776	FLEIS & VANDENBRINK	53,244.25
10-11-2023	247278	06287	FOCAL POINT STUDIOS	5,000.00
10-11-2023	247279	05363	FOSTER SPECIALTY FLOORS	2,100.00
10-11-2023	247280	04389	FRONTIER COMMUNICATIONS A	5,788.12
10-11-2023	247281	02082	GECKO SECURITY LLC	810.00
10-11-2023	247282	00183	W W GRAINGER INC	754.57
10-11-2023	247283	05634	GREEN PROJECTS GROUP	2,780.00
10-11-2023	247284	05349	HEATHER SWINSICK	40.00
10-11-2023	247285	04922	HUTSON ASSESSING INC	4,900.49
10-11-2023	247286	05522	INTERSTATE BATTERIES-GREAT LKS	59.99
10-11-2023	247287	05634	JAMIE CRITES RENTAL	527.16
10-11-2023	247288	06199	JANSEN PLUMBING, HEATING &	2,025.60
10-11-2023	247289	00296	JESSYCA A ESTUPINAN CARRERO	64.47
10-11-2023	247290	06314	JODIE M JOHNSON	40.00
10-11-2023	247291	05842	JOHN DEERE FINANCIAL	10.76
10-11-2023	247292	06217	JOHN J FLOWERS	40.00
10-11-2023	247293	05969	JOHN JONES AUTO DEALERSHIP INC	92,604.00
10-11-2023	247294	00889	KENTON KELLEY	126.00
10-11-2023	247295	04238	MICHELE KELLEY	126.00
10-11-2023	247296	01615	KENNEDY INDUSTRIES INC.	9,751.50
10-11-2023	247297	00296	KENNETH J NISLEY	16.40
10-11-2023	247298	05188	KLINK TRUCKING	5,511.00
10-11-2023	247299	05933	KNAPHEIDE TRUCK EQUIPMENT	26,071.93
10-11-2023	247300	03684	LEXISNEXIS RISK SOLUTIONS	100.00
10-11-2023	247301	00041	LISA MEINTS	268.64
10-11-2023	247302	00220	LITHO PRINTERS INC	156.50
10-11-2023	247303	06238	LUBRICATION ENGINEERS, INC	308.39
10-11-2023	247304	05156	M A A C PROPERTY SERVICES	1,060.68
10-11-2023	247305	06385	MAIN STREET SMOKEHOUSE	308.00
10-11-2023	247306	03537	MEADOWBROOK INC	15,196.33
10-11-2023 10-11-2023	247307 247308	00233 04817	MI MUNICIPAL LIABILITY & MICHIANA RECYCLING & DISPOSAL	297,351.00 1,526.05
10-11-2023	247308	03774	STATE OF MICHIGAN	90.00
10-11-2023	247310	04772	MIKE MILLER	20.00
10-11-2023	247310	04772	MILLERS SALES & SERVICE	1,148.66
10-11-2023	247311	05051	MILSOFT UTILITY SOLUTIONS	505.84
10-11-2023	247313	00847	MWEA	340.00
10-11-2023	247314	06267	NEW CREATIONS LANDSCAPE LLC	3,007.93
10-11-2023	247315	00593	NEWKIRK ELECTRIC ASSOCIATES	68,249.51
10-11-2023	247316	00255	NIBLOCK EXCAVATING INC	586.53
10-11-2023	247317	05143	NORTH AMERICAN PUMP CO INC	41,158.50
10-11-2023	247318	06051	NORTHERN CONSTRUCTION SERV COR	343,600.63
10-11-2023	247319	05671	PACE ANALYTICAL SERVICES LLC	615.50
10-11-2023	247320	04770	PARRISH EXCAVATING INC	8,317.63
10-11-2023	247321	00033	POSTNET POSTAL & BUSINESS	109.72
10-11-2023	247322	00485	POWER LINE SUPPLY	15,274.24
10-11-2023	247323	04481	PROF SPORTS SPECIFIC TRAINING	270.00
10-11-2023	247324	05364	PSYBUS PC	625.00
10-11-2023	247325	05468	PVS TECHNOLOGIES INC	3,065.14
10-11-2023	247326	01817	RADIAN RESEARCH INC	2,736.00
10-11-2023	247327	04251	RAI JETS LLC	1,260.00

Page: 3 ACCOUNTS PAYABLE BILL PROOF - CITY OF STURGIS, MI Date: 10/11/2023 Month: 01

Date	Check#	Vendor	Vendor Name	Amount
10-11-2023	247328	05206	RAM CONSTRUCTION SERVICES	89,251.00
10-11-2023	247329	05700	RED CEDAR CONSULTING LLC	1,050.00
10-11-2023	247330	00537	REGULATORY COMPLIANCE SERVICES	395.00
10-11-2023	247331	00035	RESCO	2,004.50
10-11-2023	247332	06038	REVOLUTION HEALTH, P.C.	79.00
10-11-2023	247333	00028	RYAN CONROD	359.42
10-11-2023	247334	05765	SELKING INTERNATIONAL	625.89
10-11-2023	247335	00296	SIMRANJOT SINGH	100.00
10-11-2023	247336	05930	SMITH EQUIPMENT & SUPPLY CO	1,434.00
10-11-2023	247337	01546	ST JOSEPH CO ROAD COMMISSION	354.40
10-11-2023	247338	01546	ST JOSEPH CO ROAD COMMISSION	35,610.00
10-11-2023	247339	01546	ST JOSEPH CO ROAD COMMISSION	354.40
10-11-2023	247340	06231	STANLEY STEEMER	3,305.00
10-11-2023	247341	00042	STURGIS ELECTRIC MOTOR SERVICE	3,853.00
10-11-2023	247342	00101	STURGIS NEIGHBORHOOD PROGRAM	5,033.33
10-11-2023	247343	00841	STURGIS TOWING & RECOVERY	168.00
10-11-2023	247344	04140	SWICK BROADCASTING COMPANY	495.00
10-11-2023	247345	06281	T-MOBILE USA INC	711.66
10-11-2023	247346	00046	TELE-RAD INC	825.00
10-11-2023	247347	03985	THE SECOND CITY, INC	12,500.00
10-11-2023	247348	06291	THOMPSON CONSTRUCTION GROUP	20,511.45
10-11-2023	247349	00047	CITY OF THREE RIVERS	720.00
10-11-2023	247350	06384	USA BLUEBOOK	94.83
10-11-2023	247351	03362	UTILITY FINANCIAL SOLUTIONSLLC	27,513.75
10-11-2023	247352	05745	ERICA VARGAS SARCO	60.00
10-11-2023	247353	06339	WILLIAMS TREE CO LLC	33,615.30
10-11-2023	247354	02948	WITMER PUBLIC SAFETY GROUP INC	279.80
10-11-2023	247355	06107	YEOMAN, TALIA	240.00
10-11-2023	D02087	04066	BORDEN WASTE-AWAY SERVICE INC	6,399.43
10-11-2023	D02088	00077	CARQUEST AUTO PARTS	119.24
10-11-2023	D02089	02983	CINTAS LOCATION #351	1,528.64
10-11-2023	D02090	03929	EMERGENCY MEDICAL PRODUCTS INC	477.17
10-11-2023	D02091	00019	KENDALL ELECTRIC INC	153.27
10-11-2023	D02092	00020	KENDRICK STATIONERS INC	63.34
10-11-2023	D02093	03944	LINDE GAS & EQUIPMENT INC	305.32
10-11-2023	D02094	06250	MARANA GROUP	3,151.97
10-11-2023	D02095	05121	MICKEY'S LINEN	503.77
10-11-2023	D02096	06026	MID-CITY SUPPLY CO INC	32.60
10-11-2023	D02097	06069	NAPA AUTO PARTS	688.35
10-11-2023	D02098	01411	NCL OF WISCONSIN INC	1,113.90
10-11-2023	D02099	05042	PLANT GROWTH MANAGEMENT SYSTEM	5,169.60
10-11-2023	D02100	03091	PRIME QUALITY ELECTRIC LLC	9,412.00
10-11-2023	D02101	00279	RATHCO SAFETY SUPPLY	4,225.50
10-11-2023	D02102	06125	THE COPY IMAGE INC	233.00
10-11-2023	D02103	05777	TRACE ANALYTICAL LABORATORIES	1,313.00
Manual Tota Automatic T				\$1,335,267.37 \$1,409,416.19
Grand Total				\$2,744,683.56

\$2,744,683.56 Grand Total

PAYROLL DISBURSEMENT

FOR PAYROLL ENDING 09/24/2023 PR0619M PAYROLL DATE 09/29/2023

GENERAL	\$158,605.05
MAJOR STREET	7,628.06
LOCAL STREET	7,674.06
CEMETERY	8,548.99
DDA	937.18
AIRPORT	907.38
BUILDING	3,520.64
HOUSING DEPARTMENT	127.00
STURGES-YOUNG CENTER FOR THE ARTS	4,058.82
RECREATION	4,021.32
DOYLE RECREATION CENTER	7,993.10
AMBULANCE	12,777.67
ELECTRIC	82,236.27
SEWER	17,725.67
WATER	16,420.55
MOTOR VEHICLE	2,017.15
Payroll Sub-Total	\$335,198.91



KIRSCH MUNICIPAL WELL FIELD SUPERFUND SITE

Easement Request

PRESENTED BY SCOTT LANG



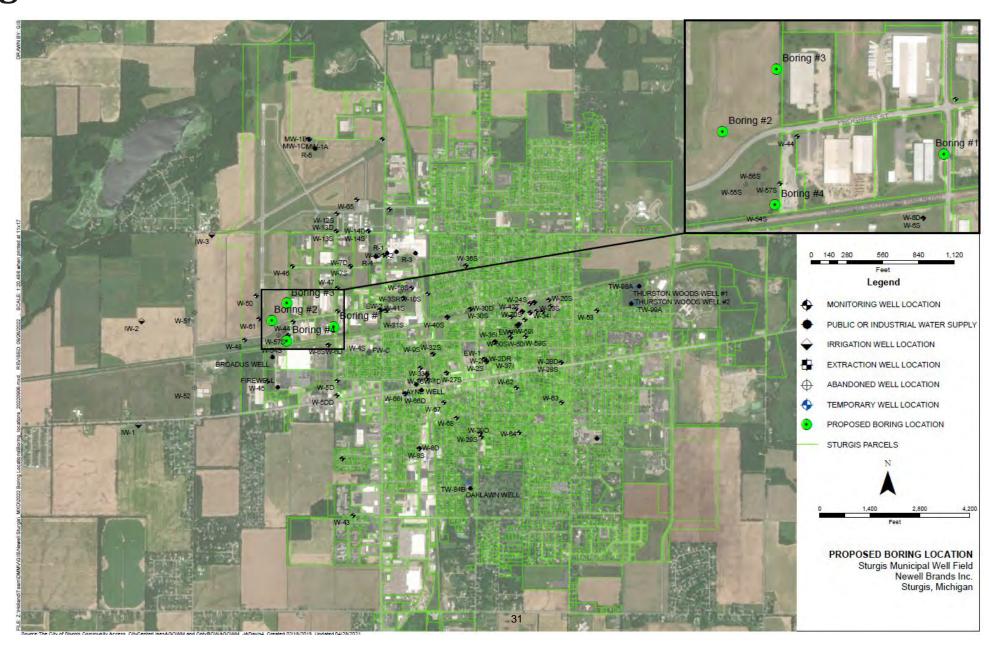
Sustainability is our business

Easement Request for Deep Aquifer Investigation





Boring Locations





Thank you





39555 Orchard Hill Place Crystal Glenn Suite 600 Novi, Michigan 48375 Telephone: +1 612 347 7198

www.erm.com

28 September 2023

Barry Cox City Engineer City of Sturgis 130 N. Nottawa Sturgis, Michigan 49091 Office Number: 269.651.2321

Subject: Land Easement and Access

Dear Barry,

ERM is requesting the City of Sturgis to grant permission for land easement and access to ERM and their subcontractors to perform subsurface investigation on the City owned land located along Progress Street. The St. Joseph County Geographic Information System (GIS) website depicts Progress Street bisecting the parcel known as 052 777 028 00 and land easement and access is requested for north and south portion of the parcel.

The Michigan Department of Environmental Great Lakes and Energy (EGLE) has requested ERM to perform this subsurface down gradient investigation associated with the Sturgis Municipal Wells Superfund Site. This investigation will be used to determine if any supplement remediation may be required to address a Trichloroethylene (TCE) plume associated with well W-44 located at Cambier Michigan Facility, 1500 Progress Street (Parcel Number 052 605 042 00). The scope of work to be completed includes public utility call, private utility locate, four soil borings advanced by roto sonic drilling methods to depths varying based on location to approximately 240 feet below ground surface (bgs), soil and groundwater sample collections and survey.

The boring locations are shown on the attached figure and are approximate. Locations will be finalized with discussion and approval with the City of Sturgis. ERM will utilize soft dig methods for the first 5 feet of the soil boring and will relocate all boring away from any marked or located utilities. All material generated from these activities will be placed in lined roll off containers, transported and disposal at an approved waste facility. Transportation of containers will occur once ERM receives laboratory analytical data approximately 10 to 15 businesses day once data is received.

If the City of Sturgis agrees to grant ERM land easement and access to parcel 051 777 028 00, please provide a written land easement/ access letter. ERM will provide notification of all dates of work being conducted on the parcel.

Should you have any questions or require additional information, please contact Scott Lang at 248.633.5039 via email scott.lang@erm.com.

Yours sincerely,

JAU.

Scott Lang





ERM

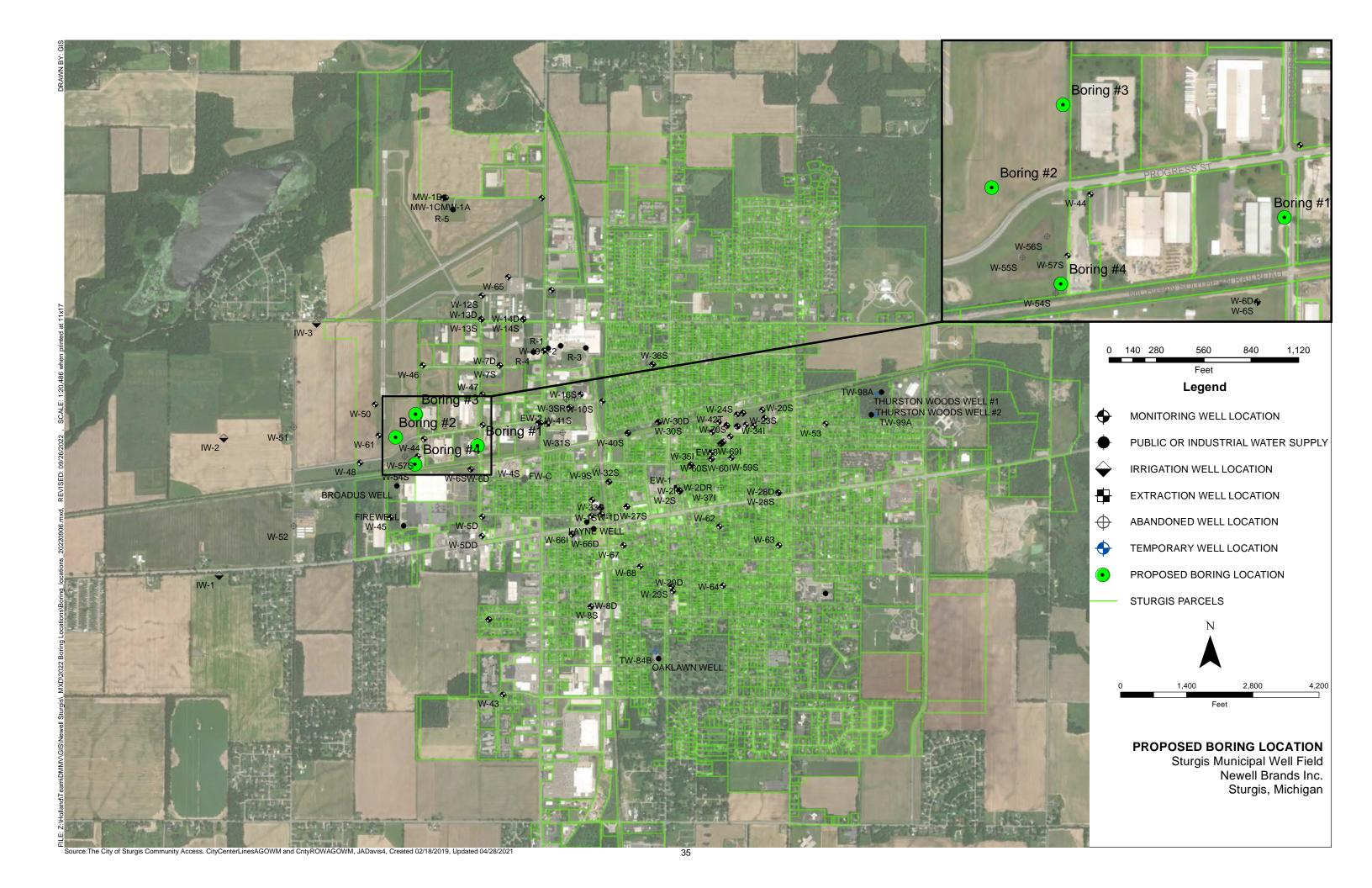
28 September 2023

Page 2 of 2

Associate Partner

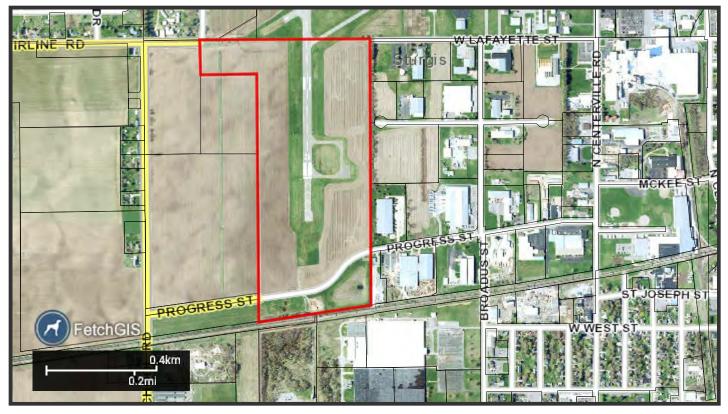
Attachments:

Figure Proposed Boring Locations St. Joseph County GIS Record Information





9/25/2023 12:22:05 PM



Property Address

STURGIS, MI, 49091

Owner Address

CITY OF STURGIS	Unitı	052
	Unit Name:	STURGIS CITY
130 N NOTTAWA		

STURGIS, MI 49091

General Information for 2023 Tax Year

Parcel Numbers	052 777 028 00	Assessed Value:	\$0
Property Class:	202	Taxable Value:	\$0
Class Name:	COMMERCIAL VACANT	State Equalized Value:	\$0
School Dist Code:	75010		
School Dist Name:	STURGIS		

PRE 2022:	0%
PRE 2023:	0%

Prev Year Info	MBOR Assessed	Final SEV	Final Taxable
2022	\$0	\$0	\$0
2021	\$0	\$0	\$0

Land Information

Acreage:	0
Acicagei	U

Tax Description

N 400 FT OF E 1/2 OF NW 1/4 OF NW 1/14 ALSO PART OF E 1/2 OF W 1/2 LYING N OF NYC RR R/W ALL IN SEC 2 T8S R10W UNPLATTED CITY OF STURGIS 102.83 ACRES NOTE: 777 028 00 WAS IN THE 1991 ROLL

Sales Information

No Records Found

Delinquent Tax Information

*DOES NOT include unpaid taxes on PERSONAL PROPERTY No Records Found

Tax History *Total Due as of settlement date

Tax Details 2023 Summer

School Dist. Code:	75010	Assessed Value:	\$0	
School Dist. Name:	STURGIS	Taxable Value:	\$0	
Property Class:	202	State Equalized Value:	\$0	
Class Name:	COMMERCIAL VACANT	Exemption Percent:	0%	

Last Payment Date:

Base Tax:	\$0.00	Base Paid:	\$0.00
Admin Fees:	\$0.00	Admin Fees Paid:	\$0.00
Interest Fees:	\$0.00	Interest Fees Paid:	\$0
Total Tax & Fees:	\$0.00	Total Paid:	\$0.00

Tax Items 2023 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
CITY OPERATING	11.6818	0.00	\$0.00
STATE EDUCATION	6	0.00	\$0.00

LOCAL SCHOOL		17.6862	0.00	\$0.00
SCHOOL OPER FC		17.6862	0.00	\$0.00
SCHOOL DEBT 00A		4.5	0.00	\$0.00
SCHOOL DEBT 00B		2.5	0.00	\$0.00
COMMUNITY COLLEG		2.7109	0.00	\$0.00
COUNTY OPERATING		4.5217	0.00	\$0.00
CITY STREETS/SW		3	0.00	\$0.00
SCHOOL BLDG/SINK		1.7208	0.00	\$0.00
ax Details 2022 Winter				
School Dist. Code:	75010		Assessed Value:	\$0
School Dist. Name:	STURGIS		Taxable Value:	\$0
Property Class:	202		State Equalized Val	ue: \$0
Class Name:	COMMERCI	AL VACANT	Exemption Percent	: 0%
Last Payment Date: Base Tax:	¢0.00		Base Paid:	\$0.00
Base Tax: Admin Fees:	\$0.00 \$0.00		Admin Fees Paid:	\$0.00
Interest Fees:	\$0.00		Interest Fees Paid:	\$0.00
Total Tax & Fees:	\$0.00		Total Paid:	\$0.00
Tax Items 2022 Winter				
Tax Source	N	fillage Rate	Tax Amt.	Base Amt. Paid
COUNTY ROADS	0	.9942	0.00	\$0.00
COUNTY 9-1-1	0	.9942	0.00	\$0.00
COUNTY COA	0	.7456	0.00	\$0.00
ST JOE ISD OP	0	.2267	0.00	\$0.00
ST JOE ISD SP ED	2	.4383	0.00	\$0.00
ST JOE ISD SP EV	0	.2925	0.00	\$0.00
ST JOE ISD CTE	0	.9932	0.00	\$0.00
COUNTY CTA	0	.328	0.00	\$0.00
COUNTY PARKS	0	.2492	0.00	\$0.00
DISTRICT LIBRARY	1	.0819	0.00	\$0.00
Tax Details 2022 Summe				

Actival Broad Books	75040		AG JULIUS AND	40
School Dist. Code:	75010		Assessed Value	\$0
School Dist. Name:	STURGIS		Taxable Value:	\$0 \$0
Property Class:	202 COMMERCIAL VACANT		State Equalized Value:	
Class Name:	COMMERCIAL	VACANT	Exemption Percent:	0%
Last Payment Date:				
Base Tax:	\$0.00		Base Paid:	\$0.00
Admin Fees:	\$0.00		Admin Fees Paid:	\$0.00
Interest Fees:	\$0.00		Interest Fees Paid:	\$0
Total Tax & Fees:	\$0.00		Total Paid:	\$0.00
Tax Items 2022 Summer				
Tax Source	Ņ	Millage Rate	Tax Amt.	Base Amt. Paid
CITY OPERATING	1	10.4623	0.00	\$0.00
STATE EDUCATION	6	5	0.00	\$0.00
LOCAL SCHOOL	1	17.6862	0.00	\$0.00
SCHOOL OPER FC	1	17.6862	0.00	\$0.00
SCHOOL DEBT 00A	3	3.86	0.00	\$0.00
SCHOOL DEBT 00B	3	3.14	0.00	\$0.00
COMMUNITY COLLEG	2	2.7109	0.00	\$0.00
COUNTY OPERATING	4	4.5217	0.00	\$0.00
CITY STREETS/SW	2	2.9476	0.00	\$0.00
SCHOOL BLDG/SINK	1	1.7208	0.00	\$0.00
Tax Details 2021 Winter				
School Dist. Code:	75010		Assessed Value:	\$0
School Dist. Name:	STURGIS		Taxable Value:	\$0
Property Class:	202		State Equalized Value:	\$0
Class Name:	COMMERCIAL	VACANT	Exemption Percent:	0%
Last Payment Date:				
Base Tax:	\$0.00		Base Paid:	\$0.00
Admin Fees:	\$0.00		Admin Fees Paid:	\$0.00
Interest Fees:	\$0.00		Interest Fees Paid:	\$0
Total Tax & Fees:	\$0.00		Total Paid:	\$0.00
Tax Items 2021 Winter				
Tax Source	Milla	ge Rate	Tax Amt.	Base Amt. Paid
COUNTY ROADS	0.997	74	0.00	\$0.00
COUNTY 9-1-1	0.997	74	0.00	\$0.00
COUNTY COA	0.748	2	0.00	\$0.00

ST JOE ISD OP	0.2	2275	0.00		\$0.00
ST JOE ISD SP ED	2.4	2.4471			\$0.00
ST JOE ISD SP EV	0.2	2936	0.00		\$0.00
ST JOE ISD CTE	0.9	9967	0.00		\$0.00
COUNTY CTA	0.3	3291	0.00		\$0.00
COUNTY PARKS	0.2	2493	0.00		\$0.00
DISTRICT LIBRARY	1.0)95	0.00		\$0.00
Tax Details 2021 Summ	er				
School Dist. Code:	75010		Assessed V	alue:	\$0
School Dist. Name:	STURGIS		Taxable Valu	Je:	\$0
Property Class:	202		State Equali	zed Value:	\$0
Class Name:	COMMERCIA	L VACANT	Exemption F	ercent:	0%
Last Payment Date:					
Base Tax:	\$0.00		Base Paid:		\$0.00
Admin Fees:	\$0.00		Admin Fees Paid:		\$0.00
Interest Fees:	\$0.00		Interest Fees Paid:		\$0
Total Tax & Fees:	\$0.00		Total Paid:		\$0.00
Tax Items 2021 Summe	r				
Tax Source		Millage Rate	Ta	ax Amt.	Base Amt. Paid
CITY OPERATING		10.4623	0.	.00	\$0.00
STATE EDUCATION		6	0.	.00	\$0.00
LOCAL SCHOOL		17.9065	0.	.00	\$0.00
SCHOOL OPER FC		17.9065	0.	.00	\$0.00
SCHOOL DEBT 00A		4.7	0.	.00	\$0.00
SCHOOL DEBT 00B		2.3	0.	.00	\$0.00
COMMUNITY COLLEG		2.7186	0.	.00	\$0.00
COUNTY OPERATING		4.5363	0.	.00	\$0.00
CITY STREETS/SW		2.9895	0.	.00	\$0.00
		2.9895 1.7407		.00	\$0.00 \$0.00

School Dist. Code:	75010	Assessed Value:	\$0	
School Dist. Name:	STURGIS	Taxable Value:	\$0	
Property Class:	703	State Equalized Value:	\$0	
Class Name:	EXEMPT	Exemption Percent:	0%	
Last Payment Date:				
Base Tax:	\$0.00	Base Paid:	\$0.00	
Admin Fees:	\$0.00	Admin Fees Paid:	\$0.00	
Interest Fees:	\$0.00	Interest Fees Paid:	\$0	
Total Tax & Fees:	\$0.00	Total Paid:	\$0.00	
Tax Items 2020 Winter				

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid	
COUNTY ROADS	1	0.00	\$0.00	
COUNTY 9-1-1	1	0.00	\$0.00	
COUNTY COA	0.75	0.00	\$0.00	
ST JOE ISD OP	0.2283	0.00	\$0.00	
ST JOE ISD SP ED	2.4554	0.00	\$0.00	
ST JOE ISD SP EV	0.2946	0.00	\$0.00	
ST JOE ISD CTE	1	0.00	\$0.00	
COUNTY CTA	0.33	0.00	\$0.00	
COUNTY PARKS	0.25	0.00	\$0.00	
DISTRICT LIBRARY	1.0981	0.00	\$0.00	

Application Use:

This map is neither a legally recorded map nor a survey and is not intended to be used as such. The information on St. Joseph County websites, are distributed and transmitted 'as is' without warranties of any kind, either expressed or implied, including without limitations, warranties of title or implied warranties of merchantability or fitness for a particular purpose. St. Joseph County does not guarantee the accuracy, timeliness, or completeness of the information on this website.

GIS/Mapping:

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Greetings Board Members,

I'm reaching out to you on behalf of **The Sturgis Farmers Market** which would like to request permission to use Oaklawn Park for its Saturday market and possibly Wednesday evening markets, when Pleasant St is not available.

Attached is an image that roughly represents the proposed layout. The darker green area in the eastern center circle drive area is the planned initial (main) vendor setup location. The lighter green area is the proposed overflow vendor setup location should the vendor count rise above 21 or should vendors wish to spread out more evenly in a single row.

Vendor parking is planned in the light blue areas with preference to parking in the Foursquare Church lot, should they approve.

The busiest markets (both Saturday and Wednesday) over the last 8 years have topped out at around 12 vendors. The initial (main) area is roughly 80' x 50'. This would comfortably afford 3 rows of vendors, 7 columns wide for 21 vendors total.

The 'overflow' vendor area is roughly 150' x 30'. This would comfortably afford 2 rows, 14 columns wide for an additional 28 vendors.

Should the market by some chance reach 50 vendors, an additional 35 overflow vendor spots would be apportioned spreading evenly east-to-west from the center on the north side of the north circle drive. (The yellow strip in the graphic.)

Food trucks are not anticipated for this location, but should they wish to attend, would be asked to set up in the pink colored area, which is the south side of the northern portion of the smaller, secondary loop.

Customer counts for most Saturday markets have been 150 with most of those comprising families of 2-4. Averaging these, vehicle counts (which have not yet been taken individually) are likely to be near 50 with that averaging to roughly 13 vehicles per hour. Should that trend continue, the circle drive area appears that it could easily accommodate with room to spare for normal, casual park attendees.

It is hoped that these numbers (both vendors and customers) will rise, and it appears that this circle drive area can contain nearly double the average number with little effort. We are not anticipating that the farmers market will ever overtake the Homegrown Festival in persistent attendance numbers but if it appears to gain that much popularity, contingent plans to set up in the skating rink area (which the farmers market has done at the Homegrown Festival) could be put in place to contain up to 100 vendors. The market would also then expedite its current plans to further formalize into a federal non-profit and seek its own permanent property location within the City. Both of these scenarios are merely "what if" plans.

On behalf of The Sturgis Farmers Market, thank you for your time and consideration,

Norm Allen IT Manager City of Sturgis, Michigan





AMENDMENT TO THE ORDINANCES OF THE CITY OF STURGIS ADDING A TAX EXEMPTION FOR ST. JOSEPH STREET LOFTS AND FEE IN LIEU OF TAXES

An ordinance to amend Chapter 2, Article IV, Division 1 of the Ordinances of the City of Sturgis adding a tax exemption for St. Joseph Street Lofts and fee in lieu of taxes and to provide for an effective date of this Ordinance.

WHEREAS, the City of Sturgis has determined that it is in the best interest of the residents of the City to add a tax exemption and fee in lieu of taxes for St. Joseph Street Lofts, a development providing housing for individuals and/or families of low to moderate income.

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan, ordains:

Part II – Chapter 2, Article IV, Division 1 is hereby amended to add Section 2-307 as follows, effective as of , 2023:

Section 2-307. – Tax exemption for St. Joseph Street Lofts and fee in lieu of taxes.

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

The City of Sturgis acknowledges that the Sponsor (as defined below) has offered, subject to receipt of an allocation under the LIHTC Program by the Michigan State Housing Development Authority, to construct, own and operate a Housing Development identified as St. Joseph Street Lofts on certain property located at 303 St. Joseph Street, parcel identification number 052-040-101-00 in the City of Sturgis to serve Low Income Persons and Families, and that the Sponsor has offered to pay the City on account of this Housing Development an annual service charge for public services in lieu of all *ad valorem* property taxes.

(b) *Definitions*. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

Act means the State Housing Development Authority Act, being Public Act 346 of 1966, of the State of Michigan, as amended.

Annual Shelter Rent means the total collections during an agreed annual period from or paid on behalf of all occupants of the Housing Development representing rent or occupancy charges, less the cost of Utilities.

Authority means the Michigan State Housing Development Authority.

City means the City of Sturgis, a Michigan municipal corporation.

Housing Development means the St. Joseph Street Lofts; a development that contains a significant element of housing for individuals and/or families of low to moderate income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the Authority has determined improves the quality of the development as it relates to housing for persons of low income.

LIHTC Program means the Low Income Housing Tax Credit program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Low Income Persons and Families means persons and families eligible to move into the Housing Development constructed and maintained by the Sponsor.

Mortgage Loan means a loan that is Federally-Aided (as defined in Section 11 of the Act) or a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of a Housing Development, and secured by a mortgage on the Housing Development.

PILOT means "payment in lieu of tax" or a service charge in lieu of property taxes in accordance with the Act.

Sponsor means St. Joseph Street Lofts Limited Dividend Housing Authority L.P., a Michigan limited partnership, which has or intends to apply to the Authority for an allocation of Low Income Housing Tax Credits to finance a Housing Development, and any entity that receives or assumes a Mortgage Loan.

Utilities means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project.

(c) Class of Housing Projects. It is determined that the class of Housing Developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be Housing Developments for Low Income Persons and Families that are financed with a Mortgage Loan or subject to income and rent restrictions pursuant to the LIHTC Program. It is further determined that St. Joseph Street Lofts is of this class. Passage of this section shall not be deemed precedent for other similar PILOT ordinances.

- (d) Establishment of annual service charge. The Housing Development identified as St. Joseph Street Lofts and the property on which it will be located shall be exempt from all ad valorem property taxes from and after the commencement of construction. The City of Sturgis acknowledges that the Sponsor and the Authority have established the economic feasibility of the Housing Development in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the Housing Development for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to construct and operate the Housing Development the City agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes subject to the requirements of subsections (g) and (h) hereto. Subject to receipt of a Mortgage Loan for the Housing Development, the annual service charge shall be equal to nine percent (9%) of the Annual Shelter Rents actually collected by the housing project but not less than \$18,000.00 during each operating year.
- (e) Limitation on the payment of annual service charge. Notwithstanding subsection (d), the service charge to be paid each year in lieu of taxes for the part of the Housing Development that is tax exempt but which is occupied by other than Low Income Persons or Families shall be equal to the full amount of the taxes which would be paid on that portion of the Housing Development if the Housing Development were not tax exempt.
- (f) Contractual effect of section. Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the City of Sturgis and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this section.
- (g) Verification of Annual Shelter Rent. The Sponsor shall verify Annual Shelter Rent revenues to the City with a statement of profit and loss of the Housing Development as reported to the Authority by an independent certified public accountant or such other form of financial documentation deemed suitable by the City. The statement of profit and loss, or such other form of financial documentation acceptable to the City, together with a statement describing the methodology by with the Sponsor calculated the service charge, shall be submitted to the City Treasurer by April 30 each year.
- (h) *Duration*. This Ordinance shall remain in effect and shall not terminate so long as all of the following are true:
 - (1) The Housing Development remains subject to income and rent restrictions under the LIHTC Program, but not more than forty-five (45) years.
 - (2) Construction of the Housing Development commences within eighteen (18) months from the award of a Low-Income Housing Tax Credit for the Housing Development from the Authority and is completed within twenty-four (24) months from commencement of construction unless extensions are approved by resolution of the Sturgis City Commission.

- (i) Payment of service charge. The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. An exception to this is that the annual payment for each operating year shall be paid on or before June 1st of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq), including applicable provisions of the Charter and Ordinances for the City of Sturgis, with respect to such payment, including, but not limited to the provisions providing for interest and penalties on late payments, return of delinquent taxes, and the sale of the lands for delinquent taxes.
- restored to the tax rolls by resolution duly adopted by the City in any of the following events. Any default must be noticed in writing to the Sponsor and the Authority by certified mail (return receipt requested) or by nationally recognized overnight carrier (with receipt acknowledged in writing) to the address on file with the Department of Labor and Economic Growth or any successor department. Termination can only progress if there is failure by the Sponsor to cure the default within 30 days following delivery of written notice to the Sponsor. Determinations of the event and continuing existence of default and the sufficiency of actions taken to cure default shall be in the sole judgment of the City.
 - (1) Failure of the Sponsor or the Housing Development to remain in compliance with the terms of this section or the Act.
 - (2) Failure of the Sponsor to complete construction as provided in subsection (h)(3) hereof.
 - (3) Failure of the sponsor to provide such reports and documentation as may be required by subsection (g) hereof.
- (k) Severability. The various subsections and provisions of this section shall be deemed to be severable, and should any subsection or provision of this section be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this section as a whole or any subsection or provision of this section, other than the subsection or provision so declared to be unconstitutional or invalid.
- (l) Inconsistent ordinances or sections. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this section are repealed to the extent of such inconsistency or conflict.
- (m) Effective date and automatic repeal. This Ordinance section shall become effective twenty (20) days after its passage, as provided in the City of Sturgis Charter. In the event the sponsor does not receive an award of a Low-Income Housing Tax Credit for the Housing Development from the Authority on or before December 31, 2025, this section shall be automatically repealed without further action of the City.

26846 State Line Road - Parcel 015 023 006 03 - Sturgis MI 49091				
<u>Contractor:</u>	<u>Bid Amount</u>			
Michigan Demolition 4788 Cornell Okemos MI 48864	\$ 14,900.00			
Parrish Excavating, Inc. 65 Cole St., Quincy MI 49092	\$ 27,516.70			



130 N. Nottawa St. Sturgis, MI 49091 www.sturgismi.gov

Ph: 269-659-7230 Fax: 269-659-7295

August 9, 2023

Please submit bids for demolition on the following properties:

Demo Location Address: 26846 State Line Road (All Structures and underground utilities)

Sturgis, MI 49091

Parcel # 015 023 006 02

The site is available to tour without permission from City Staff.

The following specifications will be the responsibility of the contractor including all enclosures:

- 1) Contact Miss Dig, follow up with all necessary utility cutoffs.
- 2) Maintain the roadways free of mud, excess dirt, and debris throughout the process.
- 3) Maintain a secure site.
- 4) Any Change Work requests shall be in writing and approved by a representative of the City of Sturgis prior to any unapproved work being completed or the accepted bid price being altered.
- 5) The following should be included in your bid:
 - a) Demolition of all primary buildings, accessory structures, and fences, and to include location and removal of all concrete footings, foundation, basement/crawl space, septic tank/system (pump and remove septic tank/drywells and haul away), walls, floors, driveways, pads, and on-site sidewalks.
 - b) Abandon Well per County Health department standards and submit all necessary documentation to the County department for official record.
 - a. Remove well head to a minimum of 4 feet below grade.
 - c) Submit a statement of removal of the septic system, including a site plan, to the County Health department for record.
 - d) Removal of storage trailer.
 - e) All necessary permitting costs.
 - f) All debris to be removed from site and disposed of in a legal manner.
 - g) All depressions/holes are to be filled with clean, acceptable fill material and compacted at proper lifts. Accepted shall mean, approved by the City prior to placement of fill material.

- h) The final elevation will be graded to match the surrounding elevations (any additional costs for soil needed should be included in bid) and will need to be raked free of debris and large stones.
- i) All costs incurred for Insurance, bonding if necessary, as per the Demolition Contract; to be signed with the City of Sturgis once a bid has been accepted.
- 6) Insurance The Contractor shall not commence work under this contract until he has obtained all the insurance required, and such insurance has been approved by the City of Sturgis, nor shall the Contractor allow any subcontractor to commence work on his subcontract until the insurance required of the subcontractor has been obtained and approved:
 - a) The Contractor shall procure and shall maintain during the life of this contract Workmen's Compensation Insurance as required by applicable State or territorial law for all of his employees to be engaged in work at the site of the project under this contract and, in case of any such work sublet, the Contractor shall require the subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractor's Workmen's Compensation Insurance. In case any class of employees engaged in hazardous work on the project under this contract is not protected under the Workmen's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide adequate employer's liability insurance for the protection of such of his employees as are not otherwise protected.
 - b) The Contractor shall procure and shall maintain during the life of this Contract Contractor's Public Liability Insurance, Contractor's Property Damage Insurance and Vehicle Liability Insurance. The Contractor's Public Liability Insurance and Vehicle Liability Insurance shall be in an amount not less than \$2,000,000 for injuries, including accidental death, to any one person, and subject to the same limit for each person, in an amount not less than \$1,000,000 on account of one accident, and Contractor's Property Damage Insurance in an amount not less than \$1,000,000.
 - c) Scope of Insurance and Special Hazards: The insurance required under subparagraphs (b) and (c) hereof shall provide adequate protection for the Contractor and his subcontractors, respectively, against damage claims which may arise from operations under this Contract, whether such operations be by the insured or by anyone directly or indirectly employed by him and, also against any of the special hazards which may be encountered in the performance of this Contract.
 - d) The Contractor shall furnish the Owner with certificates showing the type, amount, class of operations covered, effective dates and date of expiration of policies. Such certificates shall also contain substantially the following statement: "The insurance covered by this certificate will not be cancelled or materially altered, except after ten (10) days written notice has been received by the City of Sturgis."
- 7) The City of Sturgis will contract for the completion of all Asbestos Containing and Hazardous Materials assessments and abatements of the identified materials prior to demolition. In the event that a building material is discovered during the demolition process that may be hazardous the contractor shall immediately stop demolition and notify City Staff and await further instruction. Any cost of additional hazardous material abatement or remediation will not be the responsibility of the awarded contractor.
- 8) The City reserves the right to waive any irregularities and to reject any and all Bids. Bids will be subject to the City of Sturgis Purchasing Policy & Guidelines section 2.1

9) Local Preference Policy - The award of a purchase contract will normally be made to the low bidder meeting specifications. In the event that a bidder does not meet the bid specifications, the Department Head will document the reason(s) for disqualification. In cases where a local business provides a responsive bid that is within five percent (5%) of the lowest responsive bid, the local business will be considered the lowest bidder if it agrees to reduce its bid to match the lowest bid. A City of Sturgis vendor is defined as "a Sturgis based business or vendor that has a physical and economic relationship to the City of Sturgis determined by the business having its plant or office located within the City of Sturgis boundaries and one which pays City of Sturgis real and/or personal property taxes.

The City of Sturgis will receive sealed Bids for Demolition at the City of Sturgis, City Manager's Office, 130 N. Nottawa Street, Sturgis, Michigan 49091 until Monday, September 11, 2023, 4:00 p.m., local time.

No Bids will be received after this date and time. Bids may be submitted on this form and shall be enclosed in an opaque, sealed envelope, marked with "BID ENCLOSED – 26846 State Line Rd" and the name and address of the Bidder.

Bids may also be submitted electronically via BidNet Direct/MITN.

Project to commence no Later than November 2, 2023 and be completed by December 18, 2023.

Respectfully,

City of Sturgis

October 2, 2023

Andrew Kuk City Manager City of Sturgis 130 N. Nottawa Street Sturgis, Michigan, 49091

RE: St. Joseph Street Lofts – Tax Exemption Annual Service Charge

Mr. Kuk,

On behalf of Spire Development, Inc. ("Spire"), please accept this letter as a formal request for a Payment in Lieu of Taxes ("PILOT") tax abatement for the proposed St. Joseph Street Lofts (the "Project"), an affordable housing development to-be-located on 2.14 acres of vacant land at 303 St Joseph Street, Sturgis, Michigan 49091, as shown below in Exhibit 1. The Project will be owned by St. Joseph Street Lofts Limited Dividend Housing Association L.P.

Exhibit 1 Project Location: 303 St. Joseph Street, Sturgis, Michigan 49091 2.14 +/- acres PIDN: 75 052 040 101 00



PILOT Request

To competitively pursue funding consideration through the Michigan State Housing Development Authority, Spire respectfully requests a **9% PILOT** for 30 years.

A PILOT is important to the long-term financial viability of a tax credit project since such developments are subject to very long-term rent restrictions. Permissible rents are calculated based upon area median incomes of the county in which a development is located. As area incomes increase, so do shelter rents and the effective taxes a property pays. Conversely, if area incomes decline and a project must lower rents, the tax liability declines proportionally. Because tax credit developments have much less control over rents that may be charged, a PILOT improves expense predictability and thus financial stability of a development.

We sincerely appreciate the City of Sturgis' consideration of this request. Please don't hesitate to contact me with any questions.

Sincerely,

Sean McMickle

Vice President of Development

Spire Development, Inc.



NOVOGRADAC Rent & Income Limit Calculator ©

Beta - Test Version

The Rent & Income Limit Calculator© has been updated for the FY 2023 HUD Income Limits and is being released in Beta form. The Rent & Income Limit Calculator is still being tested for potential errors or calculation issues. Before using the numbers from the Rent & Income Limit Calculator©, we strongly recommend that you check with the applicable state housing agency to verify that the state agrees with the numbers.

If you would like to engage Novogradac & Company LLP to calculate the rent & income limits for your property, please contact Thomas Stagg at thomas.stagg@novoco.com.

Click on the [™] icons below to view historical charts.

Program and Location Information					
Affordable Housing Program		IRS Section 42 Low-Income Housing Tax Credit (LIHTC)			
Year ⁽¹⁾⁽²⁾		2023 (effective 05/15/23)			
State		MI			
County		St. Joseph County			
MSA		St. Joseph County, MI			
Persons / Bedroom		1.5 Person / Bedroom			
4-person AMI	W	\$76,300			
National Non- Metropolitan Median Income ⁽³⁾ (4)		\$76,800			
HUD Published 50% National Non-Metropolitan Median Income		\$37,750			
HERA Special ⁽⁵⁾		Not eligible			
Hold Harmless ⁽⁶⁾		You have indicated that your project was placed in service on or after 05/15/2023 and is therefore eligible to have its income and rent limit held harmless beginning with the 2023 limits.			
Placed in Service Date ⁽⁷⁾		On or after 05/15/2023.			

HUD Published Income Limits adjustments)	for 2023 (with no
O Display Income Limits	O Hide Income Limits

					Section 8		
	Charts	HERA Special 50%	MTSP 50%	Extremely Low	Very Low	Low	
1 Person	N	\$27,200	\$26,500	\$15,900	\$26,500	\$42,400	
2 Person	N	\$31,050	\$30,300	\$19,720	\$30,300	\$48,450	
3 Person	N	\$34,950	\$34,100	\$24,860	\$34,100	\$54,500	
4 Person	N	\$38,800	\$37,850	\$30,000	\$37,850	\$60,550	
5 Person	N	\$41,950	\$40,900	\$35,140	\$40,900	\$65,400	
6 Person	N	\$45,050	\$43,950	\$40,280	\$43,950	\$70,250	
7 Person	N	\$48,150	\$46,950	\$45,420	\$46,950	\$75,100	
8 Person	N	\$51,250	\$50,000	\$50,000	\$50,000	\$79,950	
9 Person	N	\$54,300	\$53,000	N/A ⁽¹⁰⁾	\$53,000	\$84,750	
10 Person	N	\$57,400	\$56,000	N/A ⁽¹⁰⁾	\$56,000	\$89,600	
11 Person	N	\$60,550	\$59,050	N/A ⁽¹⁰⁾	\$59,050	\$94,450	
12 Person	N	\$63,650	\$62,050	N/A ⁽¹⁰⁾	\$62,050	\$99,300	

HTC Income Limits for		unita)							
ased on 2023 MTSP	income Li Chart		30.00%	40.00%	50.00%	60.00%	70.00%	80.00%	140.00°
1 Pers	on 🎶	31,800	15,900	21,200	26,500	31,800	37,100	42,400	44,52
2 Perso	on 🎶	36,360	18,180	24,240	30,300	36,360	42,420	48,480	50,90
3 Perse	on 🎤	40,920	20,460	27,280	34,100	40,920	47,740	54,560	57,28
4 Perse	on 🎤	45,420	22,710	30,280	37,850	45,420	52,990	60,560	63,58
5 Perse	on 🎶	49,080	24,540	32,720	40,900	49,080	57,260	65,440	68,7
6 Perse	on 🎶	52,740	26,370	35,160	43,950	52,740	61,530	70,320	73,83
7 Perse	on 🎶	56,340	28,170	37,560	46,950	56,340	65,730	75,120	78,87
8 Perse	on 🎶	60,000	30,000	40,000	50,000	60,000	70,000	80,000	84,00
9 Perse	on 🎶	63,600	31,800	42,400	53,000	63,600	74,200	84,800	89,04
10 Perse	on 🎶	67,200	33,600	44,800	56,000	67,200	78,400	89,600	94,0
11 Perse	on 🎶	70,860	35,430	47,240	59,050	70,860	82,670	94,480	99,2
12 Perse	on 🎤	74,460	37,230	49,640	62,050	74,460	86,870	99,280	104,2
HTC Rent Limits for 2 ased on 2023 MTSP/		e Limits)							
Bedrooms (People)	Charts	60.00%	30.00%	40.00%	50.00%	60.00%	70.00%	80.00%	FM
Efficiency (1.0)	N	795	397	530	662	795	927	1,060	5
1 Bedroom (1.5)	N	852	426	568	710	852	994	1,136	6
2 Bedrooms (3.0)	N	1,023	511	682	852	1,023	1,193	1,364	8:
3 Bedrooms (4.5)	.V°	1,181	590	787	984	1,181	1,378	1,575	1,1
4 Bedrooms (6.0)	₽ *	1,318	659	879	1,098	1,318	1,538	1,758	1,1
, ,									

Before using the numbers from the Rent & Income Limit Calculator©, we strongly recommend that you check with the applicable state housing agency to verify that the state agrees with the numbers. The numbers round down to the nearest \$1.

Please note the following for households over 8 people. Per the HUD briefing material "HUD does not include income limits for families with more than eight persons in the printed lists because of space limitations. For each person over eight-persons, the four-person income limit should be multiplied by an additional 8 percent. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) HUD rounds income limits up to the nearest \$50. Local agencies may round income limits for nine or more persons to the nearest \$50, or they may use the un-rounded numbers." To account for areas that may round to the nearest \$50, the calculator also rounds to the nearest \$50 for these household sizes as this will always result in a lower amount than rounding up. If you are qualifying a household over 8 people please check with your local agency for what their policy is in relation to rounding.

Revenue Ruling 89-24 require that the LIHTC rent & income levels start their calculations with the HUD published very low-income (VLI) amounts because the HUD published VLI amounts include certain HUD adjustments, such as high housing cost for high FMR areas to increase income, and state non-metropolitan median income to provide a floor for income limits. The result is that many counties have VLI amounts that are different than 50% of the AMI published by HUD (the 4-person AMGI we have shown above). Please see this blog.post for more information about the HUD adjustments. The Novogradac Rent & Income Calculator© starts by default with the HUD published VLI amounts in accordance with Revenue Ruling 89-24.

⁽¹⁾ The rent and income limits for each year are effective beginning with the effective date shown above. There is a grace period for 45 days from the release of income limits to implement the new rent and income limits, which means that the old limits can be relied upon for 45 days after the release date of the new limits. For example income limits effective 12/04/2012, can be relied on until 1/17/2013. For more information, see Revenue Ruling 94-57.

IRS LIHC Newsletter #48 and IRS LIHC Newsletter #50 clarify that for projects placed in service during the 45-day grace period, the owner may choose the new or the old income limits. For example, if a project was placed in service on 1/8/2013 and the 2012 income limits are higher than the 2013 income limits, an owner may use the higher income limits from 2012 to income qualify tenants and set rents accordingly because the project was placed in service with the 45-day grace period.

Please note, the Rent & Income Limit Calculator® does not apply a 45-day grace period automatically. The user needs to indicate that the placed in service date and/or gross rent floor date occurred 45 days earlier (in the prior HUD Fiscal Year) if they want to apply the 45-day rule under Revenue Ruling 94-57 that allows owners to rely on the prior year. Therefore, projects that were placed in service during the 45-day grace period, and want to use the prior year, should select that they were placed in service as of the prior year. For example, if a project placed in service on 1/8/2013, and the project wanted to use the 45-day grace period, the user should select that their project was in service prior to 12/4/2012. Similarly, projects that have a gross rent floor effective as of the carryover allocation date (or reservation letter date for bond projects) during the 45-day grace period, and want to use the prior year, should select that the gross rent floor was effective as of the prior year. For example, if a project received a carryover allocation letter on 1/8/2013, and the owner did not elect placed in service date as the gross rent floor, and the project wanted to use the 45-day grace period, the user should select that their gross rent floor was effective prior to 12/4/2012.

- ⁽²⁾ For HUD FY 2013 HUD originally issued income limits on December 4, 2012 then issued revised income limits on December 11, 2012. In <u>IRS LIHC Newsletter #50</u>, the IRS has stated that the effective date for the revised FY 2013 income limits is December 4, 2012. Based on this guidance, the Rent & Income Limit Calculator© uses December 4, 2013 for the effective date for the revised FY 2013 limits. Please see <u>IRS LIHC Newsletter #50</u> for more detail.
- (3) An area may lose its rural area status. There is no clear guidance that a project is held harmless at the national non-metropolitan income limits when an area loses its rural status. The Rent & Income Limit Calculator© assumes that a project that is not indicated as rural in the current year was also not rural in the prior year, and therefore, does not receive hold harmless treatment based on the prior year national non-metro amount.

Please consult your state agency and tax advisor for further clarification.

(4) USDA may change their determination of what projects qualify as rural during the course of a year. Please periodically check with USDA to determine the continued rural eligibility of your project.

The national non-metropolitan median income has been calculated using the 50% national non-metropolitan median income as shown in each year's HUD FAQ.

For 2023 HUD has applied a cap on the increase in the 50% national non-metropolitan median income as shown in 2023's HUD FAQ, consistent with how HUD caps changes in Very Low Income. Although it is unclear if a cap should be applied to the LIHTC limit based on national non-metropolitan median income, the calculator has used HUD's published 50% figures.

Please check with your state agency as to if the national non-metropolitan median income should be capped or not.

- ⁽⁵⁾ A project uses HERA Special if income was determined prior to 1/1/2009 and the project is in a HERA Special county. A project's income limits are held harmless at the prior year income limits if income was determined in the prior year or earlier and the income limits have decreased. Please note that the IRS has informally indicated that the definition of "determined" for purposes of the HERA Special and MTSP Hold Harmless income limits means that a project was placed in service. Please see <u>IRS LIHC Newsletter #35</u> for more information about "determined" and projects with buildings that were placed in service before and after HUD income limit effective dates. Therefore, projects placed in service prior to 1/1/2009 are generally eligible for HERA Special. Please see footnote 7 for information about acquisition/rehabilitation projects.
- (6) Internal Revenue Code Section 142(d)(2)(i) indicates that hold harmless applies on a calendar year. The Rent & Income Limit Calculator© assumes that "calendar year" in the hold harmless rule means the HUD Fiscal Year. For example, the 2009 calendar year means the HUD Fiscal Year from 3/19/2009 through 5/13/2010. In other words, the Rent & Income Limit Calculator© assumes that "calendar year" in the hold harmless rule means the highest income level achieved during any HUD Fiscal Year.

The Rent & Income Limit Calculator© assumes that a rural project will receive hold harmless treatment at the national non-metro amount based on the prior year national non-metro amount if the national non-metro median income were to fall from year to year. If a rural project qualifies for HERA Special and the HERA Special is higher than the national non-metro, then the HERA Special amount will be used. Please note that the IRS has not issued guidance that specifically allows hold harmless treatment at the national non-metro amount for rural projects, however, Internal Revenue Code 42(g)(4) by reference to Internal Revenue Code 142(d)(2)(E) implies that hold harmless treatment would apply at the national non-metro amount for rural projects. Please consult your tax advisor for further clarification.

- (7) Please note that for acquisition/rehabilitation projects, the IRS guidance indicates that income and rent limits are determined at the later of the acquisition date or when management begins income-qualifying households in the project. For example, if a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households in 2011 then the project would be considered placed in service in 2011 for income and rent purposes. If a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households when the rehabilitation placed-in-service in 2012, then the project would be considered placed in service in 2012 for income and rent purposes. Please see IRS LIHC Newsletter#35 for more detail. Please consult your tax advisor for further clarification.
- (8) Revenue Procedure 94-57 gives guidance on the gross rent floor election.

Tax credit projects without bond financing:

"The Internal Revenue Service will treat the gross rent floor in section 42(g)(2)(A) as taking effect on the date an Agency initially allocates a housing credit dollar amount to the building [generally referred to as the 42M letter] under section 42(h)(1). However, the Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that made the allocation to the building no later than the date on which the building is placed in service."

Tax credit projects with bond financing:

"The Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that issued the determination letter to the building no later than the date on which the building is placed in service."

(9) The Rent & Income Limit Calculator© assumes all buildings in a project have a rent floor effective date under Revenue Procedure 94-57 in the same HUD Fiscal Year. However, if your buildings have rent floor effective dates under Revenue Procedure 94-57 in different HUD Fiscal Years, then you should run the calculator separately for each group of buildings in a particular HUD Fiscal Year.

The Rent & Income Limit Calculator© assumes that different AMGI limits (40%, 35%, 30%, etc.) chosen by the user will also have a rent floor election under <u>Revenue Procedure 94-57</u> from the same HUD Fiscal Year that applies to the federal level of 50% or 60%.

(10) The Consolidated Appropriations Act of 2014 changed how the 30% income limits is calculated. The 30% limit, which is now called the extremely low income limit, is determined by taking the greater of the 30% income limit as calculated by HUD or the poverty level as determined by the Department of Health and Human Services, which is then capped at the 50% Very Low Income Limit ('VLI') published by HUD. HUD has only published the data up to 8 people. For household sizes above 8 people please visit the following website: https://www.huduser.gov/portal/datasets/mtsp.html

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