



BOYNE CITY
CITY COMMISSION REGULAR MEETING
Boyne City Hall
319 North Lake Street
Tuesday, October 27, 2015 at Noon

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. CONSENT AGENDA
The purpose of the consent agenda is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff, or the public may ask that any item(s) on the consent agenda be removed and placed as the last item under new business to receive full discussion. Such requests will be automatically respected.
 - A. Approval of the October 13, 2015 City Commission regular meeting minutes as presented
4. HEARING CITIZENS COMMENTS (on non-agenda items; 5 minute limit)
5. CORRESPONDENCE
 - A. Notice to Taxing Jurisdictions regarding the Amended Combined Brownfield Act 381 Work Plan for the Lake Street Redevelopment Project
6. CITY MANAGER'S REPORT
7. REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES
 - A. September, 2015 Financial Statement
8. OLD BUSINESS
 - A. Amended Brownfield Plan – Catt South Lake Street Redevelopment
Consideration to approve the resolution of concurrence for the Amended Combined Brownfield / Act 581 Work Plan for the South Lake Street Redevelopment Project in Boyne City for the MDEQ Environmental and MSF Non-Environmental Eligible Activities
9. NEW BUSINESS
 - A. MDEQ Permit Approval – Last Riverdraw Sculpture
Consideration of approval to submit a joint permit application to the Michigan Department of Environmental Quality and the US Army Corps of Engineers, along with a letter of support from the City of Boyne City, to be included in the application, and authorize the City Manager to sign the necessary documents.

- i. MEDC Grants for the Last Riverdraw Sculpture
Consideration to approve the request of the Main Street Design Committee to submit various grants (similar to the ones already applied for and approved by city commission - the Charlevoix County Community Foundation and Michigan Economic Development Corporation) on behalf of the City and authorize the City Manager to sign the necessary documents
- B. Audit Presentation
Presentation of the City of Boyne City FYE 2015 Financial Report from Joe Verlin of Gabridge & Company
- C. Liability Insurance Renewal
Consideration to authorize the City Manager and the City Clerk/Treasurer to take the steps necessary to renew the City's liability insurance through the Michigan Township Participating Plan and obtaining the three year rate guarantee endorsement at an estimated price of \$60,580 for 2015-2016.
- D. Court Street Funding
Consideration of approval to proceed with the delayed reimbursement for the outstanding advance construct amount of \$201,396 until November, 2016 as outlined and authorize the City Manager to sign the required documents
- E. Computer Purchases
To authorize City staff to purchase three new computers plus recommended options from Marcor Technologies, LLC at a cost not to exceed \$2,670, purchase Microsoft Office 2016 user licenses at a cost not to exceed \$4,060 and have Mark Corbiser from Marcor Technologies install the new hardware and deploy the software upgrades for an estimated cost of \$1,000

10. GOOD OF THE ORDER

11. ANNOUNCEMENTS

- Trick or Treat hours are from 5:00 p.m. to 8:00 p.m. on Saturday, October 31, 2015.
- City Offices will be open on Saturday, October 31, 2015 from 9:00 a.m. until 2:00 p.m. to issue and accept absentee ballots for the November 3, 2015 General Election.
- The General Election will be held on Tuesday, November 3, 2015 in the City Hall Auditorium. Polls are open from 7:00 a.m. until 8:00 p.m.
- The next regular City Commission meeting is scheduled for Tuesday, November 10, 2015 at 7:00 p.m.

12. ADJOURNMENT

*Individuals with disabilities requiring auxiliary aids or services in order to participate in municipal meetings may contact Boyne City Hall for assistance: Cindy Grice, City Clerk/Treasurer,
319 North Lake Street, Boyne City, MI 49712; phone (231) 582-0334*



Scan QR code or go to

**October 13, 2015
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY OCTOBER 13, 2015

CALL TO ORDER

Mayor Grunch called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance.

Present: Mayor Ron Grunch, Mayor Pro Tem Gene Towne, Commissioners Laura Sansom, Tom Neidhamer and Derek Gaylord

Absent: None

Staff: Lisa Schrock, Michael Cain, Lori Meeder, Andy Kovolski, Scott McPherson, Jeff Gaither, Mark Fowler and Barb Brooks

Others: There were 16 citizens in attendance including representatives from the Charlevoix County News and Petoskey News Review

**CONSENT AGENDA
MOTION**

2015-10-125
Moved by Towne
Second by Neidhamer

2015-10-125A
To approve the September 22, 2015 City Commission special meeting minutes as presented
2015-09-125B
To approve traffic control orders #132, 133 and 134

Ayes: 5
Nays: 0
Absent: 0
Motion carried

CITIZENS COMMENTS

Bill Kuhn spoke about the bow shoot that took place a couple of weeks ago. He would like to move it to the first Saturday after Labor Day next year and thanked the City and the Parks and Rec Department. The water issue on Division Street, he is seeing some improvements and would like to see that continue. He would like to see some way to bring the water to that area quicker; we will see what happens in the winter.

CORRESPONDENCE

Correspondence from Charter Communications regarding rate adjustments.

CITY MANAGERS REPORT

City Manager Cain reported:

- The DPW is on track, it is really coming along
- Court Street is a little behind schedule, a plan is developed to pick up some speed
- Business Park drainage project is complete
- Division Street boring project is completed and fully operational
- Sommerset Pointe force main project—residents can still sign up for connections until October 23 for the same price
- Both water tanks have been inspected, cleaned and returned to service as of late last week
- Recently approved road maintenance program is scheduled to

- start Thursday, it should take two weeks, weather permitting
- First valve turning program begins November 2
- Archery tournament that took place at Avalanche Park on September 24 was a great success
- The City is now accepting credit card payments for some transactions with more coming soon
- Monday started fall leaf pickup, that will continue on Mondays and Fridays through November 9
- The marina closes October 15 for the season
- Work bee at the community playground to remove contaminated wood chips is this Saturday at 9 a.m. We are waiting for the results on new samples of the surface structure and would like to retreat it this fall with sealant and reevaluate it in the spring
- Final Boyne on the Water meeting is November 17 at St. Matthews Parish Hall at 5:30 p.m.
- Chamber of Commerce State of Community program at the Boyne Mountain Civic Center on Thursday at noon

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Draft Minutes of the September 01, 2015 Airport Board Meeting; the September 03, 2015 Main Street Board Meeting; the September 09, 2015 Parks and Recreation Board Meeting; the September 14, 2015 Economic Development Corporation Board Meeting; the September 14, 2015 Local Development Finance Authority Board Meeting; the September 21, 2015 Planning Commission Meeting; and the September 21, 2015 Historical Commission Meeting were received and filed.

Public Hearing for the Boyne City Master Plan

Planning Director Scott McPherson discussed the Master Plan and said they contracted with Mary Campbell about a year ago to help develop goals and objectives. The draft plan was submitted to the commission at the beginning of this past summer. It was also distributed to the surrounding municipalities and counties. The County did have some comments and there were minor changes made. The required Public Hearing was held by the Planning Commission last month and received additional public input. The Commission adopted the resolution and the final step of the process is to come to the City Commission. This will be the final requirement for the RRC certification.

Mayor Grunch opened the Public Hearing at 7:12 p.m.

Mary Campbell spoke about the goals, objectives, noise and quality of life being addressed. Things were updated as needed.

Staff Comments: None

Citizens Comments: John McCahan spoke about the 2007 Master Plan and how it addressed quality of life and noise. John was disappointed that noise was not addressed in the new master plan. In John's opinion the new noise ordinance is very vague.

Board Discussion: Commissioner Sansom had some questions and suggestions for the plan. Commissioner Neidhamer feels it is a good working document and accomplishes what we need to do. Mayor Pro-Tem Towne is in support. Commissioner Gaylord appreciates all the work put in so far and supports it. Mayor Grunch said as a redevelopment ready community and the way grants work with such short time lines, having

money invested in these tools allows us to be ready when writing grants. It is a valuable tool and is in support.

Mayor Grunch closed the Public Hearing at 7:30 p.m.

MOTION

2015-10-126

Moved by Neidhamer

Second by Towne

To pass a resolution of adoption of the City of Boyne City Master Plan

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Revised ACD Antenna Package

City Manager Michael Cain said last year we received a proposal from ACD with regards to placing antennas (they called poles) at five locations around the City. The locations were unacceptable and the Commission directed him to take whatever steps necessary to oppose them. City Manager Michael Cain and Attorney Mike Watza had multiple discussions with ACD and they came back with alternate locations that were found to be acceptable. Included in the agenda packet was a draft DAS (Distributed Antenna System)/Small Cell License Agreement and a draft Right-of-Way telecommunications Permit for DAS/Small Cell System for the Commission's consideration. These were provided to ACD as well. With the revised locations, the local choice of wood or steel at the antenna locations, their proposed purchase, installation and donation of decorative poles that will tie into our downtown streetscape theme for replacement of the existing pole that hold up the traffic signal at Water and Lake Street. With an agreement that better meets our needs and a reoccurring source of revenue for the use of the City's right ways, City Manager Michael Cain feels more comfortable recommending that we proceed with this project. Once completed, this should improve cellular and data services to customers in Boyne City. Feedback was received yesterday from ACD in response to Attorney Mike Watza's proposal. There will be a one time payment in the amount of \$30,000 for upgraded infrastructure, landscape and possibly legal engineering or permitting costs if necessary along with reoccurring monthly payments. City Manager Michael Cain and Attorney Mike Watza reviewed the ACD response and they didn't see anything that would stop them from moving forward.

Staff Comments: None

Citizens Comments: Chris Christensen asked about locations and sizes of the antennas by Lynda's Real Estate. He also expressed concerns with resident's view of the lake.

Chris Frasz echoes Mr. Christensen's comments; he owns the building adjacent to Lynda's Real Estate and is concerned that the owners would be negatively affected.

Board Discussion: Commissioner Gaylord had some concerns while looking out for citizens in Boyne City, after clarification he was in support. Mayor Pro-Tem Towne believes this plan is better than the first plan and is okay to move forward. Commissioner Neidhamer and Commissioner

Sansom had questions and are both in support. Mayor Grunch thanked City Manager Michael Cain for his efforts and he was in support.

MOTION

2015-10-127

Moved by Towne

Second by Sansom

To approve the revised draft agreements that would allow for the installation of five cellular antennas as requested by ACD at various locations in the City

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Vacate Alley

Planning Director Scott McPherson spoke about the application his office received to vacate a portion of an alley on Lincoln and undeveloped Spruce St, between lots 95 and 101; both lots are owned by The Frasz's. The DPW department does not have an issue as long as there is an easement maintained to allow for plowing of snow in that area. At this step in the process, if the Commission would like to proceed with this request, it will be noticed for three consecutive weeks, there will be a Public Hearing and then a formal determination to vacate the alley. If not the request stops here.

Staff Comments: None

Citizens Comments: Chris Frasz stated the area in question is a steep hill with heavy vegetation and they would like to do some maintenance and make it look better.

Board Discussion: All Commissioners are in support of this request.

MOTION

2015-10-128

Moved by Gaylord

Second by Towne

To approve the alley vacation request between lots 95 and 101, next to 130 W Lincoln St.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Public Hearing for Dilworth Hotel Blight Elimination and Job Creation Project

Main Street Director Lori Meeder stated the City has been invited to submit a Community Development Block grant for a million dollars from MEDC. Part one has been submitted and the environmental review is completed.

Mayor Grunch opened the Public Hearing at 8:12 p.m.

Staff Comments: None

Citizens Comments: None

Board Discussion: All Commissioners are in support of this request.

Mayor Grunch closed the Public Hearing at 8:14 p.m.

MOTION

2015-10-129

Moved by Towne

Second by Sansom

To approve and pass a resolution on the project authorizing the application for the Community Development Block Grant

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**Parkview Apartments
payment in lieu of taxes
request**

City Manager Michael Cain said a number of years ago Parkview Apartments requested a PILOT from the City and he recommended to deny that request at that time, one of his major concerns was the financial implications to the City. Parkview has provided a proposal that addresses the City's financial concerns that makes us whole but it doesn't make everybody that levies taxes whole. He discussed some of the documents that are in the agenda packet. The introduction of the ordinance is what is on the agenda. Per City requirements, we cannot take action on it today, that would have to wait until after 30 days which would be the November 24 meeting. There is plenty of time to tweak the agreement outside of the ordinances. If we do want to do something on November 24 in regard to the ordinance we need to introduce it today in a way that we would want to approve it on November 24. We can make minor changes to an ordinance but anything of significance we would need to start over again. Parkview Apartments Attorney Joe Quandt referred to the recent drainage issues and discussed the need to make repairs to Parkview. The PILOT requested would address the repairs and rehabilitation. There was discussion between the Commissioners, City Manager Michel Cain, City Attorney Jim Murray, Parkview Apartments Attorney Joe Quandt and Bob Brooks about the financial impact on the other taxing entities, how this PILOT affects all involved, what the PILOT requirements are and the improvements that will be made to the property. There was discussion about making all the taxing entities whole and Bob Brooks stated the numbers don't work and there had to be some savings to Parkview Apartments to go through the whole process of getting a loan to rehabilitate the apartments. There was discussion about whether the rent would increase.

Staff Comments: Barb Brooks said that supporting affordable housing has been on the City's goals for many years.

Citizens Comments: Chris Christensen said if reductions need to be made it should be shared with all three of the taxing entities and his main concern is the schools. He also had concerns that this is only addressing a small portion of the affordable housing problems in the City but recognizes it does need to be addressed. He was also concerned with the commitments already made and items being removed from the tax roll.

Hugh Conklin asked how many students are at Parkview and City Manager Michael Cain said approximately 15. Hugh also asked what would happen to the apartments if they do not receive the PILOT. Bob Brooks said it might just fall apart at the seams.

Boyne City Schools Superintendent Peter Moss spoke of the taxes and operational millage and debt for the schools and Char-Em. He also spoke of the cuts the district made last May and the impact on the staff and students. Bill Kuhn said he has been a neighbor of Parkview since its existence and said they are due for upgrades and a facelift; let's find a way to fix them up.

City Manager Michael Cain said we heard comments tonight of the adjustments that we could possibly make so other parties are not hurt as badly and he feels that can be accomplished between now and November 24. We could come back with additional options for the Commission and see if there is a balance that could work for everyone. He spoke of the ordinance in the packet and said that is all that needs to be introduced to move forward.

MOTION

2015-10-130
 Moved by Neidhamer
 Second by Towne

To introduce the first reading of the PILOT Ordinance and schedule a second reading at the November 24th City Commission meeting.

Ayes: 4
 Nays: 1
 Absent: 0
 Motion carried

**Reschedule City
 Commission meeting**

City Manager Cain said the current November 24th meeting is at noon and some of us will need to be in Lansing because of the Dilworth project.

MOTION

2015-10-130A
 Moved by Neidhamer
 Second by Towne

To reschedule the November 24th City Commission meeting from noon to 7 p.m.

Ayes: 5
 Nays: 0
 Absent: 0
 Motion carried

Recess

MOTION

2015-10-130B
 Moved by Grunch
 Second by Towne

To recess the meeting for five minutes at 9:28 p.m.

Ayes: 5
 Nays: 0
 Absent: 0

Motion carried

Reconvene Meeting
MOTION

2015-10-130C
Moved by Neidhamer
Second by Towne

To reconvene the meeting at 9:37 p.m.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**Request of License for use
of City property**

Planning Director Scott McPherson stated that Mr. Castiglione has acquired the Railroad office building located at 112 S Park St. for the purpose of opening up Stiggs Brewery Company. Most of the renovations will be on the interior but there are a couple of exterior additions that require approval. The first is a handicap accessibility ramp which went in front of the Planning Commission and they recommended doing a lift instead of a ramp and Mr. Castiglione agreed. The second is adding an 8x10 dumpster with a concrete pad and an enclosure around it on City property west of the building if a license agreement is approved. The last request is to have a public parking space delegated to a handicap parking space and that would be located in front of the lift. Scott explained where other handicap spaces were located in the immediate area and given the vicinity and current use of them, at this time he does not think it warrants additional space.

Staff Comments: None

Citizens Comments: Jim Baumann from the Chamber of Commerce supports the request for the building.

Board Discussion: All Commissioners are in support of this request.

MOTION

2015-10-131
Moved by Towne
Second by Gaylord

To approve granting a license agreement for a dumpster enclosure on the west side of the building and deny the request for the designation of a handicap parking space at 112 S. Park St.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

**Non-motorized trail
agreement**

City Manager Michael Cain spoke of the proposal agreement he received from MDOT for the Boyne City/Charlevoix non-motorized trail—Phase one. This is the final step on the City's end to proceed with this project.

Staff Comments: None

Citizens Comments: None

Board Discussion: All Commissioners are in support of this request.

MOTION

2015-10-132

Moved by Gaylord

Second by Sansom

To approve and authorize the City Manager and City Clerk to execute the contract documents proposed by MDOT for \$768,900 for phase one of the Boyne City to Charlevoix Trail.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Veteran's Park pavilion grant

Barb Brooks spoke about the staff looking for different funding for the pavilion project. We were recently notified that we were approved for a \$10,000 allocation from the Charlevoix County Parks Millage. To receive this allocation, we must sign a standard contractual agreement. This may be the case for other grants that we have applied for.

Staff Comments: None

Citizens Comments: None

Board Discussion: There were some questions and all of the Commissioners are in support of this request.

MOTION

2015-10-133

Moved by Sansom

Second by Towne

To approve the City Manager to review and sign documents required to implement the receipt of grant funds for the pavilion project.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

Tree removal bids

Public Works Superintendent Andy Kovolski said the bids were advertised this year for tree trimming and removal. This year there are 33 trees and we received one bid.

Staff Comments: None

Citizens Comments: None

Board Discussion: Sansom Commissioner had some concerns that were addressed and all Commissioners are in support of this request.

MOTION

2015-10-134

Moved by Gaylord

Second by Towne

To approve and award the bid to All Aspects Forestry for the amount of \$16,500 to remove 33 trees and trim 6 trees.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Tree planting bids

Public Works Superintendent Andy Kovolski said bids were advertised for our annual tree planting project. This year 58 trees will be planted and we received one bid.

Staff Comments: None

Citizens Comments: None

Board Discussion: All Commissioners are in support of this request.

MOTION

2015-10-135
Moved by Neidhamer
Second by Gaylord

To approve the contract with Robinson's Landscape and Nursery in the amount not to exceed \$14,345, to plant 58 trees.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

GOOD OF THE ORDER

Commissioner Gaylord echoed what Bill Kuhn said about the archery event. He was there and was pleasantly surprised at the turnout and hopes it continues to grow. He also talked about the possibility of archery range signage. Commissioner Neidhamer said he was at Avalanche Hill last weekend and there were 96 disc golfers.

**ADJOURNMENT
MOTION**

Moved by Mayor Grunch seconded by Commissioner Towne to adjourn the regular City Commission meeting of Tuesday, October 13, 2015 at 10:10 p.m.

Ron Grunch
Mayor

Lisa Schrock

**Notice to Taxing Jurisdiction – City of Boyne City
Amended Combined Brownfield/Act 381 Work Plan
Lake Street Redevelopment Project
Boyne City, Michigan
Charlevoix County Brownfield Redevelopment Authority
October 15, 2015**

The Charlevoix County Board of Commissioners will be holding a public hearing on Wednesday, October 28, 2015 at 7:00 p.m. in the Commission Chambers, Charlevoix County Building, 203 Antrim Street, Charlevoix, Michigan to consider an Amended Combined Brownfield/Act 381 Work Plan for the Lake Street Redevelopment at 202 Lake Street and 210 Front Street in the City of Boyne City.

This notice is being provided to the City of Boyne City as a taxing jurisdiction that levies taxes subject to capture under Act 381, P.A. 1994, as amended.

Act 381 provides for the capture of the increased taxes due to investments made on contaminated, functionally obsolete, blighted or historic sites (“Brownfields”) for certain eligible activities with the approval of a Brownfield Plan by the Charlevoix County Brownfield Redevelopment Authority (CCBRA) and the Charlevoix County Board of Commissioners, with concurrence from the City of Boyne City, and, if state taxes are being captured, approval of an Act 381 Work Plan by the CCBRA and the Michigan Department of Environmental Quality for Environmental Eligible Activities and the Michigan Strategic Fund for Non-Environmental Eligible Activities.

The proposed project will redevelop two buildings in downtown Boyne City for commercial and residential use, including a craft beer restaurant, offices, and affordable housing with the support of the Michigan State Housing Development Authority. The estimated investment is \$3.8 million.

The project is located within the City of Boyne City Main Street/Downtown Development Authority (DDA) District and Development Area. As such, incremental revenues generated by additional investment on property within the District and Development Area are captured by the Main Street/DDA for the purposes identify in the DDA Development Plan and Tax Increment Financing Plan. The DDA Plan was recently amended to provide reimbursement for façade improvements, fire suppression, and barrier free access that will also support the redevelopment of the Lake Street Redevelopment Project.

Because tax increment revenue would already be captured by the City of Boyne City DDA, there is no net financial impact to the City of Boyne City.

Please contact Cherie Browe, County Clerk at 231.547.720 or at clerk@charlevoixcounty.org or Mac McClelland, CCBRA Brownfield Consultant, at 231.946.5200 or at mac@otwellmawby.com if you have questions or would like additional information.

10/19/2015 09:09 AM
User: Cindy
DE: Boyne City

CASH SUMMARY BY FUND FOR BOYNE CITY
FROM 09/01/2015 TO 09/30/2015

Agenda Item 7A

FUND: 101 202 203 206 209 210 211 213 226 242 248 251 285 295 590 592 661 701
CASH AND INVESTMENT ACCOUNTS

Fund	Description	Beginning Balance 09/01/2015	Total Debits	Total Credits	Ending Balance 09/30/2015
101	GENERAL FUND	1,770,803.64	1,974,598.48	537,504.00	3,207,898.12
202	MAJOR STREET FUND	254,812.88	25,420.15	24,908.61	255,324.42
203	LOCAL STREET FUND	(6,520.74)	45,042.21	38,521.47	0.00
206	FIRE FUND	471,341.03	12,107.00	16,309.55	467,138.48
209	CEMETERY FUND	28,397.55	3,060.00	3,459.60	27,997.95
210	AMBULANCE FUND	77,421.21	37,404.12	68,406.06	46,419.27
211	SPECIAL PROJECTS FUND	4,005.37	130.00	200.00	3,935.37
213	FARMERS MARKET FUND	22,630.69	2,394.20	8,503.25	16,521.64
226	RUBBISH COLLECTION FUND	0.00	0.00	0.00	0.00
242	BOYNE THUNDER FUND	141,634.02	5,415.47	40,776.92	106,272.57
248	DOWNTOWN DEVELOPMENT AUTHORITY	59,654.05	244,905.53	17,185.50	287,374.08
251	LDFA FUND	1,031,859.11	143,132.51	15,778.43	1,159,213.19
285	MARINA FUND	207,407.74	8,571.54	15,530.68	200,448.60
295	AIRPORT FUND	(1,492.62)	30,627.93	5,827.35	23,307.96
590	WASTEWATER FUND	2,335,751.30	207,816.03	91,441.59	2,452,125.74
592	WATER FUND	582,328.88	80,306.26	46,132.30	616,502.84
661	MOTOR POOL FUND	757,897.22	10,223.68	12,500.32	755,620.58
701	TRUST & AGENCY FUND	21,893.12	450.00	0.00	22,343.12
	TOTAL - ALL FUNDS	7,759,824.45	2,831,605.11	942,985.63	9,648,443.93

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED	09/30/2015	MONTH 09/30/20	BALANCE	
	BUDGET	NORMAL (ABNORM)	INCREASE (DECR)	NORMAL (ABNORM)	
Fund 101 - GENERAL FUND					
031-REVENUES	4,866,900.00	2,393,509.96	1,879,674.34	2,473,390.04	49.18
032-REVENUES	1,680,532.00	186,471.33	62,729.90	1,494,060.67	11.10
033-REVENUES	139,500.00	58,958.32	11,833.33	80,541.68	42.26
034-REVENUES	154,450.00	24,853.00	1,273.86	129,597.00	16.09
035-REVENUES	17,700.00	3,627.06	647.10	14,072.94	20.49
036-REVENUES	624,536.00	(32,294.41)	8,719.45	656,830.41	(5.17)
TOTAL Revenues	7,483,618.00	2,635,125.26	1,964,877.98	4,848,492.74	35.21
101-LEGISLATIVE	19,895.00	8,044.27	0.00	11,850.73	40.43
151-PLANNING	171,208.00	65,428.49	13,501.36	105,779.51	38.22
173-GENERAL SERVICES	604,352.00	237,072.39	44,923.46	367,279.61	39.23
191-ELECTIONS	5,600.00	2,646.35	61.32	2,953.65	47.26
208-ACCOUNTING/AUDIT	12,600.00	9,000.00	0.00	3,600.00	71.43
209-ASSESSMENT/TAXES	67,800.00	30,833.84	4,513.33	36,966.16	45.48
210-LEGAL	57,500.00	17,341.37	2,250.00	40,158.63	30.16
248-GENERAL/OTHER SERVICES	161,200.00	64,137.56	4,852.92	97,062.44	39.79
250-HOUSING	0.00	77,859.71	231.49	(77,859.71)	100.00
265-PUBLIC BUILDINGS	2,806,305.00	1,340,803.50	319,755.07	1,465,501.50	47.78
301-POLICE DEPARTMENT	676,868.00	264,474.37	51,222.03	412,393.63	39.07
706-ENVIRONMENTAL	1,000.00	0.00	0.00	1,000.00	0.00
751-PARKS & RECREATION	1,049,540.00	146,147.24	16,973.15	903,392.76	13.92
804-MUSEUM	3,277.00	891.74	174.81	2,385.26	27.21
809-SIDEWALKS	800,000.00	1,740.98	0.00	798,259.02	0.22
890	0.00	0.00	0.00	0.00	0.00
899-CONTINGENCY	33,090.00	10,284.69	5,367.98	22,805.31	31.08
965-TRANSFERS OUT	1,013,383.00	292,893.48	35,137.79	720,489.52	28.90
TOTAL Expenditures	7,483,618.00	2,569,599.98	498,964.71	4,914,018.02	34.34
Fund 101 - GENERAL FUND:					
TOTAL REVENUES	7,483,618.00	2,635,125.26	1,964,877.98	4,848,492.74	35.21
TOTAL EXPENDITURES	7,483,618.00	2,569,599.98	498,964.71	4,914,018.02	34.34
NET OF REVENUES & EXPENDITURES	0.00	65,525.28	1,465,913.27	(65,525.28)	100.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDTG USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 202 - MAJOR STREET FUND					
030-REVENUES	909,588.00	88,916.88	25,420.15	820,671.12	9.78
TOTAL Revenues	909,588.00	88,916.88	25,420.15	820,671.12	9.78
451-CONSTRUCTION	407,653.00	7,456.38	375.90	400,196.62	1.83
463-ROUTINE MAINTANCE	267,750.00	84,385.49	15,999.89	183,364.51	31.52
474-TRAFFIC SERVICE	20,520.00	3,041.35	553.60	17,478.65	14.82
478-WINTER MAINTENANCE	143,000.00	13,472.51	2,880.73	129,527.49	9.42
482-ADMINISTRATION	70,665.00	32,886.13	5,098.49	37,778.87	46.54
965-TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	909,588.00	141,241.86	24,908.61	768,346.14	15.53
Fund 202 - MAJOR STREET FUND:					
TOTAL REVENUES	909,588.00	88,916.88	25,420.15	820,671.12	9.78
TOTAL EXPENDITURES	909,588.00	141,241.86	24,908.61	768,346.14	15.53
NET OF REVENUES & EXPENDITURES	0.00	(52,324.98)	511.54	52,324.98	100.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 203 - LOCAL STREET FUND					
030-REVENUES	525,011.00	140,993.89	45,042.21	384,017.11	26.86
TOTAL Revenues	525,011.00	140,993.89	45,042.21	384,017.11	26.86
451-CONSTRUCTION	20,263.00	36,491.03	10,877.27	(16,228.03)	180.09
463-ROUTINE MAINTANCE	299,000.00	92,583.69	19,873.56	206,416.31	30.96
474-TRAFFIC SERVICE	17,813.00	2,278.54	122.05	15,534.46	12.79
478-WINTER MAINTENANCE	120,610.00	13,335.99	2,758.62	107,274.01	11.06
482-ADMINISTRATION	67,325.00	31,843.55	4,889.97	35,481.45	47.30
TOTAL Expenditures	525,011.00	176,532.80	38,521.47	348,478.20	33.62
Fund 203 - LOCAL STREET FUND:					
TOTAL REVENUES	525,011.00	140,993.89	45,042.21	384,017.11	26.86
TOTAL EXPENDITURES	525,011.00	176,532.80	38,521.47	348,478.20	33.62
NET OF REVENUES & EXPENDITURES	0.00	(35,538.91)	6,520.74	35,538.91	100.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 206 - FIRE FUND					
030-REVENUES	271,406.00	(33,082.00)	12,107.00	304,488.00	(12.19)
TOTAL Revenues	271,406.00	(33,082.00)	12,107.00	304,488.00	(12.19)
Fund 206 - FIRE FUND:					
TOTAL REVENUES	271,406.00	(33,082.00)	12,107.00	304,488.00	12.19
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	271,406.00	(33,082.00)	12,107.00	304,488.00	12.19

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM	MONTH 09/30/20 INCREASE (DECR	BALANCE NORMAL (ABNORM	
Fund 209 - CEMETERY FUND					
030-REVENUES	75,039.00	13,123.00	2,660.00	61,916.00	17.49
TOTAL Revenues	75,039.00	13,123.00	2,660.00	61,916.00	17.49
Fund 209 - CEMETERY FUND:					
TOTAL REVENUES	75,039.00	13,123.00	2,660.00	61,916.00	17.49
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	75,039.00	13,123.00	2,660.00	61,916.00	17.49

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT
	AMENDED	09/30/2015	MONTH 09/30/20	BALANCE	
	BUDGET	NORMAL (ABNORM	INCREASE (DECR	NORMAL (ABNORM	USED
Fund 210 - AMBULANCE FUND					
030-REVENUES	907,400.00	415,727.46	42,599.89	491,672.54	45.82
032-REVENUES	150,000.00	47,513.50	9,130.00	102,486.50	31.68
TOTAL Revenues	1,057,400.00	463,240.96	51,729.89	594,159.04	43.81
045-EXPENSES	150,000.00	0.00	0.00	150,000.00	0.00
TOTAL Expenditures	150,000.00	0.00	0.00	150,000.00	0.00
Fund 210 - AMBULANCE FUND:					
TOTAL REVENUES	1,057,400.00	463,240.96	51,729.89	594,159.04	43.81
TOTAL EXPENDITURES	150,000.00	0.00	0.00	150,000.00	0.00
NET OF REVENUES & EXPENDITURES	907,400.00	463,240.96	51,729.89	444,159.04	51.05

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT
	AMENDED	09/30/2015	MONTH 09/30/20	BALANCE	
	BUDGET	NORMAL (ABNORM	INCREASE (DECR	NORMAL (ABNORM	USED
Fund 211 - SPECIAL PROJECTS FUND					
030-REVENUES	0.00	5,035.87	130.00	(5,035.87)	100.00
032-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	5,035.87	130.00	(5,035.87)	100.00
Fund 211 - SPECIAL PROJECTS FUND:					
TOTAL REVENUES	0.00	5,035.87	130.00	(5,035.87)	100.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	5,035.87	130.00	(5,035.87)	100.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT
	AMENDED	09/30/2015	MONTH 09/30/20	BALANCE	
	BUDGET	NORMAL (ABNORM)	INCREASE (DECR)	NORMAL (ABNORM)	USED
Fund 213 - FARMERS MARKET FUND					
030-REVENUES	0.00	35,702.45	1,885.00	(35,702.45)	100.00
TOTAL Revenues	0.00	35,702.45	1,885.00	(35,702.45)	100.00
Fund 213 -- FARMERS MARKET FUND:					
TOTAL REVENUES	0.00	35,702.45	1,885.00	(35,702.45)	100.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	35,702.45	1,885.00	(35,702.45)	100.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 226 - RUBBISH COLLECTION FUND					
030-REVENUES	38,300.00	22,075.00	0.00	16,225.00	57.64
TOTAL Revenues	38,300.00	22,075.00	0.00	16,225.00	57.64
Fund 226 - RUBBISH COLLECTION FUND:					
TOTAL REVENUES	38,300.00	22,075.00	0.00	16,225.00	57.64
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	38,300.00	22,075.00	0.00	16,225.00	57.64

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 242 - BOYNE THUNDER FUND					
030-REVENUES	247,700.00	114,981.10	400.47	132,718.90	46.42
TOTAL Revenues	247,700.00	114,981.10	400.47	132,718.90	46.42
Fund 242 - BOYNE THUNDER FUND:					
TOTAL REVENUES	247,700.00	114,981.10	400.47	132,718.90	46.42
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	247,700.00	114,981.10	400.47	132,718.90	46.42

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY					
030-REVENUES	372,200.00	271,965.97	244,805.53	100,234.03	73.07
731-EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	372,200.00	271,965.97	244,805.53	100,234.03	73.07
030-REVENUES	0.00	0.00	0.00	0.00	0.00
731-EXPENDITURES	415,585.00	99,423.83	17,085.50	316,161.17	23.92
TOTAL Expenditures	415,585.00	99,423.83	17,085.50	316,161.17	23.92
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:					
TOTAL REVENUES	372,200.00	271,965.97	244,805.53	100,234.03	73.07
TOTAL EXPENDITURES	415,585.00	99,423.83	17,085.50	316,161.17	23.92
NET OF REVENUES & EXPENDITURES	(43,385.00)	172,542.14	227,720.03	(215,927.14)	397.70

REVENUE AND EXPENDITURE REPORT FOR BOYNE CITY
 PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BGD USED
	AMENDED BUDGET	09/30/2015 NORMAL {ABNORM	MONTH 09/30/20 INCREASE {DECR	BALANCE NORMAL {ABNORM	
Fund 251 - LDFA FUND					
030-REVENUES	191,418.00	143,132.51	143,132.51	48,285.49	74.77
TOTAL Revenues	191,418.00	143,132.51	143,132.51	48,285.49	74.77
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	0.00	0.00	0.00	0.00	0.00
<hr/>					
Fund 251 - LDFA FUND:					
TOTAL REVENUES	191,418.00	143,132.51	143,132.51	48,285.49	74.77
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	191,418.00	143,132.51	143,132.51	48,285.49	74.77

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 285 - MARINA FUND					
030-REVENUES	154,400.00	110,158.86	8,012.54	44,241.14	71.35
TOTAL Revenues	154,400.00	110,158.86	8,012.54	44,241.14	71.35
Fund 285 - MARINA FUND:					
TOTAL REVENUES	154,400.00	110,158.86	8,012.54	44,241.14	71.35
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	154,400.00	110,158.86	8,012.54	44,241.14	71.35

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 295 - AIRPORT FUND					
030-REVENUES	155,626.00	73,192.69	27,618.56	82,433.31	47.03
TOTAL Revenues	155,626.00	73,192.69	27,618.56	82,433.31	47.03
Fund 295 - AIRPORT FUND:					
TOTAL REVENUES	155,626.00	73,192.69	27,618.56	82,433.31	47.03
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	155,626.00	73,192.69	27,618.56	82,433.31	47.03

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT
	AMENDED BUDGET	09/30/2015 NORMAL (ABNORM)	MONTH 09/30/20 INCREASE (DECR)	BALANCE NORMAL (ABNORM)	
Fund 410 - BOYNE SENIORS CENTER FUND					
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	0.00	0.00	0.00	0.00
Fund 410 - BOYNE SENIORS CENTER FUND:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	0.00	0.00	0.00

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 590 - WASTEWATER FUND					
030-REVENUES	1,616,564.00	362,657.03	128,892.54	1,253,906.97	22.43
032-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	1,616,564.00	362,657.03	128,892.54	1,253,906.97	22.43
590-EXPENDITURES	1,620,091.00	224,170.46	90,917.88	1,395,920.54	13.84
592-EXPENDITURES	0.00	0.00	0.00	0.00	0.00
860	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	1,620,091.00	224,170.46	90,917.88	1,395,920.54	13.84
Fund 590 - WASTEWATER FUND:					
TOTAL REVENUES	1,616,564.00	362,657.03	128,892.54	1,253,906.97	22.43
TOTAL EXPENDITURES	1,620,091.00	224,170.46	90,917.88	1,395,920.54	13.84
NET OF REVENUES & EXPENDITURES	(3,527.00)	138,486.57	37,974.66	(142,013.57)	3,926.47

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDT USED
Fund 592 - WATER FUND					
030-REVENUES	624,546.00	466.25	0.00	624,079.75	0.07
032-REVENUES	0.00	175,013.12	50,396.22	(175,013.12)	100.00
592-EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	624,546.00	175,479.37	50,396.22	449,066.63	28.10
592-EXPENDITURES	528,197.00	156,127.37	45,444.54	372,069.63	29.56
TOTAL Expenditures	528,197.00	156,127.37	45,444.54	372,069.63	29.56
Fund 592 - WATER FUND:					
TOTAL REVENUES	624,546.00	175,479.37	50,396.22	449,066.63	28.10
TOTAL EXPENDITURES	528,197.00	156,127.37	45,444.54	372,069.63	29.56
NET OF REVENUES & EXPENDITURES	96,349.00	19,352.00	4,951.68	76,997.00	20.09

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 661 - MOTOR POOL FUND					
030-REVENUES	300,300.00	89,844.92	10,223.68	210,455.08	29.92
TOTAL Revenues	300,300.00	89,844.92	10,223.68	210,455.08	29.92
860	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	0.00	0.00	0.00	0.00	0.00
Fund 661 - MOTOR POOL FUND:					
TOTAL REVENUES	300,300.00	89,844.92	10,223.68	210,455.08	29.92
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	300,300.00	89,844.92	10,223.68	210,455.08	29.92

PERIOD ENDING 09/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 09/30/2015 NORMAL (ABNORM)	ACTIVITY FOR MONTH 09/30/20 INCREASE (DECR)	AVAILABLE BALANCE NORMAL (ABNORM)	% BDGT USED
Fund 701 - TRUST & AGENCY FUND					
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	0.00	0.00	0.00	0.00
Fund 701 - TRUST & AGENCY FUND:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES - ALL FUNDS	14,023,116.00	4,712,543.76	2,717,334.28	9,310,572.24	33.61
TOTAL EXPENDITURES - ALL FUNDS	11,632,090.00	3,367,096.30	715,842.71	8,264,993.70	28.95
NET OF REVENUES & EXPENDITURES	2,391,026.00	1,345,447.46	2,001,491.57	1,045,578.54	56.27



To: City Commission and Michael Cain, City Manager *Mc*

From: Lori Meeder, Boyne City Main Street *LM*

Date: October 27, 2015

Subject: Amended Combined Brownfield/Act 381 Work Plan for the South Lake Street Re-development Project

Overview:

A Combined Brownfield/Act 381 Work Plan was prepared and approved by the Charlevoix County Brownfield Redevelopment Authority on May 7, 2015, with concurrence by the Boyne City Commission on May 26, 2015, and approved by the Charlevoix County Board of Commissioners on May 27, 2015.

Since that time, geotechnical and project engineering indicated that soils could not bear the load of additional stories and that special foundations were impractical and cost prohibitive. Because the City of Boyne City is not a Core Community, the cost for special foundations is not a Brownfield Eligible Activity.

As a result, the project has been scaled back, both in terms of total investment and Brownfield Eligible Activities. The total estimated investment has been reduced from \$6.5 million to \$3.8 million, thereby reducing available Brownfield TIF revenues, and Brownfield Eligible Activities have been reduced from \$179,285 to \$130,985. Because both the available revenues and expenditures are reduced, there was not a change in the estimated timeframe for reimbursement of Brownfield Eligible Activities.

Given the changes in the project, it was recommended by Mac McClelland of Otwell Mawby, P.C. that the Combined Brownfield/Act 381 Work Plan be amended, since there is an impact on the taxing jurisdictions of lower than anticipated revenues. There is also a concern that the MEDC Brownfield Review may note the change in the project and require a Brownfield Plan amendment at a later date and delay the project timeline.

On October 14, 2015, the Charlevoix County Brownfield Redevelopment Authority approved the resolution for the Amended Combined Brownfield/Act 381 Work Plan for the Lake Street Development Project in Boyne City for MDEQ Environmental and MSF Non-Environmental Eligible Activities.

The following is the proposed schedule for considering the Amended Combined Brownfield/Act 381 Work Plan:

Action	Entity	Date
Approve Combined Brownfield/Act 381 Work Plan	CCBRA	October 14, 2015
Notices of Public Hearing and to Taxing Jurisdictions	CCBRA	October 15, 2015
Concur with Combined Brownfield/Act 381 Work Plan	Boyne City Commission	October 27, 2015
Hold Public Hearing	County Commission	October 28, 2015
Approve Combined Brownfield/Act 381 Work Plan	County Commission	October 28, 2015
Approve Combined Brownfield/Act 381 Work Plan	Michigan Strategic Fund	December 22, 2015

The Amended Combined Brownfield/Act 381 Work Plan and The Resolution of Concurrence by The City Commission of Boyne City are attached for your review.

The revised project was approved by the Planning Commission on August 17th of this year.

Recommendation:

That the City Commission approve the resolution of concurrence for the Amended Combined Brownfield/Act 381 Work Plan for the South Lake Street Re-Development Project in Boyne City for MDEQ Environmental and MSF Non-Environmental Eligible Activities.

Options:

- 1) Postpone the matter for further consideration and/or information.
- 2) Deny the request.
- 3) Other options as determined by the City Commission.

RESOLUTION OF CONCURRENCE
AMENDED LAKE STREET REDEVELOPMENT
COMBINED BROWNFIELD/ACT 381 WORK PLAN

CITY OF BOYNE CITY

WHEREAS, The Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended, authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of contaminated, blighted, or functionally obsolete property through tax increment financing of eligible environmental and/or developmental activities; and

WHEREAS, The Charlevoix County Board of Commissioners established the Charlevoix County Brownfield Redevelopment Authority in July 1999; and

WHEREAS, A Combined Brownfield/Act 381 Work Plan for the Lake Street Redevelopment Project was approved by the Charlevoix County Brownfield Redevelopment Authority and the Charlevoix County Board of Commissioners, with the concurrence by the Boyne City City Commission in May 2015; and

WHEREAS, Additional geotechnical and design engineering indicated that soils could not bear the increased load of additional stories, that special foundations were impractical and cost prohibitive, and anticipated financial incentives were not available from the State of Michigan, so the project scope was reduced and the Combined Brownfield/Act 381 Work Plan should be amended to reflect the project changes; and

WHEREAS, The Charlevoix County Brownfield Redevelopment Authority has reviewed the Amended Combined Brownfield/Act 381 Work Plan for the Lake Street Redevelopment Project in Boyne City at their October 14, 2015 meeting and recommends approval by the Charlevoix County Board of Commissioners and concurrence by the City of Boyne City Commission; and

WHEREAS, Act 381 requires the concurrence of the local unit of government in which the Brownfield Plan project is located for Brownfield Plans under County Brownfield Redevelopment Authorities, and the Lake Street Redevelopment Project is located in the City of Boyne City; and

WHEREAS, The Charlevoix County Board of Commissioners has set and noticed a public hearing for October 28, 2015 and will consider the Amended Lake Street Redevelopment Combined Brownfield/Act 381 Work Plan at their regular meeting on October 28, 2015; and

NOW THEREFORE BE IT RESOLVED, that pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996, as amended, being MCL 125.2651, *et seq.*, the City of Boyne City Commission hereby concurs with the Amended Combined Brownfield/Act 381 Work Plan for the Lake Street Redevelopment Project in Boyne City.

Approved: October 27, 2015

CERTIFICATION

I hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Commission of the City of Boyne City at a meeting duly called and held on the 27th day of October, 2015.

City of Boyne City

By: _____

Cindy Grice, City Clerk/Treasurer



**AMENDED ACT 381 COMBINED
BROWNFIELD AND WORK PLAN
TO CONDUCT
ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL
ACTIVITIES**

**Lake Street Redevelopment
Boyne City
Charlevoix County, Michigan**

**Charlevoix County Brownfield Redevelopment Authority
Charlevoix County**

**Approved by Charlevoix County
Brownfield Redevelopment Authority: October 14, 2015**

**Concurrence by Boyne City
City Commission: October 27, 2015**

Public Hearing: October 28, 2015

**Approved by Charlevoix County
Board of Commissioners: October 28, 2015**

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PROJECT SUMMARY

Catt's Realty Company has acquired and will be redeveloping two buildings in downtown Boyne City for commercial and retail use, including a craft beer restaurant and offices.

The redevelopment is consistent with the City of Boyne City Master Plan, zoning ordinance, and DDA Main Street Development Plan. Initial work is anticipated to begin in Fall 2015, with tax increment capture beginning in 2016. The estimated investment is \$3.8 million.

Project Name: Lake Street Redevelopment

Project Location: The eligible property is located at within the City of Boyne City, Charlevoix County, Michigan and has the following parcel identification numbers:

Address	Parcel	Qualifying Status
202 Lake Street	051-445-090-00	Part 201 Facility
	051-445-093-00	
210 Front Street	051-445-089-00	Part 201 Facility
		Adjacent Property

Type of Eligible Property: Part 201 Facility, Adjacent Property

Eligible Activities: Environment Due Diligence/Due Care, Lead/Asbestos Abatement, Selective Demolition.

Eligible Activity Costs: \$130,985
(excluding interest)

Years to Complete Eligible Activities Payback: 6 years

Estimated Eligible Investment: \$3,800,000

Annual Tax Revenue Before Project: \$12,250

Estimated Annual Tax Revenue in First Year After Project: \$134,014

**AMENDED ACT 381 COMBINED BROWNFIELD PLAN/ACT 381 WORK PLAN
TO CONDUCT ELIGIBLE
MDEQ ENVIRONMENTAL ACTIVITIES
MSF NON-ENVIRONMENTAL ACTIVITIES**

**UNDER THE AUTHORITY OF THE
BROWNFIELD REDEVELOPMENT FINANCING ACT,
1996 PA 381, AS AMENDED**

1.0 INTRODUCTION

The Charlevoix County Brownfield Redevelopment Authority (“CCBRA”) is submitting this Act 381 Combined Brownfield Plan for MDEQ Environmental and MSF Non-Environmental Eligible Activities for the proposed Lake Street Development in Boyne City, Michigan (herein referred to as the “Eligible Property”).

This Combined Brownfield/Act 381 Work Plan is submitted under the auspices of Act 381, P.A. 1996, as amended.

1.1 PROPOSED REDEVELOPMENT AND FUTURE USE

Integrity Land Company owns three parcels of property in downtown Boyne City that has long been a targeted opportunity for redevelopment. The Property contains hazardous substances in concentrations that exceed those permitted for unrestricted residential use, thus making it a “facility” within the meaning of MCL 324.20101 and within the meaning of Act 381, which in turn makes this an “eligible” property within the meaning of Act 381. The Eligible Property is located in Boyne City, which is not a Qualified Local Governmental Unit.

Catt’s Realty Company, and its successors, will be redeveloping the two buildings for commercial and retail use, including a craft beer restaurant and offices. The estimated investment is \$3.8 million.

As part of the redevelopment project, the Developer will be conducting Eligible Activities, including environmental due diligence and due care, lead and asbestos abatement and site and selective demolition.

The proposed development includes the participation of the Boyne City Main Street/DDA in a new program to support redevelopment of downtown properties by providing reimbursement of façade improvements, fire suppression, and barrier free access with the capture of local taxes as provided under the DDA Act (Act 197, PA 1975), with a local contribution of at least \$310,000, in excess of the proportion for property taxes from State taxes (47.05%) and local taxes (52.95%).

1.2 ELIGIBLE PROPERTY INFORMATION

1.2.1 Property Eligibility and Location

Property Eligibility – All three parcel of the Eligible Property are Part 201 Facilities. All parcels contains hazardous substances in concentrations above Michigan Department of Environmental Quality (MDEQ) Generic Residential Cleanup Criteria, and therefore is a Part 201 Facility under MCL 324.20101, and represents a qualifying status under the definition of Eligible Property in Act 381. The property is located in Boyne City, which is not a Qualified Local Governmental Unit. A Summary of Environmental Conditions can be found in Section 1.5 – 1.7.

The Phase II ESA for 210 Front Street was conducted in 2008 and identified the presence of Volatile Organic Compounds (VOCs) in groundwater. Because of the length of time between the 2008 Phase II ESA and the 2015 Combined Brownfield Plan, the 210 Front Street property may not qualify as a Part 201 Facility and Eligible Property, under MDEQ guidelines. If a determination is made that 210 Lake Street does not qualify as a Part 201 Facility because of this length of time, the 210 Front Street Property will qualify as Eligible Property as adjacent parcel.

Location - This Combined Brownfield/Act 381 Work Plan addresses the project to be conducted on the property comprising the Eligible Property consisting of 3 contiguous parcels with a total area of approximately .62 acres, depicted on the Eligible Property Map attached as Figure 2, includes the property that is located in Boyne City, Michigan, with the addresses of 202 Lake Street and 210 Front Street, Boyne City, Charlevoix County, MI 49712.

The legal descriptions of the parcels are provided below. A Project Location Map, Eligible Property Map, and Parcel Map are included in the Appendix as Figures 1, 2, and 3, respectively.

202 Lake Street	051-445-090-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOTS 90 91 & 92</i>
	051-445-093-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOT 93 94 95</i>
210 Front Street	051-445-089-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOT 89</i>

1.2.2 Current Ownership

The 201 Lake Street Property is owned by Catt's Realty Company. The 210 Front Street Property is owned by Integrity Land Company, an affiliate for Catt's Realty Company. The contact person is Glen Catt, 989.732.9722; email: gbcatt@cattdevelopment.com.

1.2.3 Proposed Future Ownership

The 201 Lake Street Property will be transferred from Integrity Land Company to Catt's Realty Company. Catt's Realty Company will own all property for the project.

1.2.4 Delinquent Taxes, Interest & Penalties

There are currently no delinquent taxes, interest or penalties due on the subject property.

1.2.5 Existing & Proposed Future Zoning for Eligible Property

The property is located in the Central Business District and governed by the provision of the City of Boyne City Zoning Ordinance.

1.3 HISTORICAL, PREVIOUS USE AND OWNERSHIP OF EACH ELIGIBLE PROPERTY

The following is the historical previous use and ownership of each Eligible Property:

202 Lake Street – Parcels

The subject property was developed prior to 1901 with at least two rail road spurs, several associated out-buildings (i.e. sheds, tool warehouses), and commercial structures. From at least 1901 to at least 1929, the commercial structures were used as a tin shop, a tobacco store, and a barber shop. By at least 1938, the subject property was developed with the existing subject building for use as a furniture store. By the 1990s, the subject building was reconfigured to its current condition for retail and administrative use. Since the late 2000s, the subject building has been unoccupied.

210 Front Street – Bus Garage

The property was developed prior to 1901, and was occupied by an opera house, followed by a pool room in 1905 and the Hotel Garland around 1911. The easterly portion of the building was reported constructed in 1908 and was used as a garage and repair shop until at least 1929. The property was used as the Boyne City Schools bus garage from the 1950s through the early 1960s. Former tenants for the building included a credit union, medical offices, general offices, and most recently, a salon and internet coffee shop.

1.4 CURRENT USE OF ELIGIBLE PROPERTY

The properties are currently vacant.

1.5 SUMMARY OF LIABILITY

202 Lake Street

A Phase II Environment Site Assessment, conducted in late 2014, as part of All Appropriate Inquiry environmental due diligence identified the presence of arsenic in soil in excess of Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria (GCC) for Drinking Water Protection, Groundwater – Surfacewater Protection, and Direct Contact and mercury in soil in excess of MDEQ GRCC for Groundwater – Surfacewater Protection.

A Baseline Environmental Assessment was prepared and submitted to MDEQ in January 2015 on behalf of Catt's Realty Company.

210 Front Street

A LUST incident involving gasoline was reported to the MDEQ in 2003. The LUST incident is listed as open. A Phase II ESA was conducted and identified concentrations of 1,2,4-Trimethylbenzene, a 1,3,5-Trimethylbenzene, and Xylenes within select soil and groundwater samples in excess of the MDEQ GCC.

A Baseline Environmental Assessment was submitted to the MDEQ in 2008 on behalf of Catt Land Investments, LLC, an affiliate of Catt Realty Company, based upon the above noted MDEQ GCC exceedances.

1.6 SUMMARY OF ENVIRONMENTAL STUDY DOCUMENTS

202 Lake Street

As part of an All Appropriate Inquiry and environmental due diligence process in 2014, a Phase II Environment Site Assessment was conducted to further evaluate the RECs identified in the Phase I ESA. The Phase II ESA included (1) conducting a geophysical survey, (2) drilling seven soil borings (B-1 through B-7), (3) installing four temporary monitoring wells (TMW-1 through TMW-4), and (4) collecting four soil and four groundwater samples for laboratory analyses.

The results of the Phase II ESA identified the presence of arsenic in soil in excess of Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria (GCC) for Drinking Water Protection, Groundwater – Surfacewater Protection, and Direct Contact and mercury in soil in excess of MDEQ GRCC for Groundwater – Surfacewater Protection.

A Baseline Environmental Assessment was prepared and submitted to MDEQ in January 2015 on behalf of Catt's Realty Company.

210 Front Street

There are three primary environmental reports for the property:

- March 10, 2004 – “Initial Assessment Report” (IAR) was submitted to the MDEQ by Mackinac Environmental Technologies

According to an Initial Assessment Report (IAR), submitted to the MDEQ in 2004, a 1,000-gallon UST containing gasoline was removed from the southern adjoining property. Three temporary groundwater monitoring wells were installed, on the western portion of this site, to evaluate the extent of potential groundwater impact. Depth of well installation was not provided. Additionally, three soil samples were collected from each boring. Depth of soil sample collection was not provided. The samples were submitted for laboratory analysis of select unleaded gasoline compounds. Concentrations of 1,2,4- Trimethylbenzene, a 1,3,5-trimethylbenzene, and xylenes were identified within select soil and groundwater samples in excess of the MDEQ GCC.

- April 16, 2008 – Phase I Environmental Site Assessment, Sagassar Associates.

- June 6, 2008 – Baseline Environmental Assessment, Sagassar Associates.

A Phase II ESA was conducted in May 2008 which identified the presence of 1,2,3 Trimethylbenzene (TMB) and 1,3,5 TMB in concentrations above MDEQ GCC for Drinking Water and Groundwater Surfacewater Interface Protection (GSIP), and Xylene above MDEQ GCC for GSIP.

1.7 SUMMARY OF ENVIRONMENTAL/BROWNFIELD CONDITIONS

Property	Constituent	Exceedance	Medium
202 Lake Street	Arsenic	Drinking Water Groundwater Surfacewater Interface Direct Contact	Soil
	Mercury	Groundwater Surfacewater Interface	Soil
210 Front Street	1,2,4 Trimethylbenzene	Drinking Water Groundwater Surfacewater Interface	Groundwater
	1,3,5 Trimethylbenzene	Drinking Water Groundwater Surfacewater Interface	Groundwater
	Xylene	Groundwater Surfacewater Interface	Groundwater

1.8 SUMMARY OF FUNCTIONALLY OBSOLETE, BLIGHTED AND/OR HISTORIC CONDITIONS

A key component of the project is to redevelopment vacant buildings that may be considered functionally obsolete or historic. However, functional obsolescence or historic designation is not considered for Eligible Property qualifying status. The properties are Part 201 Facilities and, as such, qualify as Eligible Property.

1.9 SUMMARY OF HISTORIC QUALITIES

The current building at 202 Lake Street was developed in 1938 and the current building at 210 Front Street was developed in at least 1908. Preliminary conversations were held with the State Historic Preservation Office to qualify for historic tax credits, but due to a variety of factors, the redevelopment was unable to qualify.

2.0 SCOPE OF WORK

The purpose of the proposed eligible activities proposed under this Combined Brownfield Plan/Act 381 Work Plan is to conduct MDEQ Eligible Activities, including environmental due diligence and due care, and MSF Eligible Activities, including lead and asbestos abatement, and site and building demolition.

2.1 MDEQ ELIGIBLE ACTIVITIES

All properties included in this Combined Brownfield/ Act 381 Work Plan are Part 201 Facilities, and qualify as Eligible Property, under Act 381. Section 13(16), Act 381, PA 1996 as amended

provides for State tax capture for site investigation activities and associated reports for a baseline environmental assessment and due care plan without Department approval. These MDEQ Eligible Activities are listed for qualification under the Brownfield Plan and are not part of the Act 381 Work Plan request to the Department.

2.1.1 Baseline Environmental Assessment

The work scope is to conduct Phase I Environmental Site Assessments (ESAs), Phase II ESAs, and prepare Baseline Environmental Assessments to provide an exemption for Catt's Realty Company and assigns from environmental liability for pre-existing contamination.

- A. Phase I ESA: A Phase I ESA has been conducted for the parcels proposed for acquisition by Catt's Realty Company, consistent with ASTM Standard E1527-13. The Phase I ESA included a review of historical and current information, including regulatory agency files, historical maps, and past uses to evaluate the potential for contamination, a site inspection of the property, and interviews with individuals knowledgeable about the past use of the property to identify any Recognized Environmental Conditions (RECs). A Phase I report was prepared with full documentation of the research and identification of any RECs.
- B. Phase II ESA: Historical use of the site as a railroad spur and automotive repair have resulted in contamination with hazardous substances above the MDEQ Part 201 Generic Residential Cleanup Criteria (GRCC). A Phase II ESA was conducted which identified GRCC exceedances of metals, Volatile Organic Compounds (VOCs), and in soil and VOCs in groundwater. As a result, the property is considered a "Facility" under Part 201 of Act 451, P.A. 1994 as amended. The Phase II assessment activities were conducted to support preparation of BEAs.
- C. Baseline Environmental Assessment: The subject property has been identified as a "Facility" based on the findings of previous environmental investigations conducted on the property. These findings, as well as the results of any supplemental investigation, will be used to prepare Baseline Environmental Assessments (BEAs) for Catt's Realty Company and assigns for the Eligible Property.

Baseline Environmental Assessment costs are estimated at \$23,900.

2.1.2 Due Care Investigation and Activities

While the BEA provides an exemption from environmental liability for pre-existing contamination, new purchasers have due care obligations to prevent exposure to or exacerbation of pre-existing contamination. There are three primary due care activities proposed under this Brownfield Plan:

- A. Phase II ESA Investigation: Due to the historical presence of contaminated soil and groundwater on the Eligible Property, additional investigation will likely be required to determine if exposure pathways are complete and if mitigation measures are required.
- B. Due Care Plan Preparation: Following the completion of the Phase II ESA and determination of the redevelopment details, the data summary and recommendations for meeting due care obligations will be included in a Due Care Plan. The Due Care Plan will describe the known contamination, proposed redevelopment activities, plans for mitigating unacceptable exposures and preventing exacerbation, recommendations for filing abandon container notices, notices to third parties who may be exposed to contamination (e.g., utility workers), and filing of Notices of Migration of Contamination, if necessary. In addition, an Environmental Construction Management Plan will be prepared to detail

measures to protect on-site workers and construction measures to meet due care obligations.

- C. Due Care Exposure Pathway Mitigation: The Due Care Plan and Environmental Construction Management Plan will identify specific measures to be taken to address due care requirements. These activities could include: soil remediation; developing and implementing a soils management plan to safely relocate soils on the property; engineered barriers to prevent direct contact with soils or vapors; and/or institutional controls.

Due Care Investigation and Activity costs are estimated at \$16,000.

2.2 MSF ELIGIBLE ACTIVITIES

MSF Eligible Activities are requested under this plan under the auspices of Act 381. Boyne City is not a Qualified Local Government. The MSF Eligible Activities include asbestos and lead surveys and demolition

2.2.1 Infrastructure Improvements

Lake Street Project is located in Boyne City, which is not a Qualified Local Unit of Government, or Core Community, and infrastructure is not an Eligible Activity.

2.2.2. Demolition

Demolition will include limited site demolition and selective demolition of the buildings on both parcels. The cost estimate for site and selective building demolition is \$50,000.

2.2.3 Lead and Asbestos Abatement

Demolition or remodeling buildings that contain lead, cadmium and/or asbestos is subject to regulations to protect the health of the persons that may be affected. In addition, demolition can impact the concentration of lead, cadmium and/or asbestos in the soils that are in close proximity to the building. A lead/cadmium paint and asbestos survey has been conducted for all buildings on the site and identified the presence of lead/cadmium paint and asbestos. The presence of lead and cadmium based paint in areas of disturbance and demolition which requires specific precautions, including personal protective equipment, worker training, and air monitoring to ensure levels of lead and cadmium are less than required levels. Asbestos in areas of disturbance or demolition must be abated by a certified asbestos contractor, with air monitoring to ensure a safe working environment. The scope of work includes the required surveys prior to demolition under State and Federal law, and lead and asbestos abatement.

The following is a cost estimate for lead and asbestos survey, monitoring, and abatement:

Lead and Asbestos Abatement	Total
Survey	<u>\$4,000</u>
Monitoring	<u>\$5,000</u>
Abatement	<u>\$15,000</u>
TOTAL	\$24,000

2.2.4 Site Preparation

Lake Street Project is located in Boyne City, which is not a Qualified Local Unit of Government, or Core Community, and site preparation is not an Eligible Activity.

2.2.5 Interest

For the purposes of the Combined Brownfield/Act 381 Work Plan financial analysis, interest was calculated at 5% for seven (7) years. The overall project, including the Brownfield Eligible Activities of environmental activities, lead/asbestos abatement and demolition will be financed through bank financing, as well as equity. Reimbursement for interest will be based on actual interest costs, not to exceed a 5% rate.

2.2.6 Assistance to Land Bank Fast Track Authority

Not Applicable

2.2.7 Relocation of Public Facilities for Economic Development Purposes

Not Applicable

2.2.8 Develop/Prepare Combined Brownfield Plan

The preparation and approval of the Brownfield Plan and Act 381 Work Plans are included as eligible activities.

2.3 LOCAL ONLY ELIGIBLE ACTIVITIES

With the exception of Administrative and Operating Costs, there are no Eligible Activities that are specifically designated as “Local Only.”

3.0 TAX INCREMENT REVENUE ANALYSIS

3.1 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value for the Eligible Property will be set at the taxable value as of the approval date of the original Brownfield Plan, May 28, 2015. The initial taxable value established by this Brownfield Plan is based on the taxable value as of December 31, 2014 and is \$255,156 for real property.

The MDEQ Environmental and MSF Non-Environmental Eligible Activity cost is \$130,985 plus an estimated \$27,473 in interest, for a total of \$158,458. The Brownfield Plan also includes \$70,000 in Work Plan Development and Approval and CCBRA Administrative and Operating Costs, bringing the Maximum Eligible Activity Cost to \$228,458. The overall investment for the Project is estimated at over \$3.8 million.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the Eligible Property. The project will include reimbursement from DDA Local TIF for façade improvements, fire suppression, and barrier free access in an amount up to \$310,000. In addition, 3 mills are captured and distributed to the State for the State Brownfield Redevelopment Fund. In accordance with Act 381, this share does not affect the State and local ratio. The

overall contribution of local taxes is consistent with the ratio of local taxes (52.95%) to State taxes (47.05%).

The cash flow analysis for the project indicates payoff of the obligation in *six (6) years* from 2016 for State Tax Capture. Local capture for CCBRA Administration and Operating Costs will continue for up to eleven (11) years. The calculations include additional State tax capture an equivalent amount of capture for MDEQ Environmental Eligible Activities for the local site remediation revolving fund, as provided in Section 13(5) of Act 381, P.A. 1996 as amended.

Redevelopment of the property is anticipated to be initiated in Fall 2015, with site and selective demolition beginning in the fourth quarter of 2015. Table 3 provides a graphic representation of the tax capture and tax increment revenues. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions. The estimated tax increment captured by the Authority is summarized in the table below and detailed in Table 2.

Estimated Tax Increment Capture by the Authority

Year	Total Tax Revenues	Captured Taxes		Year	Total Tax Revenues	Captured Taxes						
2017	\$36,562	\$12,042		2032	\$147,926	\$0						
2018	\$104,691	\$45,789		2033	\$151,624	\$0						
2019	\$107,309	\$47,085		2034	\$155,415	\$0						
2020	\$109,991	\$48,414		2035	\$159,300	\$0						
2021	\$112,741	\$49,776		2036	\$163,283	\$0						
2022	\$115,560	\$51,172	(1)	2037	\$167,365	\$0						
2023	\$118,449	\$49,291		2038	\$171,549	\$0						
2024	\$121,410	\$13,145	(2)	2039	\$175,838	\$0						
2025	\$124,445	\$6,500		2040	\$180,234	\$0						
2026	\$127,556	\$6,680	(3)	2041	\$184,739	\$0						
2027	\$130,745	\$4,606	(4)	2042	\$189,358	\$0						
2028	\$134,014	\$0		2043	\$194,092	\$0						
2029	\$137,364	\$0		2044	\$198,944	\$0						
2030	\$140,798	\$0		2045	\$203,918	\$0						
2031	\$144,318	\$0		2046	\$209,016	\$0						
(1) State Tax Capture Ends ----- (2) LSRRF Capture Ends ----- (3) DDA TIF Plan Ends ----- (4) Local Capture Ends -----				<table border="1"> <tr> <td>Total</td> <td>\$4,418,551</td> <td>\$334,501</td> </tr> </table>			Total	\$4,418,551	\$334,501			
Total	\$4,418,551	\$334,501										
				<table> <tr> <td>State Brownfield Fund</td> <td></td> <td>\$45,534</td> </tr> <tr> <td>Total</td> <td></td> <td>\$380,035</td> </tr> </table>			State Brownfield Fund		\$45,534	Total		\$380,035
State Brownfield Fund		\$45,534										
Total		\$380,035										

3.2 Method of Financing Plan Costs and Advances Made by the Authority

The project, including the Brownfield Eligible Activities of environmental activities, lead/asbestos abatement and demolition will be financed through bank financing, and equity. There will not be an advance made by the Authority.

3.3 Maximum Amount of Indebtedness

The maximum amount of indebtedness will be \$158,458 plus an estimated \$27,473 in interest costs.

3.4 Duration of Brownfield Plan

The duration of the Plan will be the time to capture taxes in an amount equal to the Eligible Activity obligation. As shown on Table 2, total costs of all Eligible Activities on the property redevelopment is expected to be repaid through tax increment financing within 6 years for State Tax Capture and 11 years for Local Tax Capture, with an additional State tax capture in an amount equal to State tax capture for MDEQ Environmental Eligible Activities for the Local Site Remediation Revolving Fund.

3.5 Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions

Tables 2 and 3 identify annual and total tax revenues projected for capture from the increase in property tax valuations. Individual tax levies within each taxing jurisdiction are also presented on Table 2. Table 4 presents the allocation of tax capture and the total tax increment for the maximum duration of the plan, 30 years. Taxing jurisdictions will continue to receive their attendant tax allocation for the project beyond the duration of the plan.

The total tax capture is estimated at \$228,458, plus an estimated \$45,534 for the State Brownfield Fund and an estimated \$60,509 for the Local Site Remediation Fund for a total capture of \$334,501. After the Brownfield obligation is met, tax revenues will accrue to the taxing jurisdictions in an amount estimated at over \$134,000 per year on into the future.

4.0 INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE

4.1 MSF Eligible Activity Sufficiency

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of sufficiency for each Eligible Activity:

- 4.1.1 ***Lead and Asbestos Abatement:*** Lead and asbestos abatement will result in the appropriate management of lead and cadmium based paint with appropriate training, materials handling, and air monitoring to ensure work safety, and removal of asbestos containing materials (ACMs) by a certified asbestos contractor. The appropriate management of lead and cadmium based paint and removal of asbestos prior to demolition will be sufficient to alleviate the brownfield conditions of the Eligible Property.

4.1.2 **Demolition:** Site and selective demolition of existing structures will provide for the redevelopment of outdated buildings to meet code, space, and finish requirements for the proposed commercial and residential uses. The demolition and removal of all buildings and subsurface structures that would inhibit future development are sufficient to alleviate brownfield conditions on the Eligible Property.

4.2 MSF Eligible Activity Need

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

- 4.2.1 **Lead Asbestos Abatement:** State and federal regulations require an assessment of the presence of lead and cadmium-based paint and asbestos prior to demolition of commercial buildings. If identified, precautions must be taken to protect human health and the environment, including worker training, air monitoring, and in the case of asbestos, abatement must be conducted by a certified asbestos abatement company.
- 4.2.2 **Demolition:** Site and selective demolition must be conducted in order to meet code, space, and finish needs for the commercial and residential space.

4.3 MSF Eligible Activity Cost Determination

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

- 4.3.1 **Lead Asbestos Abatement:** Costs for the lead/cadmium paint and asbestos surveys have been incurred and abatement costs are based on a walkthrough of the buildings by a certified lead and asbestos inspector.
- 4.3.2 **Demolition:** Costs for demolition are based on internal company estimates and preliminary consultations with reputable local firms, net of recycling material revenues.

4.4 Public Benefit

The proposed Lake Street Development Project will convert vacant and rundown buildings in downtown Boyne City into a vibrant craft brew restaurant and commercial office space that are a strong need and interest for the local community.

Upon completion of the project, it is expected that there will be an additional 30 new permanent jobs created at the craft brew restaurant and commercial offices.

The total projected investment is expected to be approximately \$3.8 million.

The project will significantly add to the local and state tax base. When completed, property taxes are estimated to total over **\$134,000** per year (following the retirement of Brownfield obligations) with over 47% of these revenues going to the State of Michigan and 53% to local taxing jurisdictions. Currently, the project area for buildings and land generates approximately **\$12,250** per year in property taxes.

4.5 Reuse of Vacant Buildings and the Redevelopment of Blighted Property

The buildings proposed for redevelopment are vacant building in a prime area of downtown Boyne City. While not blighted, the building can be considered functionally obsolete, although not an Eligible Property qualifying status.

4.6 Job Creation

The redevelopment of the eligible property is anticipated to provide over 30 new permanent jobs. The space will be leased, so direct wage information is not available. However, the average hourly wage, including benefits is roughly estimated at \$18.00.

4.7 Area of High Unemployment

The unemployment rate for Charlevoix County (Non-Seasonally Adjusted) in July 2015 was 5.2 percent, compared to the State at 5.6 percent, according to the US Bureau of Labor Statistics.

4.8 Level and Extent of Contamination Alleviated in Connection with the Eligible Activities

Previous environmental investigations have identified the presence of contaminants on the property in excess of Michigan Department of Environmental Quality (MDEQ) Generic Residential Cleanup Criteria (GRCC).

All development will meet necessary and required due care obligations to prevent exposure to and exacerbation of pre-existing contamination. The proposed redevelopment of the property anticipates impacted soil to be removed from the property and disposed in a licensed Type II landfill. Due care precautions will be taken to prevent exposure to and/or exacerbation of pre-existing contamination.

4.9 Level of Private Sector Contribution to the Project

The private sector contribution to this project is expected to be approximately \$3.8 million.

4.10 Greenfield Comparison

A Greenfield site was not considered for the project. All Eligible Activities under this Combined Brownfield/Act 381 Work Plan would not be required on a Greenfield site.

4.11 Creation of New Brownfields

The project is the redevelopment of downtown property and will not result in the creation of a new Brownfield.

4.12 Project Pro forma

A project pro forma has not been prepared for the project as of the development of this Combined Brownfield Plan/Act 381 Work Plan.

4.13 Other Incentives

The Project includes reimbursement of DDA TIF revenues for façade improvements, fire suppression systems, and barrier free access in an amount up to \$310,000, as the local match for Brownfield TIF. The DDA contribution will be in excess of the percentage allocation between State taxes (42%) and Local taxes (58%). A Community Development Block Grant is being pursued with the Michigan Economic Development Corporation/Michigan Strategic Fund.

4.14 Other Information

None

5.0 SCHEDULE AND COSTS

5.1 SCHEDULE OF ACTIVITIES

The following is an estimated schedule of Eligible Activities:

Activity	Completion
Site and Selective Demolition	Fourth Qtr 2015
Environmental Response Activities	First Qtr 2017
Initiate Construction	First Qtr 2016
Complete Construction	Second Qtr 2016

5.2 ESTIMATED COSTS

5.2.1 Summary of Total Project Costs

MDEQ Environmental Eligible Activity Cost

Eligible Activities	Estimated Cost
Baseline Environmental Assessment	<i>\$23,900</i>
Due Care Activities	<i>\$16,000</i>
Contingency (15%)	<i>\$5,985</i>
MDEQ Eligible Activities Subtotal	<i>\$45,885</i>
Interest	<i>\$9,624</i>
Work Plan Development and Review Cost	<i>\$5,000</i>
CCBRA Administrative and Operation Costs	<i>\$30,000</i>
MDEQ Environmental Eligible Activities Total	<i>\$90,509</i>

MSF Non-Environmental Eligible Activity Cost

Eligible Activities	Estimated Cost
Lead/Asbestos Abatement	\$24,000
Demolition	\$50,000
Contingency (15%)	\$11,100
MSF Eligible Activities Subtotal	\$85,100
Interest	\$17,849
Work Plan Development and Review Cost	\$5,000
CCBRA Administrative and Operation Costs	\$30,000
MSF Developmental Eligible Activities Total	\$137,949

All Eligible Activities identified above will be allocated between the State and Local taxes in a proportional share, after the capture of the 3 mils for the State Brownfield Fund, and including the DDA TIF local contribution, estimated at \$310,000.

Eligible Activity Cost Tables and Tax Capture Tables are presented in the Exhibits.

5.2.2 Sources and Uses of Incentives and Funds

The following is a summary of Source and Uses of Incentives and Funds:

Source and Uses	
Lake Street Development	
<i>Sources</i>	
Equity	\$570,000
Conventional Financing	\$2,599,015
CDBG Job Creation	\$500,000
Brownfield TIF	\$130,985
Total	\$3,800,000
<i>Uses</i>	
Acquisition	\$645,000
Demolition/Environmental	\$130,985
Construction	\$2,721,614
Fees/Costs	\$302,402
Total	\$3,800,000

5.2.3 Interest

For the purposes of the Combined Brownfield and Work Plan financial analysis, interest was calculated at 5% for six (6) years. The estimated interest cost is \$27,473.

5.3 SUMMARY OF RELOCATION ACTIVITIES

5.3.1 Estimate of Number of Persons Residing on Eligible Property

There are currently no residential dwellings or residences that occupy the Eligible Property.

5.3.2 Plan for Residential Relocation

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

5.3.3 Provision of Costs of Relocation

The Eligible Property does not currently contain any residential dwellings; therefore, a provision for residential relocation has not been allocated.

5.3.4 Strategy to Comply with Relocation Assistance Act, 1972 PA 227

The Eligible Property does not currently contain any residential dwellings; therefore, relocation is not necessary.

5.4 DESCRIPTION OF PROPOSED USE OF THE LOCAL SITE REMEDIATION REVOLVING FUND

Use of the Local Site Remediation Revolving Fund will be consistent with the requirements of Act 381, including expenses for Eligible Activities on Eligible Property.

5.5 OTHER MATERIAL REQUIRED BY THE AUTHORITY OR GOVERNING BODY - MCL 125.2663(1)(N):

None

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Attachment B	Development Reimbursement Agreement



**AMENDED ACT 381 COMBINED
BROWNFIELD AND WORK PLAN
TO CONDUCT
ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL
ACTIVITIES**

**Lake Street Redevelopment
Boyne City
Charlevoix County, Michigan**

**Charlevoix County Brownfield Redevelopment Authority
Charlevoix County**

**Approved by Charlevoix County
Brownfield Redevelopment Authority: May 7 October 15, 2015**

**Concurrence by Boyne City
City Commission: May 26 October 27, 2015**

Public Hearing: May 27 October 28, 2015

**Approved by Charlevoix County
Board of Commissioners: May 27 October 28, 2015**

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PROJECT SUMMARY

Catt's Realty Company has acquired and will be redeveloping two buildings in downtown Boyne City for commercial and ~~residential-retail~~ use, including a craft beer restaurant, ~~and~~ offices, ~~and affordable housing with the support of the Michigan State Housing Development Authority.~~

The redevelopment is consistent with the City of Boyne City Master Plan, zoning ordinance, and DDA Main Street Development Plan. Initial work is anticipated to begin in Summer 2015, with tax increment capture beginning in 2016. The estimated investment is ~~\$6.53.8~~ million.

Project Name: Lake Street Redevelopment

Project Location: The eligible property is located at within the City of Boyne City, Charlevoix County, Michigan and has the following parcel identification numbers:

Address	Parcel	Qualifying Status
202 Lake Street	051-445-090-00	Part 201 Facility
210 Front Street	051-445-093-00	Part 201 Facility
	051-445-089-00	Adjacent Property

Type of Eligible Property: Part 201 Facility, Adjacent Property

Eligible Activities: Environment Due Diligence/Due Care, Lead/Asbestos Abatement, Selective Demolition.

Eligible Activity Costs: ~~\$179,285~~130,985
(excluding interest)

Years to Complete Eligible Activities Payback: 6 years

Estimated Eligible Investment: ~~\$6,500,000~~3,800,000

Annual Tax Revenue Before Project: \$12,250

Estimated Annual Tax Revenue in First Year After Project: ~~\$171,273~~134,014

**AMENDED ACT 381 COMBINED BROWNFIELD PLAN/ACT 381 WORK PLAN
TO CONDUCT ELIGIBLE
MDEQ ENVIRONMENTAL ACTIVITIES
MSF NON-ENVIRONMENTAL ACTIVITIES**

**UNDER THE AUTHORITY OF THE
BROWNFIELD REDEVELOPMENT FINANCING ACT,
1996 PA 381, AS AMENDED**

1.0 INTRODUCTION

The Charlevoix County Brownfield Redevelopment Authority (“CCBRA”) is submitting this Act 381 Combined Brownfield Plan for MDEQ Environmental and MSF Non-Environmental Eligible Activities for the proposed Lake Street Development in Boyne City, Michigan (herein referred to as the “Eligible Property”).

This Combined Brownfield/Act 381 Work Plan is submitted under the auspices of Act 381, P.A. 1996, as amended.

1.1 PROPOSED REDEVELOPMENT AND FUTURE USE

Integrity Land Company owns three parcels of property in downtown Boyne City that has long been a targeted opportunity for redevelopment. The Property contains hazardous substances in concentrations that exceed those permitted for unrestricted residential use, thus making it a “facility” within the meaning of MCL 324.20101 and within the meaning of Act 381, which in turn makes this an “eligible” property within the meaning of Act 381. The Eligible Property is located in Boyne City, which is not a Qualified Local Governmental Unit.

Catt’s Realty Company, and its successors, will be redeveloping the two buildings for commercial and residential-retail use, including a craft beer restaurant, and offices, ~~and affordable housing with the support of the Michigan State Housing Development Authority~~. The estimated investment is \$~~6.53~~3.8 million.

As part of the redevelopment project, the Developer will be conducting Eligible Activities, including environmental due diligence and due care, lead and asbestos abatement and site and selective demolition.

The proposed development includes the participation of the Boyne City Main Street/DDA in a new program to support redevelopment of downtown properties by providing reimbursement of façade improvements, fire suppression, and barrier free access with the capture of local taxes as provided under the DDA Act (Act 197, PA 1975), with a local contribution of at least \$310,000, in excess of the proportion for property taxes from State taxes (47.05%) and local taxes (52.95%).

1.2 ELIGIBLE PROPERTY INFORMATION

1.2.1 Property Eligibility and Location

Property Eligibility – All three parcel of the Eligible Property are Part 201 Facilities. All parcels contains hazardous substances in concentrations above Michigan Department of Environmental Quality (MDEQ) Generic Residential Cleanup Criteria, and therefore is a Part 201 Facility under MCL 324.20101, and represents a qualifying status under the definition of Eligible Property in Act 381. The property is located in Boyne City, which is not a Qualified Local Governmental Unit. A Summary of Environmental Conditions can be found in Section 1.5 – 1.7.

The Phase II ESA for 210 Front Street was conducted in 2008 and identified the presence of Volatile Organic Compounds (VOCs) in groundwater. Because of the length of time between the 2008 Phase II ESA and the 2015 Combined Brownfield Plan, the 210 Front Street property may not qualify as a Part 201 Facility and Eligible Property, under MDEQ guidelines. If a determination is made that 210 Lake Street does not qualify as a Part 201 Facility because of this length of time, the 210 Front Street Property will qualify as Eligible Property as adjacent parcel.

Location - This Combined Brownfield/Act 381 Work Plan addresses the project to be conducted on the property comprising the Eligible Property consisting of 3 contiguous parcels with a total area of approximately .62 acres, depicted on the Eligible Property Map attached as Figure 2, includes the property that is located in Boyne City, Michigan, with the addresses of 202 Lake Street and 210 Front Street, Boyne City, Charlevoix County, MI 49712.

The legal descriptions of the parcels are provided below. A Project Location Map, Eligible Property Map, and Parcel Map are included in the Appendix as Figures 1, 2, and 3, respectively.

202 Lake Street	051-445-090-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOTS 90 91 & 92</i>
	051-445-093-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOT 93 94 95</i>
210 Front Street	051-445-089-00	<i>DDA CITY OF BOYNE CITY, BEARDSLEY'S FIRST ADDITION TO BOYNE LOT 89</i>

1.2.2 Current Ownership

The 201 Lake Street Property is owned by Catt's Realty Company. The 210 Front Street Property is owned by Integrity Land Company, an affiliate for Catt's Realty Company. The contact person is Glen Catt, 989.732.9722; email: gbcatt@cattdevelopment.com.

1.2.3 Proposed Future Ownership

The 201 Lake Street Property will be transferred from Integrity Land Company to Catt's Realty Company. Catt's Realty Company will own all property for the project.

1.2.4 Delinquent Taxes, Interest & Penalties

There are currently no delinquent taxes, interest or penalties due on the subject property.

1.2.5 Existing & Proposed Future Zoning for Eligible Property

The property is located in the Central Business District and governed by the provision of the City of Boyne City Zoning Ordinance.

1.3 HISTORICAL, PREVIOUS USE AND OWNERSHIP OF EACH ELIGIBLE PROPERTY

The following is the historical previous use and ownership of each Eligible Property:

202 Lake Street – Parcels

The subject property was developed prior to 1901 with at least two rail road spurs, several associated out-buildings (i.e. sheds, tool warehouses), and commercial structures. From at least 1901 to at least 1929, the commercial structures were used as a tin shop, a tobacco store, and a barber shop. By at least 1938, the subject property was developed with the existing subject building for use as a furniture store. By the 1990s, the subject building was reconfigured to its current condition for retail and administrative use. Since the late 2000s, the subject building has been unoccupied.

210 Front Street – Bus Garage

The property was developed prior to 1901, and was occupied by an opera house, followed by a pool room in 1905 and the Hotel Garland around 1911. The easterly portion of the building was reported constructed in 1908 and was used as a garage and repair shop until at least 1929. The property was used as the Boyne City Schools bus garage from the 1950s through the early 1960s. Former tenants for the building included a credit union, medical offices, general offices, and most recently, a salon and internet coffee shop.

1.4 CURRENT USE OF ELIGIBLE PROPERTY

The properties are currently vacant.

1.5 SUMMARY OF LIABILITY

202 Lake Street

A Phase II Environment Site Assessment, conducted in late 2014, as part of All Appropriate Inquiry environmental due diligence identified the presence of arsenic in soil in excess of Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria (GCC) for Drinking Water Protection, Groundwater – Surfacewater Protection, and Direct Contact and mercury in soil in excess of MDEQ GRCC for Groundwater – Surfacewater Protection.

A Baseline Environmental Assessment was prepared and submitted to MDEQ in January 2015 on behalf of Catt's Realty Company.

210 Front Street

A LUST incident involving gasoline was reported to the MDEQ in 2003. The LUST incident is listed as open. A Phase II ESA was conducted and identified concentrations of 1,2,4-Trimethylbenzene, a 1,3,5-Trimethylbenzene, and Xylenes within select soil and groundwater samples in excess of the MDEQ GCC.

A Baseline Environmental Assessment was submitted to the MDEQ in 2008 on behalf of Catt Land Investments, LLC, an affiliate of Catt Realty Company, based upon the above noted MDEQ GCC exceedances.

1.6 SUMMARY OF ENVIRONMENTAL STUDY DOCUMENTS

202 Lake Street

As part of an All Appropriate Inquiry and environmental due diligence process in 2014, a Phase II Environment Site Assessment was conducted to further evaluate the RECs identified in the Phase I ESA. The Phase II ESA included (1) conducting a geophysical survey, (2) drilling seven soil borings (B-1 through B-7), (3) installing four temporary monitoring wells (TMW-1 through TMW-4), and (4) collecting four soil and four groundwater samples for laboratory analyses.

The results of the Phase II ESA identified the presence of arsenic in soil in excess of Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria (GCC) for Drinking Water Protection, Groundwater – Surfacewater Protection, and Direct Contact and mercury in soil in excess of MDEQ GRCC for Groundwater – Surfacewater Protection.

A Baseline Environmental Assessment was prepared and submitted to MDEQ in January 2015 on behalf of Catt's Realty Company.

210 Front Street

There are three primary environmental reports for the property:

- March 10, 2004 – “Initial Assessment Report” (IAR) was submitted to the MDEQ by Mackinac Environmental Technologies

According to an Initial Assessment Report (IAR), submitted to the MDEQ in 2004, a 1,000-gallon UST containing gasoline was removed from the southern adjoining property. Three temporary groundwater monitoring wells were installed, on the western portion of this site, to evaluate the extent of potential groundwater impact. Depth of well installation was not provided. Additionally, three soil samples were collected from each boring. Depth of soil sample collection was not provided. The samples were submitted for laboratory analysis of select unleaded gasoline compounds. Concentrations of 1,2,4- Trimethylbenzene, a 1,3,5-trimethylbenzene, and xylenes were identified within select soil and groundwater samples in excess of the MDEQ GCC.

- April 16, 2008 – Phase I Environmental Site Assessment, Sagassar Associates.

- June 6, 2008 – Baseline Environmental Assessment, Sagassar Associates.

A Phase II ESA was conducted in May 2008 which identified the presence of 1,2,3 Trimethylbenzene (TMB) and 1,3,5 TMB in concentrations above MDEQ GCC for Drinking Water and Groundwater Surfacewater Interface Protection (GSIP), and Xylene above MDEQ GCC for GSIP.

1.7 SUMMARY OF ENVIRONMENTAL/BROWNFIELD CONDITIONS

Property	Constituent	Exceedance	Medium
202 Lake Street	Arsenic	Drinking Water	Soil
		Groundwater Surfacewater Interface Direct Contact	
210 Front Street	Mercury	Groundwater Surfacewater Interface	Soil
	1,2,4 Trimethylbenzene	Drinking Water	Groundwater
Groundwater Surfacewater Interface			
	1,3,5 Trimethylbenzene	Drinking Water	Groundwater
		Groundwater Surfacewater Interface	
	Xylene	Groundwater Surfacewater Interface	Groundwater

1.8 SUMMARY OF FUNCTIONALLY OBSOLETE, BLIGHTED AND/OR HISTORIC CONDITIONS

A key component of the project is to redevelopment vacant buildings that may be considered functionally obsolete or historic. However, functional obsolescence or historic designation is not considered for Eligible Property qualifying status. The properties are Part 201 Facilities and, as such, qualify as Eligible Property.

1.9 SUMMARY OF HISTORIC QUALITIES

The current building at 202 Lake Street was developed in 1938 and the current building at 210 Front Street was developed in at least 1908. Preliminary conversations were held with the State Historic Preservation Office to qualify for historic tax credits, but due to a variety of factors, the redevelopment was unable to qualify.

2.0 SCOPE OF WORK

The purpose of the proposed eligible activities proposed under this Combined Brownfield Plan/Act 381 Work Plan is to conduct MDEQ Eligible Activities, including [environmental due diligence and due care](#), and MSF Eligible Activities, including lead and asbestos abatement, and site and building demolition.

2.1 MDEQ ELIGIBLE ACTIVITIES

All properties included in this Combined Brownfield/ Act 381 Work Plan are Part 201 Facilities, and qualify as Eligible Property, under Act 381. Section 13(16), Act 381, PA 1996 as amended

provides for State tax capture for site investigation activities and associated reports for a baseline environmental assessment and due care plan without Department approval. These MDEQ Eligible Activities are listed for qualification under the Brownfield Plan and are not part of the Act 381 Work Plan request to the Department.

2.1.1 Baseline Environmental Assessment

The work scope is to conduct Phase I Environmental Site Assessments (ESAs), Phase II ESAs, and prepare Baseline Environmental Assessments to provide an exemption for Catt's Realty Company and assigns from environmental liability for pre-existing contamination.

- A. Phase I ESA: A Phase I ESA has been conducted for the parcels proposed for acquisition by Catt's Realty Company, consistent with ASTM Standard E1527-13. The Phase I ESA included a review of historical and current information, including regulatory agency files, historical maps, and past uses to evaluate the potential for contamination, a site inspection of the property, and interviews with individuals knowledgeable about the past use of the property to identify any Recognized Environmental Conditions (RECs). A Phase I report was prepared with full documentation of the research and identification of any RECs.
- B. Phase II ESA: Historical use of the site as a railroad spur and automotive repair have resulted in contamination with hazardous substances above the MDEQ Part 201 Generic Residential Cleanup Criteria (GRCC). A Phase II ESA was conducted which identified GRCC exceedances of metals, Volatile Organic Compounds (VOCs), and in soil and VOCs in groundwater. As a result, the property is considered a "Facility" under Part 201 of Act 451, P.A. 1994 as amended. The Phase II assessment activities were conducted to support preparation of BEAs.
- C. Baseline Environmental Assessment: The subject property has been identified as a "Facility" based on the findings of previous environmental investigations conducted on the property. These findings, as well as the results of any supplemental investigation, will be used to prepare Baseline Environmental Assessments (BEAs) for Catt's Realty Company and assigns for the Eligible Property.

Baseline Environmental Assessment costs are estimated at \$23,900.

2.1.2 Due Care Investigation and Activities

While the BEA provides an exemption from environmental liability for pre-existing contamination, new purchasers have due care obligations to prevent exposure to or exacerbation of pre-existing contamination. There are three primary due care activities proposed under this Brownfield Plan:

- A. Phase II ESA Investigation: Due to the historical presence of contaminated soil and groundwater on the Eligible Property, additional investigation will likely be required to determine if exposure pathways are complete and if mitigation measures are required.
- B. Due Care Plan Preparation: Following the completion of the Phase II ESA and determination of the redevelopment details, the data summary and recommendations for meeting due care obligations will be included in a Due Care Plan. The Due Care Plan will describe the known contamination, proposed redevelopment activities, plans for mitigating unacceptable exposures and preventing exacerbation, recommendations for filing abandon container notices, notices to third parties who may be exposed to contamination (e.g., utility workers), and filing of Notices of Migration of Contamination, if necessary. In addition, an Environmental Construction Management Plan will be prepared to detail

measures to protect on-site workers and construction measures to meet due care obligations.

- C. Due Care Exposure Pathway Mitigation: The Due Care Plan and Environmental Construction Management Plan will identify specific measures to be taken to address due care requirements. These activities could include: soil remediation; developing and implementing a soils management plan to safely relocate soils on the property; engineered barriers to prevent direct contact with soils or vapors; and/or institutional controls.

Due Care Investigation and Activity costs are estimated at \$5816,000.

2.2 MSF ELIGIBLE ACTIVITIES

MSF Eligible Activities are requested under this plan under the auspices of Act 381. Boyne City is not a Qualified Local Government. The MSF Eligible Activities include asbestos and lead surveys and demolition

2.2.1 **Infrastructure Improvements**

Lake Street Project is located in Boyne City, which is not a Qualified Local Unit of Government, or Core Community, and infrastructure is not an Eligible Activity.

2.2.2. **Demolition**

Demolition will include limited site demolition and selective demolition of the buildings on both parcels. The cost estimate for site and selective building demolition is \$50,000.

2.2.3 **Lead and Asbestos Abatement**

Demolition or remodeling buildings that contain lead, cadmium and/or asbestos is subject to regulations to protect the health of the persons that may be affected. In addition, demolition can impact the concentration of lead, cadmium and/or asbestos in the soils that are in close proximity to the building. A lead/cadmium paint and asbestos survey has been conducted for all buildings on the site and identified the presence of lead/cadmium paint and asbestos. The presence of lead and cadmium based paint in areas of disturbance and demolition which requires specific precautions, including personal protective equipment, worker training, and air monitoring to ensure levels of lead and cadmium are less than required levels. Asbestos in areas of disturbance or demolition must be abated by a certified asbestos contractor, with air monitoring to ensure a safe working environment. The scope of work includes the required surveys prior to demolition under State and Federal law, and lead and asbestos abatement.

The following is a cost estimate for lead and asbestos survey, monitoring, and abatement:

Lead and Asbestos Abatement	Total
Survey	<u>\$4,000</u>
Monitoring	<u>\$5,000</u>
Abatement	<u>\$15,000</u>
TOTAL	\$24,000

2.2.4 Site Preparation

Lake Street Project is located in Boyne City, which is not a Qualified Local Unit of Government, or Core Community, and site preparation is not an Eligible Activity.

2.2.5 Interest

For the purposes of the Combined Brownfield/Act 381 Work Plan financial analysis, interest was calculated at 5% for seven (7) years. The overall project, including the Brownfield Eligible Activities of environmental activities, lead/asbestos abatement and demolition will be financed through bank financing, as well as equity. Reimbursement for interest will be based on actual interest costs, not to exceed a 5% rate.

2.2.6 Assistance to Land Bank Fast Track Authority

Not Applicable

2.2.7 Relocation of Public Facilities for Economic Development Purposes

Not Applicable

2.2.8 Develop/Prepare Combined Brownfield Plan

The preparation and approval of the Brownfield Plan and Act 381 Work Plans are included as eligible activities.

2.3 LOCAL ONLY ELIGIBLE ACTIVITIES

With the exception of Administrative and Operating Costs, there are no Eligible Activities that are specifically designated as “Local Only.”

3.0 TAX INCREMENT REVENUE ANALYSIS

3.1 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value for the Eligible Property will be set at the taxable value as of the approval date of this Brownfield Plan, anticipated to be May 28, 2015. The initial taxable value established by this Brownfield Plan is based on the taxable value as of December 31, 2014 and is \$255,156 for real property.

The MDEQ Environmental and MSF Non-Environmental Eligible Activity cost is ~~\$179,285,130,985~~ plus an estimated ~~\$37,362,274,73~~ in interest, for a total of ~~\$216,647,158,458~~. The Brownfield Plan also includes ~~\$5570,000~~ in Work Plan Development and Approval and CCBRA Administrative and Operating Costs, bringing the Maximum Eligible Activity Cost to ~~\$326,647,228,458~~. The overall investment for the Project is estimated at over ~~\$6.53.8~~ million.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the Eligible Property. The project will include reimbursement from DDA Local TIF for façade improvements, fire suppression, and barrier free access in an amount up to \$310,000. In addition, 3 mills are captured and distributed to the State for the State Brownfield Redevelopment Fund. In accordance with Act 381, this share does not affect the State and local ratio. The

overall contribution of local taxes is consistent with the ratio of local taxes (52.95%) to State taxes (47.05%).

The cash flow analysis for the project indicates payoff of the obligation in *six (6) years* from 2016 for State Tax Capture. Local capture for CCBRA Administration and Operating Costs will continue for up to eleven (11) years. The calculations include additional State tax capture an equivalent amount of capture for MDEQ Environmental Eligible Activities for the local site remediation revolving fund, as provided in Section 13(5) of Act 381, P.A. 1996 as amended.

Redevelopment of the property is anticipated to be initiated in Summer 2015, with site and selective demolition beginning in the second-fourth quarter of 2015. Table 3 provides a graphic representation of the tax capture and tax increment revenues. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions. The estimated tax increment captured by the Authority is summarized in the table below and detailed in Table 2.

Estimated Tax Increment Capture by the Authority

Year	Total Tax Revenues	Captured Taxes	Year	Total Tax Revenues	Captured Taxes						
2017	\$36,562	\$12,042	2032	\$147,926	\$0						
2018	\$104,691	\$45,789	2033	\$151,624	\$0						
2019	\$107,309	\$47,085	2034	\$155,415	\$0						
2020	\$109,991	\$48,414	2035	\$159,300	\$0						
2021	\$112,741	\$49,776	2036	\$163,283	\$0						
2022	\$115,560	\$51,172	2037	\$167,365	\$0						
2023	\$118,449	\$49,291	2038	\$171,549	\$0						
2024	\$121,410	\$13,145	2039	\$175,838	\$0						
2025	\$124,445	\$6,500	2040	\$180,234	\$0						
2026	\$127,556	\$6,680	2041	\$184,739	\$0						
2027	\$130,745	\$4,606	2042	\$189,358	\$0						
2028	\$134,014	\$0	2043	\$194,092	\$0						
2029	\$137,364	\$0	2044	\$198,944	\$0						
2030	\$140,798	\$0	2045	\$203,918	\$0						
2031	\$144,318	\$0	2046	\$209,016	\$0						
(1) State Tax Capture Ends ----- (2) LSRRF Capture Ends ----- (3) DDA TIF Plan Ends ----- (4) Local Capture Ends -----			<table border="1"> <tr> <td>Total</td> <td>\$4,418,551</td> <td>\$334,501</td> </tr> </table>			Total	\$4,418,551	\$334,501			
Total	\$4,418,551	\$334,501									
			<table> <tr> <td>State Brownfield Fund</td> <td></td> <td>\$45,534</td> </tr> <tr> <td>Total</td> <td></td> <td>\$380,035</td> </tr> </table>			State Brownfield Fund		\$45,534	Total		\$380,035
State Brownfield Fund		\$45,534									
Total		\$380,035									

3.2 Method of Financing Plan Costs and Advances Made by the Authority

The project, including the Brownfield Eligible Activities of environmental activities, lead/asbestos abatement and demolition will be financed through bank financing, and equity. There will not be an advance made by the Authority.

3.3 Maximum Amount of Indebtedness

The maximum amount of indebtedness will be ~~\$179,285,158,458~~ plus an estimated ~~\$37,362,27,473~~ in interest costs.

3.4 Duration of Brownfield Plan

The duration of the Plan will be the time to capture taxes in an amount equal to the Eligible Activity obligation. As shown on Table 2, total costs of all Eligible Activities on the property redevelopment is expected to be repaid through tax increment financing within ~~5-6~~ years for ~~Local and State Tax Capture~~ and 11 years for Local Tax Capture, with an additional State tax capture in an amount equal to State tax capture for MDEQ Environmental Eligible Activities for the Local Site Remediation Revolving Fund.

3.5 Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions

Tables 2 and 3 identify annual and total tax revenues projected for capture from the increase in property tax valuations. Individual tax levies within each taxing jurisdiction are also presented on Table 2. Table 4 presents the allocation of tax capture and the total tax increment for the maximum duration of the plan, 30 years. Taxing jurisdictions will continue to receive their attendant tax allocation for the project beyond the duration of the plan.

The total tax capture is estimated at ~~\$325,497,228,458~~, plus an estimated ~~\$60,011,45,534~~ for the State Brownfield Fund and an estimated ~~\$118,939,60,509~~ for the Local Site Remediation Fund for a total capture of ~~\$505,596,334,501~~. After the Brownfield obligation is met, tax revenues will accrue to the taxing jurisdictions in an amount estimated at over ~~\$171,000,134,000~~ per year on into the future.

4.0 INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE

4.1 MSF Eligible Activity Sufficiency

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of sufficiency for each Eligible Activity:

4.1.1 ***Lead and Asbestos Abatement:*** Lead and asbestos abatement will result in the appropriate management of lead and cadmium based paint with appropriate training, materials handling, and air monitoring to ensure work safety, and removal of asbestos containing materials (ACMs) by a certified asbestos contractor. The appropriate management of lead and cadmium based paint and removal of asbestos prior to demolition will be sufficient to alleviate the brownfield conditions of the Eligible Property.

4.1.2 **Demolition:** Site and selective demolition of existing structures will provide for the redevelopment of outdated buildings to meet code, space, and finish requirements for the proposed commercial and residential uses. The demolition and removal of all buildings and subsurface structures that would inhibit future development are sufficient to alleviate brownfield conditions on the Eligible Property.

4.2 **MSF Eligible Activity Need**

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

- 4.2.1 **Lead Asbestos Abatement:** State and federal regulations require an assessment of the presence of lead and cadmium-based paint and asbestos prior to demolition of commercial buildings. If identified, precautions must be taken to protect human health and the environment, including worker training, air monitoring, and in the case of asbestos, abatement must be conducted by a certified asbestos abatement company.
- 4.2.2 **Demolition:** Site and selective demolition must be conducted in order to meet code, space, and finish needs for the commercial and residential space.

4.3 **MSF Eligible Activity Cost Determination**

The MSF Eligible Activities proposed under this Act 381 Work Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

- 4.3.1 **Lead Asbestos Abatement:** Costs for the lead/cadmium paint and asbestos surveys have been incurred and abatement costs are based on a walkthrough of the buildings by a certified lead and asbestos inspector.
- 4.3.2 **Demolition:** Costs for demolition are based on internal company estimates and preliminary consultations with reputable local firms, net of recycling material revenues.

4.4 **Public Benefit**

The proposed Lake Street Development Project will convert vacant and rundown buildings in downtown Boyne City in to a vibrant craft brew restaurant, ~~and~~ and commercial office space ~~and~~ and ~~affordable residential units~~ that are a strong need and interest for the local community.

Upon completion of the project, it is expected that there will be an additional 30 new permanent jobs created at the craft brew restaurant and commercial offices.

The total projected investment is expected to be approximately ~~\$6.53.8~~ million.

The project will significantly add to the local and state tax base. When completed, property taxes are estimated to total over ~~\$171,000~~ \$134,000 per year (following the retirement of Brownfield obligations) with over 47% of these revenues going to the State of Michigan and 53% to local taxing jurisdictions. Currently, the project area for buildings and land generates approximately ~~\$12,250~~ per year in property taxes.

4.5 Reuse of Vacant Buildings and the Redevelopment of Blighted Property

The buildings proposed for redevelopment are vacant building in a prime area of downtown Boyne City. While not blighted, the building can be considered functionally obsolete, although not an Eligible Property qualifying status.

4.6 Job Creation

The redevelopment of the eligible property is anticipated to provide over 30 new permanent jobs. The space will be leased, so direct wage information is not available. However, the average hourly wage, including benefits is roughly estimated at \$18.00.

4.7 Area of High Unemployment

The unemployment rate for Charlevoix County (Non-Seasonally Adjusted) in ~~March~~ July 2015 was ~~7.55.2~~ percent, compared to the State at 5.6 percent, according to the US Bureau of Labor Statistics.

4.8 Level and Extent of Contamination Alleviated in Connection with the Eligible Activities

Previous environmental investigations have identified the presence of contaminants on the property in excess of Michigan Department of Environmental Quality (MDEQ) Generic Residential Cleanup Criteria (GRCC).

All development will meet necessary and required due care obligations to prevent exposure to and exacerbation of pre-existing contamination. The proposed redevelopment of the property anticipates impacted soil to be removed from the property and disposed in a licensed Type II landfill. Due care precautions will be taken to prevent exposure to and/or exacerbation of pre-existing contamination.

4.9 Level of Private Sector Contribution to the Project

The private sector contribution to this project is expected to be approximately \$~~6.53.8~~ million.

4.10 Greenfield Comparison

A Greenfield site was not considered for the project. All Eligible Activities under this Combined Brownfield/Act 381 Work Plan would not be required on a Greenfield site.

4.11 Creation of New Brownfields

The project is the redevelopment of downtown property and will not result in the creation of a new Brownfield.

4.12 Project Pro forma

A project pro forma has not been prepared for the project as of the development of this Combined Brownfield Plan/Act 381 Work Plan.

4.13 Other Incentives

The Project includes reimbursement of DDA TIF revenues for façade improvements, fire suppression systems, and barrier free access in an amount up to \$310,000, as the local match for Brownfield TIF. The DDA contribution will be in excess of the percentage allocation between State taxes (42%) and Local taxes (58%). [A Community Development Block Grant is being pursued with the Michigan Economic Development Corporation/Michigan Strategic Fund.](#)

4.14 Other Information

None

5.0 SCHEDULE AND COSTS

5.1 SCHEDULE OF ACTIVITIES

The following is an estimated schedule of Eligible Activities:

Activity	Completion
Site and Selective Demolition	Second-Fourth Qtr 201 5 <u>6</u>
Environmental Response Activities	Second-First Qtr 201 7 <u>6</u>
Initiate Construction	Third-First Qtr 2016
Complete Construction	Second Qtr 201 6 <u>7</u>

5.2 ESTIMATED COSTS

5.2.1 Summary of Total Project Costs

MDEQ Environmental Eligible Activity Cost

Eligible Activities	Estimated Cost
Baseline Environmental Assessment	\$23,900
Due Care Activities	\$58 <u>16</u> ,000
Contingency (15%)	\$12,285 <u>5,985</u>
MDEQ Eligible Activities Subtotal	\$94,185 <u>45,885</u>
Interest	\$19,754 <u>9,624</u>
Work Plan Development and Review Cost	\$5,000
CCBRA Administrative and Operation Costs	<u>\$30,000</u>
MDEQ Environmental Eligible Activities Total	\$118,939 <u>90,509</u>

MSF Non-Environmental Eligible Activity Cost

Eligible Activities	Estimated Cost
Lead/Asbestos Abatement	\$24,000
Demolition	\$50,000
Contingency (15%)	\$11,100
MSF Eligible Activities Subtotal	\$85,100
Interest	\$17,608,849
Work Plan Development and Review Cost	\$5,000
<u>CCBRA Administrative and Operation Costs</u>	<u>\$30,000</u>
MSF Developmental Eligible Activities Total	<u>\$107,708,137,949</u>

All Eligible Activities identified above will be allocated between the State and Local taxes in a proportional share, after the capture of the 3 mils for the State Brownfield Fund, and including the DDA TIF local contribution, estimated at \$310,000.

Eligible Activity Cost Tables and Tax Capture Tables are presented in the Exhibits.

5.2.2 Sources and Uses of Incentives and Funds

The following is a summary of Source and Uses of Incentives and Funds:

Source and Uses Lake Street Development	
<i>Sources</i>	
Equity	\$955,000,570,000
Conventional Financing	\$3,807,602,599,015
<u>CRP</u>	<u>\$1,000,000</u>
CDBG Job Creation	\$360,000,500,000
<u>MSHDA Apartments</u>	<u>\$280,000</u>
Brownfield TIF	\$178,135,130,985
Total	<u>\$6,580,737,380,000</u>
<i>Uses</i>	
Acquisition	\$645,000
Demolition/Environmental	\$178,135,130,985
Construction	\$5,106,837,272,614
Fees/Costs	\$650,765,302,402
Total	<u>\$6,580,737,380,000</u>

5.2.3 Interest

For the purposes of the Combined Brownfield and Work Plan financial analysis, interest was calculated at 5% for six (6) years. The estimated interest cost is \$27,473.

5.3 SUMMARY OF RELOCATION ACTIVITIES

5.3.1 Estimate of Number of Persons Residing on Eligible Property

There are currently no residential dwellings or residences that occupy the Eligible Property.

5.3.2 Plan for Residential Relocation

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

5.3.3 Provision of Costs of Relocation

The Eligible Property does not currently contain any residential dwellings; therefore, a provision for residential relocation has not been allocated.

5.3.4 Strategy to Comply with Relocation Assistance Act, 1972 PA 227

The Eligible Property does not currently contain any residential dwellings; therefore, relocation is not necessary.

5.4 DESCRIPTION OF PROPOSED USE OF THE LOCAL SITE REMEDIATION REVOLVING FUND

Use of the Local Site Remediation Revolving Fund will be consistent with the requirements of Act 381, including expenses for Eligible Activities on Eligible Property.

5.5 OTHER MATERIAL REQUIRED BY THE AUTHORITY OR GOVERNING BODY - MCL 125.2663(1)(N):

None

EXHIBITS

FIGURES

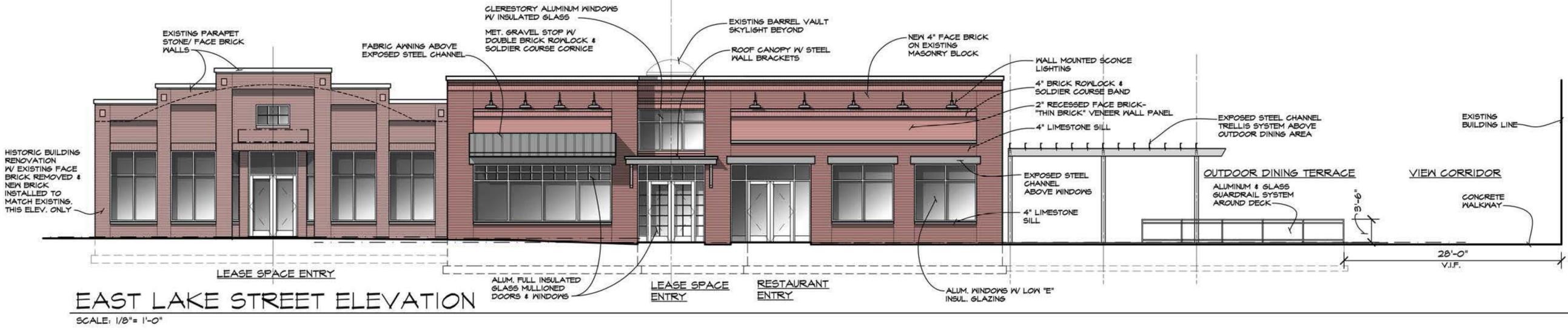
Figure 1	Property Location Map
Figure 2	Eligible Property Boundaries
Figure 3	Parcel Map
Figure 4	Site Photos

TABLES

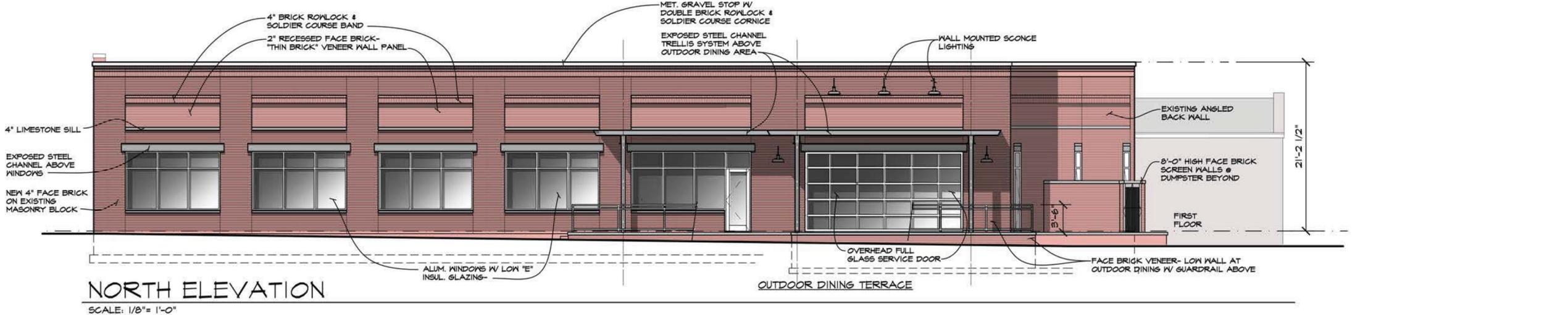
Table 1.1	MDEQ Eligible Activities Cost
Table 1.2	MSF Eligible Activities Costs
Table 2	Tax Capture Table(s) Cash Flow Analysis
Table 3	Captured Taxes and Tax Revenues
Table 4.1	Impact on Tax Jurisdictions
Table 4.2	Brownfield DDA Tax Capture Allocation
Table 4.3	Tax Revenue Allocation
Table 4.4	Capture/Revenue Allocation
Table 4.5	Brownfield Tax Capture - Revenues

ATTACHMENTS

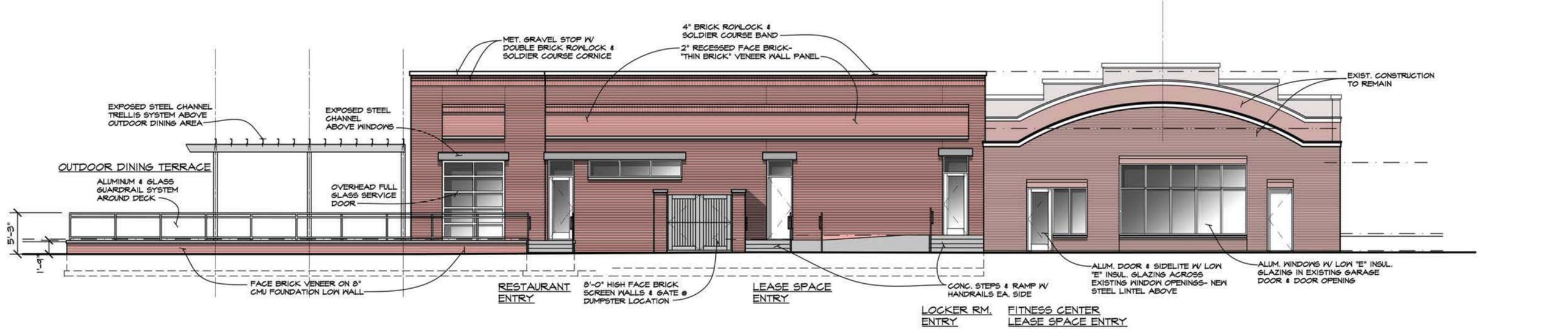
Attachment A	Resolutions Approving Combined Brownfield Plan
Attachment B	Development Reimbursement Agreement



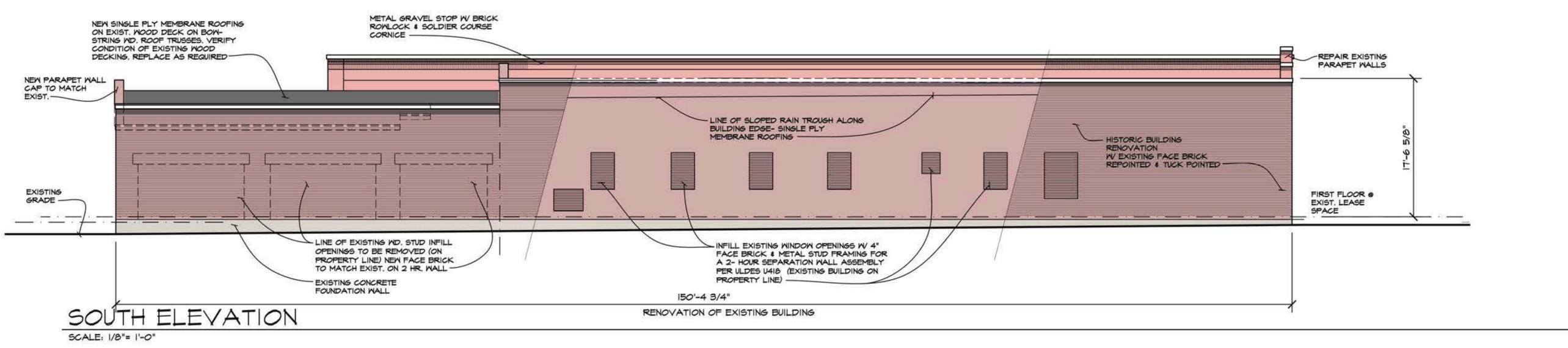
EAST LAKE STREET ELEVATION
SCALE: 1/8" = 1'-0"



NORTH ELEVATION
SCALE: 1/8" = 1'-0"



WEST ELEVATION
SCALE: 1/8" = 1'-0"



SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



To: City Commission and Michael Cain, City Manager *MC*

From: Lori Meeder, Boyne City Main Street *LM*
Patrick Kilkenny, Planning Department *PK*

Date: October 23, 2015

Subject: Last River Draw Sculpture – Permit Application to DEQ and Army Corps of Eng

Overview

The design committee of Boyne City Main Street is in the planning stages of a project called “The Last River Draw”. The proposed life-size bronze sculpture of a logger on the edge of the Boyne River near the Park Street bridge, pulling out a log with a pike pole will be a wonderful representation and depiction of our lumbering heritage while embracing our commitment to art in public places.



The City Commission approved grant applications to the Michigan Economic Development Corporation (MEDC) and the Charlevoix Community Foundation at its September 22 meeting to help support the project.

Andy Poineau is helping to manage the project engineering and installation. He has completed the required joint permit application to the Michigan Department of Environmental Quality and the US Army Corps of Engineers. The total project cost is estimated at \$50,000. The MEDC grant request is for \$25,000 and the remaining \$25,000 will be raised locally.

Project Details

The sculpting process is complex. Martha Sulfridge, a local artist and sculptor, has created a miniature version of the piece for planning purposes. The multi-step process involves creating a clay figure, producing rubber molds of the figure, filling the molds with wax and producing a finish on the wax, dipping the figures several times to create a hard ceramic shell, eliminating the wax inside leaving a cavity of the form(s) that are then filled with bronze. The ceramic is jack hammered off and sandblasted, the bronze sections are then welded together followed by metal chasing to smooth out weld beads and add texture. The final step is to apply the patina – done through chemicals and heat to create the desired coloring.

The process requires the coordination of many facets. In addition to Andy Poineau's expertise and assistance, Moran Iron Works will be the foundry that is used.

Recommendation

Approval to submit a joint permit application to the Michigan Department of Environmental Quality and the US Army Corps of Engineers, along with a letter of support from the City of Boyne City, to be included in the application, and authorize the City Manager to sign the necessary documents.

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To: City Commission and Michael Cain, City Manager : *MC*

From: Lori Meeder, Boyne City Main Street *LM*

Date: October 27, 2015

Subject: Last River Draw Sculpture – Laura Jane Musser Fund Grant Application and Other Funds or Foundations

Overview

The design committee of Boyne City Main Street is in the planning stages of a project called the “Last River Draw”. The proposed life-size bronze sculpture of a logger on the edge of the Boyne River pulling out a log with a pike pole will be a wonderful representation and depiction of our lumbering heritage while also embracing our commitment to art in public places.



The total project cost is estimated at \$50,000.

In September, City Commission approved applying for grants through the Charlevoix County Community Foundation and through the MEDC. The more collaborative the project and the better we can leverage all dollars will make for a more successful project.

In addition to the above grant opportunities, the Main Street Design committee is requesting that they be allowed to apply for various grants that may present themselves throughout the project that may closely fulfill the mission of the foundation or fund. Including but not limited to those that: are rural initiatives, encourage community collaboration, encourage public art experiences, enhance public spaces, education, and history. Grants may range from \$1,000 to \$25,000 to accomplish our goal.

Project Details

The sculpting process is complex. Martha Sulfridge, a local artist and sculptor, has created a miniature version of the piece for planning purposes. The multi-step process involves creating a clay figure, producing rubber molds of the figure, filling the molds with wax and producing a finish on the wax, dipping the figures several times to create a hard ceramic shell, eliminating the wax inside leaving a cavity of the form(s) that are then filled with bronze. The ceramic is jack hammered off and sandblasted, the bronze sections are then welded together followed by metal chasing to smooth out weld beads and add texture. The final step is to apply the patina – done through chemicals and heat to create the desired coloring.

The process requires the coordination of many facets. Andy Poineau is working on the engineering and drawings for the log in the water, and working with the DEQ for necessary permissions and permits. Moran Iron Works will be the foundry that is used.

Recommendation:

Approve the request of the Main Street Design Committee to submit various grants (similar to the ones already applied for and approved by City Commission (i.e. - the Charlevoix County Community Foundation and Michigan Economic Development Corporation)) on behalf of the City and authorize the City Manager to sign the necessary documents.

Other Options:

- 1) Deny the grant application request.
- 2) Choose a different grant amount.
- 3) Other suggestions the commission may have.



City of Boyne City

MEMO

Date: October 23, 2015

To: Mayor Grunch and the Boyne City City Commission

From: Michael Cain, City Manager *Mc*

Subject: Property and Liability Insurance Coverage Renewal

In 2005 the City switched our property and liability insurance coverages from the Michigan Municipal Leagues' Liability and Property pool, after quite a long time with them, to the Michigan Township Participating Plan, which is represented by Paul Olson. At that time our annual premium went from \$105,259 to \$82,273. Since then our rates have been: \$85,065, \$88,789, \$88,454, \$76,572, \$58,414, \$55,632, \$59,336, \$62,351 \$59,328 for our current coverage year which ends on September 30th. Assuming the League's rates had stayed fairly constant (there was usually an annual increase) we have saved about \$336,376 by switching insurance providers, and ended up with equivalent, if not better coverages, 10 years ago.

Every few years we obtain quotes from different providers to make sure we are getting good rates. We did this last year and our current carrier came in with a rate some \$7,000 less than the next lowest provider.

Attached is a quotation from our current provider, Municipal Underwriters of Michigan, Inc. for the coming year and their included coverages, including our three new DPW facility buildings. The price for the coming year, with the new buildings, has increased about 2.1% by \$1,252 to an estimated \$60,580. I say estimated because this price will go up or down slightly as we add or subtract equipment or property during the course of the year. It would do this with any carrier. The proposed cost now is about 58% of the \$105,259 we paid to the Michigan Municipal League's program the last year we were with them in 2004-2005.

We have been very happy with all the services provided by the MTPP since I first recommended we switch to them in 2005. They continue to provide outstanding service and coverage. They are very easy to work with. Two year's ago we received a grant from the insurance company's risk reduction program in the amount of \$4,700 for the purchase of a computer storage system for our Police Department. In Paul Olson's attached letter he notes we have qualified for their new dividend program, which may reduce our actual annual cost even further.

A new program they are offering is to lock the rate for our coverage (not the actual cost which could increase or decrease based on the whether we are adding or decreasing the value of items we are insuring – like adding a new City Hall) at the current rate for three years. They would maintain our rates as long during that period as our as long as our Account Loss Ratio does not exceed 18% at the nine months and 24% at 21 months. This is an optional endorsement that does not cost us extra and does not keep us from changing carriers at any time should we choose to do so. I see no reason why we would not want to obtain this endorsement. Three years would be about the normal time that we would check other carriers

again. If something changed in the market where we thought we could get a better deal by getting quotes earlier we could shop and switch if we desired.

RECOMMENDATION: That the City Commission authorize the City Manager and the City Clerk/Treasurer to take the steps necessary to renew the City's liability insurance through the Michigan Township Participating Plan and obtaining the three year rate guarantee endorsement at an estimated price of \$60,580 for 2015-2016.

- Options:
- A. Postpone for further review and/or information.
 - B. Renew for 2015-2016 at an estimated \$60,580 without the rate guarantee.
 - C. Postpone to seek other quotations.
 - D. Other options as determined by the City Commission

Municipal Underwriters of Michigan, Inc.

PREMIUM SUMMARY

I. COMPREHENSIVE MUNICIPAL LIABILITY	INCLUDED
II. FLEET LIABILITY	INCLUDED
III. FLEET (PROPERTY)	INCLUDED
IV. INLAND MARINE	INCLUDED
V. PROPERTY (FIRE)	INCLUDED
VI. VALUABLE PAPERS AND RECORDS	INCLUDED
VII. CRIME	INCLUDED
VIII. BONDS	INCLUDED
IX. WORKERS COMPENSATION	
X. POLICE PROFESSIONAL	INCLUDED
XI. BUSINESS ELECTRONIC EQUIPMENT	INCLUDED
XII. BOILER AND MACHINERY	INCLUDED
XIII. VOLUNTEER FIREMEN'S ACCIDENT	

TOTAL PAR-PLAN ANNUAL PREMIUM: \$ 60,580

SEWER BACK INCLUDED IN QUOTATION

\$100,000 PER OCCURRENCE, \$100,000 AGGREGATE,

NOTE: The **MICHIGAN TOWNSHIP PARTICIPATING PLAN** is formed under the enabling legislation of Public Act #138. It is a 'fixed cost, fully reinsured, **non-assessable program**', controlled by the Board of Directors of the Michigan Township Participating Plan.

Michigan Township Participating Plan

U.S. SPECIALTY INSURANCE COMPANY

ENDORSEMENT NO. _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (Standard Time)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	12:01 A.M.	NOON		
HMTP-013119	7	1	2015	X		CITY OF GRAND HAVEN	99900

THREE YEAR RATE GUARANTEE

This endorsement applies to all coverages under this policy.

The rates used to determine the premium for this policy are guaranteed to remain the same during the three (3) year policy period shown in the Declarations if the "Account Loss Ratio" does not exceed the following guidelines:

First Anniversary	
"Account Loss Ratio" at 9 months	18%
Second Anniversary	
"Account Loss Ratio" at 21 months	24%

If the "Account Loss Ratio" exceeds the above percentage(s), we reserve the right to increase the rates used to determine your premium at either the first or second anniversary date of the policy.

For purposes of this endorsement, the "Account Loss Ratio" is determined as follows:

$\text{Account Loss Ratio} = \frac{\text{Paid Loss} + \text{Loss Outstanding} + \text{Paid ALAE} * + \text{ALAE} * \text{Outstanding}}{\text{Total Policy Premium}}$
--

*ALAE means Allocated Loss Adjustment Expense

***However, policy forms are subject to change at renewal.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

AUTHORIZED REPRESENTATIVE

DATE

SUPPORT/SERVICE COMPANIES

MARKETING AND SERVICE:

PAUL W. OLSON
Municipal Underwriters of Michigan, Inc.

1-888-883-6391 Michigan watts

TECHNICAL ADMINISTRATION:

Michigan Township Participating Plan
1700 Opdyke Court
Auburn Hills, Michigan 48326
(248) 371-3100 - LOCAL
(800) 783-1370 - MICHIGAN WATTS
(248) 371-3069 - FAX

RISK CONTROL ADMINISTRATION

Midwest Risk Control
1700 Opdyke Court
Auburn Hills, Michigan 48326
(248) 371-3100 - LOCAL
(800) 783-1370 - MICHIGAN WATTS
(248) 371-3091 - FAX

CLAIMS ADMINISTRATION

Midwest Claims Service
1700 Opdyke Court
Auburn Hills, Michigan 48326
(248) 371-3100 - LOCAL
(800) 783-1370 - MICHIGAN WATTS
(248) 371-3069 - FAX

MEMORANDUM

TO: MICHAEL CAIN; CITY MANAGER 

FROM: ANDREW KOVOLSKI; PUBLIC WORKS SUPERINTENDENT 

DATE: 10/21/15

RE: COURT STREET RECONSTRUCTION FUNDING

As you are aware there was a shortfall of funding from the Federal Highway funds for the Court Street project. In April we were notified that we would need to Advance Construct the project as there was a shortfall of \$510,190.26. A copy of my memorandum from 4/09/15 is attached for your review.

In August we received word from MDOT that the latest and final extension of the funding bill still left our project with a shortfall of \$201,396.00. This means that the project has received \$501,604.00 of the original \$703,000.00 funding amount.

At this point the City has 2 options in regard to the shortfall:

1. Ask the Regional Task Force to include this amount in the project list being submitted in November 2015 and ask for immediate reimbursement.
2. Ask the Regional Task Force to include this amount in the project list being submitted in November 2016 and ask for immediate reimbursement at that time.

While Option 1 above would get a quick reimbursement to the City; it would also cause the Regional Task Force to cut short a project (or projects) for the 2016 construction season. Some of the projects in the 2016 season have other funding streams awarded to them already that would be jeopardized as well. Option 2 would push reimbursement to the City back to November of 2016. I have checked with Clerk /Treasurer Cindy Grice and there are sufficient funds available to cover the cost until the later date.

RECOMENDATION:

It is my recommendation that the City Commission approves proceeding with the delayed reimbursement for the outstanding advance construct amount of \$201,396 until November of 2016 as outlined in option 2 above and authorize the City Manager to sign the required documents.

OPTIONS:

1. That this matter be postponed for further information or consideration
2. That this matter be approved subject to some revision
3. Any other option as determined by the City Commission

MEMORANDUM

TO: MICHAEL CAIN; CITY MANAGER

FROM: ANDREW KOVOLSKI; PUBLIC WORKS SUPERINTENDENT

DATE: 4/09/15

RE: COURT STREET RECONSTRUCTION PROJECT

As you are aware we have been working towards funding a major portion of the re-construction Court Street from Lynn Street to Park Street and North Lake Street from Lynn Street to Court Street with funding thru the MDOT Local Agency Program in 2015. The total cost of the project is estimated to be \$889,912.00 Following is a breakdown of the funding sources for this project:

	See page 10
• City and Township - \$175,750.00	#3
• Federal "D" funds - \$7,987.00	#4
• State "D" funds - \$3,175.00	#2
• Federal Highways - \$703,000.00	#1

At our January 15, 2015 Task Force Meeting we were assured our project funding was secure and we should be in the March Bid letting; however it was not. I contacted Dale Spencley at MDOT to find out why. He responded that our project had not been obligated by "Finance" as of yet because they say we do not have sufficient funding in our Local Task Force.

After many emails between my self and representatives of MDOT it finally came to light that the reason we had not been obligated is that the Federal funding stream had only sent 2/3 of the states allowance for 2015 Road Projects for distribution. Evidently Congress has not fully funded the extension to the Map-21 Highway Bill. This results in a funding shortfall of \$510,190.26 for our project according to MDOT. This same situation is affecting projects all across the State of Michigan. Copies of the emails are attached for your review.

At this point the City has 2 options:

1. Do what is called an Advance Construct where the City would guarantee the shortfall funds until complete funding comes through. However if the funds don't come through the City would be responsible for the amount that didn't.
2. Go back to the Regional Task Force and see if the project could be moved to next year. As projects are typically 3-5 years in advance through the Task Force process I don't see this as a viable option.

If the city would like to proceed we will need to make a decision ASAP to get the project back into the MDOT Bid Letting process so construction could begin by mid August. A mid August project start is as late as I would recommend to have completion by mid October. I should note that ours is not the only local project affected by this snafu; Antrim County has a project on C-42 on hold as well.

RECCOMENDATION:

It is my recommendation that the City Commission approves proceeding with the Court Street project as an Advance Construct project through MDOT as outlined above and authorize the City Manager to sign the required documents.

OPTIONS:

1. That this matter be postponed for further information or consideration
2. That this matter be approved subject to some revision
3. Any other option as determined by the City Commission



CITY OF BOYNE CITY **MEMO**

To: Michael Cain, City Manager *MC*
From: Barb Brooks, Executive Assistant *BB*
Date: October 23, 2015
Subject: Computer Replacements

The City has not followed a regular replacement schedule of computer work station replacements which is generally for most offices a three year rotation. We have replaced computers on a as needed basis, this way computers are not being replaced just because their three years is up and there has to be justification to any upgrade or replacement. Planned replacements for this year are for the Executive Assistant's office and both front office work stations. These work stations are currently running Windows XP, which is no longer supported.

In addition to replacing work stations, we are reviewing software needs. Almost all of our administrative departments are still using a version Microsoft Office 2003. As we continue to upgrade computers and operating systems, Office 2003 is not always compatible and Microsoft no longer provides patches and updates. The newer Office software has many new features that could provide more efficiencies of staff time within the office. Microsoft offers volume licensing that we qualify for instead of purchasing individual downloads. The version of Office will be 2016 in a mix of Professional Plus and Standard versions for a total of 13 new license upgrades.

Pricing for the hardware and software were provided by Marcor Technologies, LLC are attached for your review. He did not include in the quote his IT time but we estimate it at approximately \$1,000 based on his hourly rate and travel.

The total cost of all upgrades will total approximately \$7,730.

Recommendation: To authorize City staff to:

- Purchase three new computers plus recommended options from Marcor Technologies, LLC at a cost not to exceed \$2,670, purchase Microsoft Office 2016 user licenses at a cost not to exceed \$4,060 and have Mark Corbiser from Marcor Technologies install the new hardware and deploy the software upgrades for an estimated cost of \$1,000.

Other Options: Purchase hardware but not software programs or some other recommendation the Commission may have.

2015 Workstation and Microsoft Office Options

October 23, 2015

PREPARED BY:

PREPARED FOR:

CONTACT **Mark Corbiser**
 COMPANY **Marcor Technologies, LLC**
 ADDRESS **P.O. Box 1671**
 CITY ST ZIP **Gaylord, MI**
 PHONE **989-731-2646**
 EMAIL **mwcorbiser@marcortech.com**

CONTACT **Barb Brooks**
 COMPANY **City of Boyne City**
 ADDRESS **319 North Lake St.**
 CITY ST ZIP **Boyne City, MI 49712**
 PHONE **231-582-6597**
 EMAIL bbrooks@boynecity.com

ITEMS IN QUOTE

	Qty	Unit Price		Total Price
i7 Workstation				
ThinkCentre® M83 Workstation - 10AM Intel Core i7-4790 Processor (4 cores / 8 threads, 3.6GHz, 8MB cache) 4GB PC3-12800 1600MHz DDR3 Memory (32GB Max) 1TB SATA-600 7200 RPM Hard Drive Super Multi-Burner DL DVD±RW SATA 1.5Gb/s Drive Intel HD Graphics 4600 in processor, one VGA, two DisplayPort port, supports 3 independent displays High Definition (HD) Audio, Realtek® ALC662 codec One gigabit ethernet port, Intel I217-LM (Clarkville), Wake on LAN Ports: Four USB 3.0, four USB 2.0, serial (9-pin) Windows 8 Professional 64-bit downgraded to Microsoft Windows 7 Professional 64-bit 3 year warranty (on-site) Small Form Factor Case	3	\$ 800.00	\$	2,400.00
Optional Items				
Lenovo 4GB DDR3 1600 (PC3 12800) UDIMM Memory for Workstations	3	\$ 60.00	\$	180.00
Lenovo Ultralim Plus Wireless Keyboard and Mouse	3	\$ 45.00	\$	135.00
Microsoft Wireless Desktop 800 for Business - Keyboard and mouse set	3	\$ 30.00	\$	90.00
Microsoft Office Options				
Microsoft Office Professional Plus 2016 - License - 1 PC - local - MOLP: Government	1	\$ 385.00	\$	385.00
Microsoft Office Standard 2016 - License - 1 PC - local - MOLP: Government	1	\$ 280.00	\$	280.00
				(13 Licenses total = \$4,060)

October 2015

October 2015							November 2015						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
4	5	6	7	8	9	10	1	2	3	4	5	6	7
11	12	13	14	15	16	17	8	9	10	11	12	13	14
18	19	20	21	22	23	24	15	16	17	18	19	20	21
25	26	27	28	29	30	31	22	23	24	25	26	27	28
							29	30					

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
			October 1 8:30am Main Street Board mtg. 6:00pm Parks & Rec		2 8:00am Farmers Market
					4
5	6	8:00am Farmers Market			10 8:00am Farmers Market
					11
12	7:00pm City Commission	8:00am Farmers Market	Marina Closes		17 8:00am Farmers Market
					18
19		8:00am Farmers Market	5:30pm Airport Advisory Board		24 8:00am Farmers Market
					25
26	12:00pm City Commission	8:00am Farmers Market			31 8:00am Farmers Market 5:00pm Spook House 5:00pm Trick or Treat

November 2015

November 2015						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December 2015						
S	M	T	W	T	F	S
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
					November 1
2	3	4	5	6	7
	5:00pm ZBA	8:00am Farmers Market	8:30am Main Street Board mtg. 6:00pm Parks & Rec		8:00am Farmers Market
9	10	11	12	13	14
12:00pm EDC/LDFA	7:00pm City Commission	8:00am Farmers Market 11:00am Veterans Day Ceremony			8:00am Farmers Market
16	17	18	19	20	21
5:00pm Planning Commission	7:00pm Historic District	8:00am Farmers Market			8:00am Farmers Market
23	24	25	26	27	28
	12:00pm City Commission	8:00am Farmers Market	City Offices Closed Thanksgiving Turkey Trot - 5k 2:30pm Thanksgiving Dinner (Eagles Hall) 5:30pm Airport Advisory	City Offices Closed 5:00pm Holiday Open House 6:00pm Santa Parade	8:00am Farmers Market
30					29

December 2015

December 2015						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

January 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
	December 1	2	3	4	5
	5:00pm ZBA	8:00am Farmers Market	8:30am Main Street Board mtg. 6:00pm Parks & Rec		8:00am Farmers Market
					6
7	8	9	10	11	12
	7:00pm City Commission	8:00am Farmers Market			8:00am Farmers Market
					13
14	15	16	17	18	19
		8:00am Farmers Market			8:00am Farmers Market
					20
21	22	23	24	25	26
5:00pm Planning Commission 7:00pm Historical Commission	12:00pm City Commission	8:00am Farmers Market	Christmas Eve (United States) City Offices closed 5:30pm Airport Advisory Board	Christmas City Offices Closed 11:00am Christmas Dinner (Presbyterian Church)	8:00am Farmers Market
					27
28	29	30	31		
		8:00am Farmers Market	City Offices closed New Year's Eve (United States)		