

REGULAR MEETING OF THE DOWAGIAC CITY COUNCIL

Municipal Building, 241 S. Front Street, Dowagiac, Michigan

Monday, August 12, 2013, 7:00 p.m.

AGENDA

- CALL TO ORDER -Mayor Donald D. Lyons
- PLEDGE OF ALLEGIANCE TO THE FLAG -Mayor Donald D. Lyons
- ROLL CALL -Mayor Donald D. Lyons
-Mayor Pro-Tem Leon Laylin
-Councilmember Charles Burling
-Councilmember James Dodd
-Councilmember Randall Gross, Sr.
-Councilmember Lori Hunt
-Councilmember Bob Schuur
- APPROVAL OF MINUTES OF PREVIOUS MEETING – July 22, 2013
- QUESTIONS FROM CITY COUNCIL –
- COMMENTS FROM THE AUDIENCE (NON-AGENDA) –
- COMMENTS FROM THE AUDIENCE (AGENDA) –
- COMMUNICATION –
1. Rod & Roll Classic Auto Show, August 17, 2013
- PUBLIC HEARINGS –
1. Public hearing for the purpose of applying for a CDBG blight elimination grant from the MEDC.
 2. Public hearing regarding a bond issue for the Van Buren/Cass Community Health Properties building project.
- APPOINTMENT –
1. Housing Commission – Recommended by Mayor and offered by Mayor Pro-Tem:
Re-appoint Deb Rohdy for a term expiring August 2018.
- RESOLUTIONS –
1. Resolution to authorize the City Manager to apply for a CDBG application for a blight elimination grant from the MEDC.

2. Resolution to approve refinancing and improvements to the Van Buren/Cass Community Health Properties building project.
3. Resolution to approve the Van Buren/Cass District Health Department Public Health building project.
4. Resolution to set a public hearing regarding a proposed 425 Agreement with Pokagon Township.
5. Resolution to approve the Planning Commission's recommendation for a Farmland Agreement in Pokagon Township.
6. Resolution to authorize an MDOT Project Authorization for the purchase of a DART bus.
7. Resolution to authorize and direct the City Treasurer to pay the following bills and payrolls due: (Roll Call)

<u>BILLS</u>	<u>PAYROLL (22 & 23)</u>	<u>TOTAL</u>
\$209,576.83	\$324,363.76	\$533,940.59

ORDINANCES –

1. First reading of an ordinance to approve an agreement between the City and First Housing Corporation for a payment in lieu of taxes (PILOT) for acquiring and renovating the property known as Vineyard Place through the Michigan State Housing Development Authority (MSHDA).

CITY MANAGER REPORT ON QUESTIONS FROM COUNCIL FROM PREVIOUS MEETINGS –

COMMENTS FROM CITY OFFICIALS –

RESOLUTIONS, Continued (CLOSED SESSION) -

8. Resolution to adjourn to a closed session to meet with the City Manager and City Attorney to discuss negotiations related to the purchase of real property. (Roll Call)

ADJOURNMENT –

Kevin P. Anderson
City Manager

Attachments

DOWAGIAC CITY COUNCIL MEETING

Monday July 22, 2013

A regular meeting of the Dowagiac City Council was called to order by Mayor Donald D. Lyons at 7:00 p.m.

Mayor Lyons led the Pledge of Allegiance to the flag.

PRESENT: Mayor Donald D. Lyons; Mayor Pro-Tem Leon D. Laylin; Councilmembers Charles K. Burling, James B. Dodd, Randall G. Gross, Sr., Lori A. Hunt and Bob B. Schuur.

STAFF: City Manager Kevin P. Anderson and City Clerk James E. Snow.

Councilmember Laylin moved and Councilmember Hunt seconded that the minutes of the July 8, 2013 meeting be approved.

Approved unanimously.

PRESENTATION

1. Recognition of Appreciation to Matt Severin and Jennifer Grindstaff from the Department of Public Safety.

Chief Steve Grinnwald and Deputy Chief Jarrid Bradford gave comments and then presented certificates to Dowagiac Middle School Principal Matthew Severin and Custodian Jennifer Grindstaff for actions they took in the early morning hours of Monday, June 3, 2013.

COMMENTS FROM THE AUDIENCE (NON-AGENDA)

1. Pokagon Band representatives will share information about upcoming community activities.

Andy Jackson and Paige Risser representing the Pokagon Band.

APPOINTMENT

1. Housing Commission- Recommended by Mayor and offered by Mayor Pro-Tem:

Re-appoint Annette Benjamin for a term expiring August 2018.

Councilmember Schuur moved and Councilmember Dodd seconded to approve the Mayor's appointment.

Approved unanimously.

CITY MANAGER REPORTS

1. DPS Dump Truck Replacement

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From the City Manager:

REPLACEMENT DUMP TRUCK

The 1991 dump truck that the Department of Public Services relies on as part of our snow plowing operation is in need of a new bed and a new belly snow blade. The total cost of those improvements is estimated to be close to \$19,000. Prior to putting this amount of money into a 22-year-old truck, we looked into the truck market to see if there is a used one that could fill our needs and provide a long term solution. DPS personnel located a truck in Columbus, Ohio that is a 2003 model with relatively low mileage (52,000). To purchase the truck and make the appropriate enhancements necessary to make it fully functional for our fleet would cost about \$32,500.

This appears to be the most prudent fiscal option at this time. With the purchase of this used vehicle it is reasonable to expect that this truck could last another 15+ years and is a better use of motor pool resources. The City's mechanic has traveled to Columbus and tested the equipment. DPS is recommending the purchase of this used vehicle. Additional background information is attached.

RECOMMENDATION

I recommend that City Council authorize the purchase of a used 2003 Chevrolet dump truck for \$24,000 and authorize the purchase and installation of a belly blade plow.

Councilmember Laylin moved and Councilmember Burling seconded that the recommendation of the City Manager be adopted.

ADOPTED unanimously.

2. Bid Award- Mill Pond Dam Repair Project

From the City Manager:

BID AWARD FOR LOWER MILL POND DAM REPAIR PROJECT

An inspection was completed for the Lower Mill Pond Dam in 2012 by the State of Michigan Dam Division and the result were several recommendations for repairs and maintenance. City of Dowagiac DPS crews cleared the trees and brush per the recommendations, but there are a number of repairs to the spillway that must also be made by contractors.

Engineer specifications were drafted and bids have been received for the Lower Mill Pond Dam Repair Project. This project involves the repair to the concrete spillway abutment walls of the Lower Mill Pond Dam. After a review of the bids received, Wightman & Associates recommends awarding the contract to Quantum Construction Company of Douglas, MI in the amount of \$26,631.

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RECOMMENDATION

I recommend that City Council award the bid contract to Quantum Construction Company in the amount of \$26,631.

Councilmember Schuur moved and Councilmember Laylin seconded that the recommendation of the City Manager be adopted.

ADOPTED unanimously.

RESOLUTIONS

1. Resolution to authorize and direct the City Treasurer to pay the following bills and payroll due:

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

WHEREAS, the following information has been reviewed by the City Manager and City Treasurer and is being presented to City Council with a recommendation to approve invoices and payroll #21 for the period ending 7/18/13:

Invoices: 638,544.25
Payroll: 121,479.58
Total: \$760,023.83

BE IT RESOLVED that the City Manager and City Treasurer are hereby authorized and directed to pay the following bills and payroll due:

Invoices	Payroll	Total
\$638,544.25	\$121,479.58	\$760,023.83

ADOPTED on a roll call vote.

Ayes: Six (6) Burling, Dodd, Gross, Hunt, Laylin and Schuur

Nays: None (0)

Absent: None (0)

Abstain: None (0)

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Upon motion by Councilmember Schuur, and seconded by Councilmember Laylin, the Dowagiac City Council adjourned at 7:26 p.m.

Donald D. Lyons, Mayor

James E. Snow, City Clerk



Chamber of Commerce & DDA

Tour The Grand Old City at www.dowagiacchamber.com

"Visit Dowagiac often. There are so many memorable ways to fill a day, a week or a lifetime."

August 31, 2013

Mayor Don Lyons & Council Members
241 S. Front
Dowagiac, Michigan 49047

Dear Mayor & City Council Members:

The Greater Dowagiac Chamber of Commerce on Saturday, August 17, will host its 23rd-annual Rod & Roll Classic Auto Show. In addition to the auto show, we plan to offer a Lions Club pancake breakfast, afternoon barbecue, music from the 1950s and 60s, Tailgate Flea Market and in-store games.

On behalf of the Chamber of Commerce and our event chairmen, **I am seeking permission from Council to:**

- Park the classic autos on Front, from Division to Main; on Commercial, from Front to Penn; and on Beeson Street. Autos will be parked on both sides of the road, leaving room for an emergency lane down the middle.
- For the overflow of vehicles we would also like to utilize the city parking lot, between Twistee's and Front Street Crossing; the parking lot at Front and Main; and the north side of Main Street, from D&R Sports to Penn Avenue. If the two parking lots are not needed, they will be re-opened by 1:30 p.m. The section of Main, noted above, however, would remain closed and would also be used for the line-up of the parade of winners.
- Utilize the parking lot at Main & Penn for participants to park their rigs, who are trucking in their show vehicles.
- Use the Beckwith Park for the Tailgate Flea Market.
- Utilize the Haggin-Wimberley Memorial Bandstand for the disc jockey and auto registration site.
- Use Commercial Street, adjacent to The Red Raven, for the festival tent and food vendors.
- Have merchant sidewalk sales, if desired by individual retailers.
- Place three port-a-johns in the downtown for visitors and show participants.
- Utilize electric from the service panels at the Beckwith Park.
- Install temporary event & date signage at major intersections the week prior to the event. Signage will be no larger than a typical real estate sign and will be removed at the conclusion of the show.
- Install directional signage the day of the show to direct auto owners to the registration area. Signage will be no larger than a typical real estate sign and will be removed at the conclusion of the show.

In preparation for the show, I am also requesting the assistance of city crews to:

- place written notices on the windshields of cars that are parked downtown overnight, to alert auto owners:
 - of the upcoming festival & closure of the aforementioned streets by 5 a.m. on Saturday;
 - of the need to park their vehicles elsewhere on Friday evening and Saturday;
 - that any vehicles left in the show area Saturday morning will be towed, at the owner's expense, by a licensed towing company hired by the Chamber of Commerce.
- clean Front Street, if possible, with the street sweeper prior to the show.
- supply & set up barricades to close the aforementioned areas.
- and transport eight to 10 of the City's picnic tables to & from the show, leaving them on the sidewalk adjacent to Underwood Shoes, where the tent vendor will then put them in place, once the tent is situated.

Thank you for the city's continuing assistance and support of the Chamber of Commerce and its activities. Should you have any questions, feel free to phone my office. We hope you can join us on August 17 for this wonderful community event!

Sincerely,

Vickie Phillipson, Chamber of Commerce & DDA Program Director

Located in the Historic Dowagiac Train Depot
200 Depot Drive, Dowagiac, Michigan 49047 269.782.8212

CITY OF DOWAGIAC
EVENT APPROVAL FORM

Name of Event: 23rd Annual Rod & Roll Classic Auto Show
Date(s) of Event: August 17, 2013
Sponsoring Organization: Greater Dowagiac Chamber of Commerce
Contact Person(s): Vickie Phillipson, Chamber of Commerce & DDA Program Director
Contact Person's Telephone: 782-8212

CITY MANAGER:

_____ Final Approval _____ Denial

Comments: _____

Signature _____ Date _____

Department Heads:

Please review the attached event/activity request; indicate conditional approval, approval or denial; and provide comments regarding possible concerns. All comments will be taken under consideration and final approval remains with the City Manager.

DEPARTMENT OF PUBLIC SAFETY:

Approval _____ Approval with conditions _____ Denial _____

Comments: _____

Signature Steve G. Smith Date 8/1/13

DEPARTMENT OF PUBLIC SERVICES:

Approval _____ Approval with conditions _____ Denial _____

Comments: _____

Signature James Bradford Date 8-1-13

DOWNTOWN DEVELOPMENT AUTHORITY:

Approval _____ Approval with conditions _____ Denial _____

Comments: _____

Signature J. Phillipson Date 8-1-13

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: Appointment to Boards and Commissions

A Mayoral appointment is on Monday's agenda for your consideration. The appointment is recommended by the Mayor and offered by the Mayor Pro-Tem. The proposed appointment is as follows:

Housing Commission

- ✓ Reappoint Deb Rohdy for a term expiring August 2018.

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: CDBG Blight Elimination Grant Application

For quite some time the City of Dowagiac has been working closely with a developer and the MEDC to use CDBG funds to assist with the redevelopment of 115-117 South Front Street. We are pleased to report that the project meets the criteria for funding and is ready for formal Council action.

The total project cost will be over \$525,000 and CDBG funding will be \$171,005.

The attached resolution will authorize formal grant submittal by the City Manager. By taking action on August 12, 2013 we will be able to meet the deadline for the September 2013 MEDC meeting.

RECOMMENDATION

Approve the resolution authorizing the City Manager to submit the CDBG grant application to the MEDC.

Support Documents:
Cover Memo-City Mgr.
Resolution
Reports

Councilmember _____ offered and moved the adoption of the following resolution;
seconded by Councilmember _____.

CITY OF DOWAGIAC
PART 1 APPLICATION FOR A
COMMUNITY DEVELOPMENT BLOCK GRANT FOR
BLIGHT ELIMINATION PROGRAM

WHEREAS, the City of Dowagiac desires to improve its employment, tax base and the overall quality of lives of its residents; and

WHEREAS, the City of Dowagiac will be submitting a Community Development Block Grant (CDBG) application in the amount of \$171,005.00 for Blight Elimination Program from the Michigan Economic Development Corporation; and

WHEREAS, a potential proposed new development in the City is consistent with and meets the goals of the economic development plan for the community to create jobs as identified in our Comprehensive Plan and described in the Part 2 application; and

WHEREAS, the potential proposed project involves the rehabilitation of a blight property located at 115 and 117 South Front Street, Dowagiac, MI 49047 and the creation of jobs; and

WHEREAS, at least 51% of the beneficiaries of the proposed project will be low-moderate income persons; and

WHEREAS, no project costs (CDBG and non-CDBG) will be incurred prior to a formal grant award, completion of the environmental review procedures and formal, written authorization to incur costs has been provided by the MEDC Project Manager.

NOW, THEREFORE, BE IT RESOLVED that Kevin P. Anderson, the Certifying Officer and the City Manager, shall execute the grant application including Part 2 application and all necessary documents in preparation for the submittal of said application and sign the grant agreement; and

BE IT FURTHER RESOLVED that the City of Dowagiac shall apply for a Community Development Block Grant (CDBG) application in the amount of \$171,005.00 for Blight Elimination from the MEDC.

ADOPTED/REJECTED

PART 2 APPLICATION

MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM MICHIGAN STRATEGIC FUND

SECTION 2 – UGLG IDENTIFICATION FORM

Complete all items on the UGLG Identification Form (Attachment 1).

Attached: Yes No

ATTACHMENT 1

UGLG IDENTIFICATION FORM

IDENTIFICATION OF UGLG		FUNDING SOURCES	
UGLG	City of Dowagiac	CDBG	\$ 171,005.00
Street/PO Box	241 S. Front Street	CDBG/RLF	\$
City	Dowagiac	Other State	\$
County	Cass	Other Federal	\$
State/Zip	MI/49047	UGLG	\$
Contact Name:	Kevin Anderson	Private	\$ 304481.00
Contact Telephone Number	26978221995	Other	\$ 50000.00
Contact E-mail Address	kanderson@dowagiac.org	Total	\$ 525486.00
UGLG's fiscal year end	October 1 to Sept 30	Census Tract(s) project is located in (<u>census tract locator</u>):	
AUTHORIZED UGLG OFFICIAL			
Signature: 			
Name and Title: Kevin Anderson, City Manager	Telephone	269-782-2195	Date 8/13/13

MICHIGAN CDBG PROGRAM

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Request for Release of Funds
And
Certification of Environmental Review Procedures

(Pursuant to Section 104 (g) of Title I of the Housing and Community Development Act of 1974, as amended through 1983)

City of Dowagiac

1. NAME OF APPLICANT

2. GRANT NUMBER

241 S. Front Street

3. APPLICANT'S ADDRESS

April 24, 2013

4. DATE OF REQUEST/
CERTIFICATION

5. REQUEST FOR RELEASE OF FUNDS. Release of approved grant funds for the following project is requested.

PROJECT: 115 and 117 Front Street Blight
Elimination through Historic Preservation
GRANTEE: City of Dowagiac

6. CERTIFICATION. With reference to said project it is hereby certified:
- a. That the applicant has, at least 15 days prior to submitting this request for release of funds and certification, published in a newspaper of general circulation in the community affected a notice to the public (a copy of which is attached hereto) in accordance with 24 CFR 58.70;
 - b. That the applicant has fully carried out its responsibilities for environmental review, decision-making, and action pertaining to the project named in the above request for release of funds;

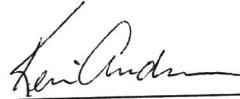
- c. That the level of environmental clearance carried out by the applicant in connection with said project did not require the preparation and dissemination of an environmental impact statement;
- d. That the dates upon which all statutory and regulatory time periods for review, comment, or other response or action in regard to the clearance commenced and expired as indicated below; that all such dates which are applicable to the clearance are indicated below; and that with the expiration of each of the time periods indicated below, applicant is in compliance with the requirements of 24 CFR Part 58;

ITEM	COMMENCE MO/DAY/YR	EXPIRE MO/DAY/YR
Notice of Finding of No Significant Impact (FONSI) Publication	03-27-13	April 24, 2013
Notice of Intent to Request a Release of Funds (NOI/RROF) Publication	03-27-13	April 24, 2013
Combined FONSI/RROF or Concurrent Publication	03-27-13	April 24, 2013
Anticipated State Comment Period	04-09-13	April 24, 2013

Submission of all Environmental Review Documentation to State

- e. That the undersigned officer of applicant is authorized to, and does consent to, assume the status of responsible federal official, under the National Environmental Policy Act of 1969, insofar as the provisions of said Act apply to the state of Michigan responsibilities for environmental review, decision-making, and action assumed and carried out by the applicant; that by so consenting, the undersigned officer of applicant assumes the responsibilities, where applicable, for the conduct of environmental review, decision-making, and action as to environmental issues, preparation and circulation of draft and final environmental impact statements, and assumption of lead agency responsibilities for preparation of such statements on behalf of federal agencies when such agencies consent to such assumption;
- f. That the undersigned officer of applicant is authorized to consent personally, and on behalf of the applicant, to accept the jurisdiction of the federal courts, for the enforcement of all the aforesaid responsibilities, and that the undersigned does so consent, on behalf of applicant and of the undersigned, in the official capacity of the undersigned.

NOTE: Section 1001 of Title 18 of the United States Code and Criminal Procedure shall apply to the foregoing certification. Title 18 provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned not more than five years or both.



(Signature of Certifying Officer)

Kevin Anderson _____

(Name)

City Manager _____

(Title)

241 S. Front Street, Dowagiac, MI 49047 _____

(Address)



TO: Environmental Review File
FROM: Kevin Anderson, Certifying Office
RE: Public Comments
DATE: April 30, 2013

The City published a combined notice on 03-27-13 included a finding of no significant impact and request for release of funds. The City had the application and environmental review record available for the public. No one made any comments on the file, not sent in any information related to the 115 and 117 Front Street property.

COMBINED NOTICE
NOTICE TO PUBLIC OF NO SIGNIFICANT IMPACT ON THE ENVIRONMENT
AND NOTICE TO PUBLIC OF REQUEST FOR RELEASE OF FUNDS

Date Published-03-27-13

City of Dowagiac

(Name of Applicant)

241 S. Front Street, Dowagiac, MI 49047

(Street, City, Zip Code)

269-782-2195

(Telephone Number)

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

On or about April 9, 2013 the above named City of Dowagiac will request the Michigan Strategic Fund to release Federal funds under Title I of the Housing and Community Development Act of 1974 (P.L. 93-383) for the following project:

115 and 117 S. Front Street

(Project Title or Name)

To rehabilitate a blight property

(Purpose or Nature of the Project)

City of Dowagiac, County of Cass, Michigan

(Location – City, County, State – of Project)

\$450,000

(Estimated Cost of Project)

Finding of No Significant Impact

It has been determined that such request for release of funds will not constitute an action significantly affecting the quality of the human environment and accordingly the above-named City of Dowagiac has decided not to prepare an Environmental Impact Statement (EIS) under the National Environmental Policy Act of 1969 (P.L. 91-190).

The reasons for such decision not to prepare an EIS are as follows:

1.) There is no adverse effect to a historic property

2.) The project will remove a blight situation

3.) The project will positively affect the community

An Environmental Review Record respecting the proposed project has been made by the above-named City of Dowagiac which documents the environmental review of the project and more fully sets forth the reasons why an EIS is not required. This Environmental Review Record is on file at the above address and is available for public examination and copying upon request at City Hall between the hours of 8:30AM and 5:00PM.

No further environmental review of such project is proposed to be conducted prior to the request for release of federal funds.

Public Comments on Finding

All interested agencies, groups, and persons disagreeing with this decision are invited to submit written comments for consideration by the City of Dowagiac to the City Manager at City Hall on or before April 8, 2013. All such comments so received will be considered and the City of Dowagiac will not request the release of federal funds or take any administrative action on the proposed project prior to the date specified in the preceding sentence.

Release of Funds

City of Dowagiac will undertake the project described above with Community Development Block Grant funds from the Michigan Strategic Fund under Title I of the Housing and Community Development Act of 1974. City of Dowagiac is certifying to the Michigan Strategic Fund that City of Dowagiac and Kevin Anderson in her/his official capacity as City Manager consent to accept the jurisdiction of the federal courts if an action is brought to enforce responsibilities in relation to environmental reviews, decision-making, and action; and that these responsibilities have been satisfied. The legal effect of the certification is that upon its approval City of Dowagiac may use the Block Grant funds and the Michigan Strategic Fund will have satisfied its responsibilities under the National Environmental Policy Act of 1969.

Objections to Michigan Strategic Fund Release of Funds

The Michigan Strategic Fund will accept an objection to its approval only if it is on one of the following bases:

- (a) The certification was not in fact executed by the responsible entity's Certifying Officer
- (b) The responsible entity has failed to make one of the two findings pursuant to 58.40 or to make the written determination required by 58.35, 58.47 or 58.53 for the project, as applicable.
- (c) The responsible entity has omitted one or more of the steps set forth at subpart E of this part for the preparation, publication and completion of an EA.
- (d) The responsible entity has omitted one or more of the steps set forth at subparts F and G of this part for the conduct, preparation, publication and completion of an EIS.
- (e) The recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by this part before release of funds and approval of the environmental certification by HUD (or the state).
- (f) Another Federal agency acting pursuant to 40 CFR part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality.

Objections must be prepared and submitted to the Michigan Strategic Fund, c/o Michigan Economic Development Corporation, 300 North Washington Square, 4th Floor, Lansing, Michigan 48913.

Objections to the release of funds on bases other than those stated above will not be considered by the Michigan Strategic Fund. No objection received after April 24, 2013 will be considered by the Michigan Strategic Fund.



(Signature of Certifying Officer)

Kevin Anderson

(Name)

City Manager

(Title)

241 S. Front Street, Dowagiac, MI 49047

(Address)

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: Van Buren/Cass District Health Department Building Project/Refinancing and Improvements

For many months the City has been working closely with Borgess and the Van Buren/Cass Health Department to make sure there are appropriate facilities for the improvement and expansion of health services for the Dowagiac area. Talks have progressed to the point where several projects are ready to go forward, which are as follows:

- Borgess will expand into space at the Donald Lyons Health Center that is currently occupied by the Cass County Health Department.
- The Health Department will expand their services and participate in the construction of a downtown professional office/services facility at the corner of Front and Main Street.
- The City will purchase the former Borgess medical building on South Front Street to facilitate the construction of a downtown professional services building. Funds from the sale will go to the Borgess Lee Foundation for purchase of equipment to serve the local hospital.
- The Health Department will expand and occupy the second floor of the building at Front and Main. The first floor will be white box space that will be available for lease. Public parking lots will be constructed as part of the project.

The two attached resolutions will formally set the process in motion so that the funding for the transactions can take place. It is anticipated that construction will begin in the late fall of 2013.

RECOMMENDATION

Approve the resolutions for the Van Buren/Cass District Health Department building project and the refinancing and improvements of same.

Support Documents:

Cover Memo-City Mgr.

Resolutions

Hearing Notice

CITY COUNCIL

**CITY OF DOWAGIAC
STATE OF MICHIGAN**

**RESOLUTION APPROVING REFINANCING AND IMPROVEMENTS TO
VAN BUREN CASS COMMUNITY HEALTH PROPERTIES BUILDING PROJECT**

A regular meeting of the City Council of the City of Dowagiac, Michigan (the "City") was held in the City Council Chambers, 241 South Front Street, Dowagiac, Michigan, on August 12, 2013, at 7:00 o'clock p.m.

RECITALS

1. The City is located in the County of Cass, one of the constituent counties of the Van Buren/Cass District Health Department (the "Health Department"), a "district health department" formed by the constituent counties of Van Buren and Cass under Section 2415 of Act 368, P.A. 1978, as amended, for the purpose of providing essential health services to residents of those counties.

2. Van Buren Cass Community Health Properties, a Michigan nonprofit corporation (the "Issuer") issued its \$2,490,000 principal amount Limited Obligation Revenue Note (Dowagiac Health and Medical Office Building Project), dated April 12, 2006, which was subsequently amended and restated on June 27, 2007 to increase the principal amount thereof to \$2,822,000, and further amended on September 1, 2009 to adjust the formula for the calculation of interest thereon (as so amended and restated, the "Prior Note"), for the purpose of financing the construction of an approximately 20,081 square foot building located in the City, which is leased in its entirety by the Issuer to the Health Department, and sub-leased in part to Lee Memorial Hospital, a Michigan nonprofit corporation (the "Hospital"), all for the provision of essential public health care services for the residents of Cass and Van Buren Counties, being the constituent counties of the Health Department (the "Project").

3. The Prior Note was issued "on behalf of" the City, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), pursuant to Resolutions approved by the City Council (the "Prior Resolutions"), which specifically provided that the City has no financial responsibility whatsoever for payments due under the Prior Note, which was primarily payable from and secured by lease payments made by the Health Department to the Issuer.

4. Land owned by the Dowagiac-Union School District (the "School District") specifically described in EXHIBIT A hereto, was identified as a desirable site (the "Site") for the construction of the Project, and the School District conveyed the Site to the City,

which in turn conveyed the Site to the Issuer, which is a subsidiary of Northern Health Foundation, a Michigan nonprofit corporation, for purposes of financing and developing the Project, subject to certain reversionary rights of the City.

5. Currently, approximately 3,478 square feet of the Project (excluding common areas) is occupied by the Health Department, and approximately 16,602 square feet of the Project (including common areas) is subleased by the Health Department to the Hospital.

6. The Prior Note has an outstanding principal amount of approximately \$2,250,000, currently bears interest at the rate of 4.0% per annum, subject to readjustments every three years, and has a final maturity date of April 1, 2028.

7. The refinancing of the indebtedness represented by the Prior Note is expected to reduce exposure to interest rate fluctuations and, based on prevailing interest rates on tax-exempt obligations with a final maturity date not later than April 1, 2028, after factoring in any prepayment penalty or premium and costs of refinancing, will result in reductions in debt service on an on-going basis, and help preserve the economic viability of the Project and its availability to provide critical health care and hospital related services to the residents of Cass and Van Buren Counties.

8. The Hospital has an urgent need to expand its existing leased space in the Project, and at the same time the Health Department has an urgent need to expand its facilities in the City beyond the space it occupies in the Project; therefore, it is now proposed that (a) the Issuer will assist in the development of a new building in the City (the "New DHD Building") to which the Health Department will relocate, (b) Borgess Health, a Michigan nonprofit corporation of which the Hospital is a subsidiary entity ("Borgess Health"), will, on behalf of the Hospital, become the new master tenant of the entire Project, of which the space currently occupied by the Health Department will be subleased to the Health Department for a temporary period of approximately nine (9) months during the construction of the New DHD Building, and (c) following the relocation of the Health Department to the New DHD Building the space formerly occupied by the Health Department will be renovated and remodeled to conform to the Hospital's operational needs, at a currently estimated cost not exceeding \$400,000 (the "2013 Renovation Project"), for the provision of essential health care and hospital related services to be rendered by the Hospital (the Project and the 2013 Renovation Project are hereinafter collectively referred to as the "Renovated Project").

9. It is estimated by the Issuer that upon the final maturity of the 2013 Refunding Note (as described below), upon which date title to the Renovated Project shall revert to the City, (i) the fair market values of the Project and the 2013 Renovation Project will each be equal to at least 20% of the original cost of constructing the Project and the 2013 Renovation Project, calculated separately (determined without regard to any additions or any increase or decrease for inflation during the term of the Note), and (ii) the remaining useful lives of the Project and the 2013 Renovation Project will each

be at least 20% of the original estimated useful lives of the Project and the 2013 Renovation Project, calculated separately.

10. It is therefore proposed that:

(i) the Issuer will issue one or more tax-exempt Limited Obligation Revenue and Revenue Refunding Notes on behalf of the City in an aggregate principal amount not to exceed \$2,775,000 (the "2013 Refunding Note"), having a final maturity date not later than April 1, 2028, and the proceeds of which will be used to acquire and construct the 2013 Renovation Project and to pay all outstanding principal of and accrued interest on the Prior Note, any applicable prepayment penalty or premium, and costs associated with issuance of the 2013 Refunding Note;

(ii) the Issuer will lease the Renovated Project in its entirety to Borgess Health for an initial term of ten (10) years, with an option to renew for a term ending April 1, 2028, pursuant to a new lease agreement between the Issuer and Borgess Health, the lease payments being fixed in amounts sufficient for the Issuer to pay the principal of and interest on the 2013 Refunding Note as such amounts become due, together with the Issuer's reasonable administrative expenses, but not in excess of the fair market rental value of the Renovated Project;

(iii) The Health Department will sublease from Borgess Health the space the Health Department currently occupies in the Project, for a temporary period of approximately nine (9) months, during which the New DHD Building is being constructed; and,

(iv) The 2013 Refunding Note will not constitute a debt or general obligation of the City, or constitute a charge against the general credit or taxing power of the City, but will be payable solely from lease payments received by the Issuer, as lessor of the Project, from Borgess Health.

11. Pursuant to Section 147(f) of the Code, the City Council has on this date held a public hearing concerning the issuance of the 2013 Refunding Note, and gave notice of such hearing in the form attached hereto as EXHIBIT E not less than fourteen (14) days before the date of such hearing by publication in a newspaper of general circulation in the City.

RESOLUTIONS

The City Council (the "Council") adopts the following resolutions:

1. The health care and hospital related services provided by Borgess Health and the Hospital and other governmental or charitable organizations in need of medical and office facilities constitute an essential public purpose of benefit to the health and welfare of the residents of the City.

2. The Council reaffirms its approval of the nonprofit purposes and activities of the Issuer set forth in its Articles of Incorporation attached hereto as EXHIBIT D, including the development of the Renovated Project and the lease of the Renovated Project to Borgess Health, as described in the foregoing Recitals. The Issuer was incorporated by private, charitable public health interests, is not an agent or instrumentality of the City, and shall operate independently of any control by the City.

3. The Renovated Project and title to the Site shall continue to be subject to the provisions for reversion of title to the City set forth in the Prior Resolutions and the original deed conveying the Site from the City to the Issuer, as set forth in EXHIBIT B hereto. All references in said reversion provisions to the indebtedness represented by "the Note" or "the Bonds" shall be deemed to refer to the indebtedness represented by the 2013 Refunding Note following issuance of the 2013 Refunding Note and the prepayment of the Prior Note, and such refinancing shall not constitute an event giving rise to the reversion of title to the Site and the Renovated Project to the City.

4. The Council hereby authorizes the Mayor and the City Clerk to execute any and all instruments and agreements as may be required to effectuate the issuance of the 2013 Refunding Note upon the terms and provisions contained herein, including, without limitation, a Subordination Agreement subordinating the reversion rights of the City to the liens and claims of the holder of the 2013 Refunding Note (the "Noteholder") until the indebtedness represented by the 2013 Refunding Note issued on behalf of the of the City is paid in full.

5. The City approves of the issuance of the 2013 Refunding Note by the Issuer on behalf of the City in an aggregate principal amount not to exceed \$2,775,000, for the purposes of acquiring and constructing the Renovated Project, and paying all outstanding principal of and accrued interest on the Prior Note, any applicable prepayment penalty or premium, and costs associated with issuance of the 2013 Refunding Note, which 2013 Refunding Note shall be issued no later than six (6) months from the date hereof, which shall have a final maturity date not later than April 1, 2028 upon substantially the terms set forth in EXHIBIT C hereto.

The City's approval of the issuance by the Issuer of the 2013 Refunding Note is only to the extent required in order for such debt obligation to be deemed to be issued

"on behalf of" the City for purposes of Section 103 of the Code, and the regulations thereunder, and for no other purposes.

The 2013 Refunding Note and interest thereon shall be non-recourse obligations of the Issuer, payable solely from the lease payments from Borgess Health and other qualified health and human services organizations occupying the Renovated Project as tenants, if any, and secured by an assignment of such lease payments and a mortgage on the Site and Renovated Project.

The 2013 Refunding Note shall never constitute a general obligation of the City within the meaning of any constitutional, statutory or charter provision or limitation and shall never constitute or give rise to a debt or liability of the City or a charge against the general credit or taxing power of the City. The City disclaims any financial responsibility for repayment of the 2013 Refunding Note, which is to be primarily secured by and payable from lease payments made by Borgess Health to the Issuer.

6. Upon retirement of the indebtedness represented by the 2013 Refunding Note, the City shall accept title to the Renovated Project and the property financed by the 2013 Refunding Note (including any additions to such property) from the Issuer pursuant to the City's rights of reversion set forth on EXHIBIT B hereto. The reversion of title of the Renovated Project to the City after the retirement of the 2013 Refunding Note, together with the use of the Site and the Project for the provision of essential health and human services in the City, shall be full consideration for conveyance of the Site by the City to the Issuer for the development of the Project.

7. The City hereby designates the 2013 Refunding Note in the maximum principal amount of \$2,775,000 as a "qualified tax-exempt obligation" for purposes of the deduction of interest expense by financial institutions under Section 265 of the Code. Such designation is based upon the reasonable expectation that the aggregate principal amount of the 2013 Refunding Note and all other tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) which will be issued during calendar year 2013 by the City (including obligations of all other entities which issue obligations on behalf of the City and all subordinate entities of the City) will not in the aggregate exceed \$10,000,000.

8. The issuance of the 2013 Refunding Note is hereby approved pursuant to Section 147(f) of the Code.

EXHIBIT A – LEGAL DESCRIPTION

A parcel of land located in SE ¼ of Section 36, Town 5 South, Range 16 West, City of Dowagiac, Cass County, Michigan more fully described as follows:

Commencing at the Northeast Corner of Lot 11 of the Plat of W.M. Vrooman's Addition to the City of Dowagiac, thence South 00°14'32" East, 314.81 feet along the Westerly right-of-way of Parsonage Street; thence North 90°00'00" West, 7.02 feet to the point of beginning; thence continuing North 90°00'00" West, 120.11 feet, thence South 00°00'00" West, 121.31 feet, thence South 90°00'00" East, 120.11 feet, thence North 00°00'00" East, 121.31 feet to the point of beginning.

Said parcel contains 0.33 acres more or less.

EXHIBIT B - RIGHTS OF CITY

UNENCUMBERED TITLE TO AND EXCLUSIVE POSSESSION OF THE RENOVATED PROJECT (INCLUDING THE PROPERTY FINANCED BY BONDS TO BE ISSUED BY VAN BUREN CASS COMMUNITY HEALTH PROPERTIES (THE "ISSUER") AND ANY ADDITIONS THERETO) SHALL VEST IN THE CITY UPON THE OCCURRENCE OF ANY OF THE FOLLOWING, WITHOUT ANY DEMAND OR FURTHER ACTION ON THE PART OF THE CITY:

1. The Project is not being used on a regular basis for functions of the Van Buren/Cass District Health Department or related functions of governmental or Section 501(c)(3) organizations.
2. The District Health Department is dissolved.
3. Upon payment by the Issuer of the full indebtedness represented by the Bonds.
4. The City shall have either prepaid the principal of and interest on the Bonds accrued to the date of prepayment, or shall have provided for the payment of the principal of and interest on the Bonds by irrevocably depositing in escrow Government Obligations maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment, and the City shall have paid all necessary and proper fees and expenses incident to such prepayment or defeasance. "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States.

PROVIDED, HOWEVER, THE RIGHTS OF THE CITY ARE SUBJECT AND SUBORDINATE TO THE CLAIMS OF THE BONDHOLDER UNTIL THE INDEBTEDNESS REPRESENTED BY THE BONDS ISSUED ON BEHALF OF THE CITY FOR THE RENOVATED PROJECT ARE PAID IN FULL.

EXHIBIT C

Principal Amount: Not to exceed \$2,775,000.

Interest Rate: Initial interest rate not to exceed 5.0% (subject to periodic adjustments based on an independent index as negotiated with the Noteholder).

Maturity Date/Amortization Schedule: Not later than April 1, 2028. Additional notes or bonds issued to finance improvements or additions to the Renovated Project or to refund the 2013 Refunding Note or any additional notes or bonds must be discharged no later than the latest maturity date of the 2013 Refunding Note, regardless of whether the 2013 Refunding Note is callable at an earlier date. The maturity date of the 2013 Refunding Note or any other obligations of the Issuer with respect to the Renovated Project may not be extended beyond the latest maturity date of the 2013 Refunding Note, regardless of whether the 2013 Refunding Note is callable at an earlier date.

Purposes: To refinance the Prior Note and to finance the acquisition and construction of the Renovated Project for the purposes of providing a health and human services building for lease to Borgess Health and other charitable organizations and governmental units and at rates not in excess of fair rental value, to pay any applicable prepayment penalty or premium and costs relating to the issuance of the 2013 Refunding Note, to fund capitalized interest as necessary, and to fund a reasonably required debt service reserve fund to the extent required in order to market the 2013 Refunding Note. All proceeds of the 2013 Refunding Note (net of the costs of issuance and amounts necessary to fund a reasonably required debt service reserve fund) shall be used for refinancing the Prior Note and financing the construction of the Renovated Project and, if applicable, the acquisition of tangible real and tangible personal property. Proceeds may not be used for working capital.

Security:

1. Mortgage on the Site and Renovated Project
2. Assignment of Leases
3. 2013 Refunding Note non-recourse as to both Van Buren Cass Community Health Properties and the City

Prepayment: The terms and conditions of prepayment of the 2013 Refunding Note by the Issuer shall be mutually agreeable to the Issuer and the holder of the 2013 Refunding Note, provided that any applicable prepayment penalty or premium shall not exceed 5%.

Rights of City upon Event of Default: Upon the failure by the Issuer to pay the principal of or interest on the 2013 Refunding Note or upon any other event constituting an event of default under the 2013 Refunding Note giving rise to acceleration of the Bonds, the City shall have an exclusive option to purchase the Renovated Project (including any additions to said Project) for the amount of the outstanding indebtedness and accrued interest to the date of default, which option shall be exercisable for a period of at least 90 days following such default. In the event the City exercises such option, the City

shall have a period of at least 90 days from the date of such exercise to purchase the Renovated Project.

Rights of the City to Prepay and Defeasance Bonds: The City shall have the right to prepay or to defease the 2013 Refunding Note. Upon such prepayment or defeasance, title to the Site and Renovated Project shall revert to the City and all leases, management contracts and encumbrances (other than certain permitted encumbrances) shall terminate, and any users of the Renovated Project shall vacate within a reasonable time after such users receive written notice of prepayment or defeasance from the City (generally not to exceed 90 days), subject to the right (but without any obligation) of the City to enter into a new lease agreement with users of the Renovated Project.

Insurance: Proceeds of fire or other casualty insurance policies received in connection with damage to or destruction of the Renovated Project, including any additions to the Renovated Project, will, subject to the claim of the holder of the 2013 Refunding Note, (a) be used to reconstruct the Renovated Project, regardless of whether the insurance proceeds are sufficient to pay for reconstruction or (b) remitted to the City.

Estimates of Fair Market Value and Useful Life: It is estimated by the Issuer that upon the final maturity, upon which date title to the Renovated Project shall revert to the City, (i) the fair market values of the Project and the 2013 Renovation Project will each be equal to at least 20% of the original cost of constructing the Project and the 2013 Renovation Project, calculated separately (determined without regard to any additions or any increase or decrease for inflation during the term of the Note), and (ii) the remaining useful lives of the Project and the 2013 Renovation Project will each be at least 20% of the original estimated useful lives of the Project and the 2013 Renovation Project, calculated separately.

EXHIBIT D

**ARTICLES OF INCORPORATION
OF VAN BUREN CASS COMMUNITY HEALTH PROPERTIES**

ARTICLE I

Name

The name of the corporation is:

VAN BUREN CASS COMMUNITY HEALTH PROPERTIES

ARTICLE II

Purposes

The purpose or purposes for which the corporation is organized are as follows:

To hold title to real property property (including, but not limited to, the development, ownership, and rental of condominium units), collect the income therefrom, and distribute the entire amount thereof, less expenses, to the Northern Health Foundation in support of the public health care purposes of district health departments formed under Section 2415 of Act 368, P.A. 1978, as amended.

To fulfill the urgent need of the Van Buren - Cass District Health Department and the City of Dowagiac for a building to house medical and office facilities for the provision of health care and human services to be rendered by the Van Buren - Cass District Health Department and other governmental units and charitable organizations.

And, in general, to exercise any, all, and every power which is consistent with the purposes described above and which a nonprofit corporation organized under the provisions of the Michigan Nonprofit Corporation Act can be authorized to exercise, but not any other power.

Notwithstanding any other provision of these Articles, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(2) of the Internal Revenue Code and other related legislation and regulations as they now exist or as they may hereafter be amended. No part of the funds of this corporation shall inure to the benefit of any trustee, or individual, and no substantial part of the direct or indirect activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in or intervene in (including publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE III

Registered Office and Resident Agent

The address of the initial registered office (which is also the mailing address) is: 8500 Long Rapids Rd. Michigan 49707.

The name of the initial resident agent at the registered office is Larry Losinski.

ARTICLE IV

Form of Organization, Assets and Financing

This organization is organized on a nonstock membership basis.

The corporation possesses the following assets:

Real property: None

Personal property: None

Said corporation is to be financed under the following general plan:

Gross receipts derived from securing, holding, managing, and leasing real property.

ARTICLE V

Membership

The corporation shall have as its sole member Northern Health Foundation, a Michigan nonprofit corporation. Northern Health Foundation, acting through its board of trustees, shall elect the board of trustees of the corporation at such times and in such numbers and in the manner as shall be provided in the Bylaws of the corporation.

ARTICLE VI

Incorporator

The name and address of the Incorporator are as follows:

<u>Name</u>	<u>Business Address</u>
Northern Health Foundation	8500 Long Rapids Rd, Alpena, MI 49707

ARTICLE VII

Trustee Liability

Except to the extent prohibited by law, volunteer trustees shall not be personally liable to the corporation and its members for monetary damages for breach of fiduciary duty. The corporation assumes all liability to any person, other than the corporation and its members, for all acts or omissions of a volunteer trustee. Any repeal or amendment of this Article shall not adversely affect any right or protection of a trustee (as provided by this Article) against any claim which is made or which accrues prior to the date of such repeal or amendment.

ARTICLE VIII

Volunteer Liability

The Corporation assumes the liability for all acts or omissions of a nondirector or nontrustee volunteer, provided that:

- (a) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (b) the volunteer was acting in good faith;
- (c) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (d) the volunteer's conduct was not an intentional tort; and
- (e) the volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

Any repeal or modification of this Article shall not adversely affect any right or protection of any nondirector or nontrustee volunteer of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

ARTICLE IX

Indemnification

The corporation may indemnify its present and past trustees and officers, and such other persons as it shall have the power to indemnify, to the full extent permitted under, and subject to the limitations of, the laws of the state of Michigan, as they now exist or as they may hereafter be amended, and further subject to limitations as may be provided in the bylaws of the corporation.

ARTICLE X

Dedication of Assets

All of the property of this corporation and accumulations thereof shall be held and administered to effectuate its tax-exempt purposes, and no part of the income of this corporation shall inure to the private benefit of any individual. In the case of liquidation or dissolution of the corporation, the last board of trustees of the corporation shall cause all of the property, capital, and assets of the corporation of every kind and wherever located, to be assigned, transferred, and conveyed to the City of Dowagiac.

ARTICLE XI

Action Without a Meeting

Any action required or permitted by law to be taken at any meeting of the membership may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the minimum number of members that would be necessary to authorize or take action at a meeting at which all members were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those members who have not consented in writing.

ARTICLE XII

Amendments

These Articles of Incorporation may be amended or repealed only by the majority vote of the entire board of trustees of the member at a meeting thereof, provided that notice of such amendment or repeal has been given to each trustee of the member by mail at least two (2) weeks before each meeting at which the amendment is voted upon, unless a trustee of the member not receiving such notice waives such notice or is personally present at the meeting.

EXHIBIT E

FORM OF NOTICE OF HEARING

CITY OF DOWAGIAC, COUNTY OF CASS
STATE OF MICHIGAN

NOTICE OF PUBLIC HEARING
REGARDING BOND ISSUE FOR
VAN BUREN CASS COMMUNITY HEALTH PROPERTIES BUILDING PROJECT

This is notice that the City Council of the City of Dowagiac (the "City") shall hold a public hearing to fulfill the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code").

It is proposed that Van Buren Cass Community Health Properties, a Michigan nonprofit corporation (the "Issuer"), will issue tax-exempt obligations on behalf of the City in a principal amount not to exceed \$3,000,000 (the "Bond Issue") for the purposes of financing the construction of renovations to an approximately 20,081 square foot building, and to refinance the Issuer's Limited Obligation Revenue Note (Dowagiac Health and Medical Office Building Project), issued in the original principal amount of \$2,822,000 for the purpose of financing the construction of such building (collectively, the "Project"). The Project is located in the City of Dowagiac on an approximately 3-acre site located at 520 Main Street (the "Site").

The Project will be owned by the Issuer. Upon retirement of the Bond Issue, title to the Project will revert to the City.

The Project will be leased in its entirety to Borgess Health Alliance, Inc., a Michigan nonprofit corporation, and occupied by its affiliate Lee Memorial Hospital, a Michigan nonprofit corporation to be used for health care and hospital related office and clinic facilities.

The Bond Issue will not constitute a debt or general obligation of the City, or constitute a charge against the general credit or taxing power of the City, but will be payable primarily from lease payments received by the Issuer as lessor of the Project from Borgess Health.

NOTICE OF TIME AND PLACE

TAKE NOTICE that the public hearing shall be held at the regularly scheduled meeting of the City Council of the City of Dowagiac on August 12, 2013, at 7:00 p.m. or as soon thereafter as the agenda for such meeting shall provide, in the City Council Chambers,

241 South Front Street, Dowagiac, Michigan. For information, phone (269) 782-2195. The Bond Issue and the Project will be open for discussion at the public hearing. The City Council shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference thereto. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the Bond Issue and the Project.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

James E Snow, City Clerk

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CITY COUNCIL

**CITY OF DOWAGIAC
STATE OF MICHIGAN**

**RESOLUTION APPROVING VAN BUREN / CASS DISTRICT HEALTH
DEPARTMENT PUBLIC HEALTH BUILDING PROJECT**

A regular meeting of the City Council of the City of Dowagiac, Michigan (the "City") was held in the City Council Chambers, 241 South Front Street, Dowagiac, Michigan, on August 12, 2013, at 7:00 o'clock p.m.

RECITALS

1. The City is located in the County of Cass, one of the constituent counties of the Van Buren/Cass District Health Department (the "Health Department"), a "district health department" formed by the constituent counties of Van Buren and Cass under Section 2415 of Act 368, P.A. 1978, as amended, for the purpose of providing essential health services to residents of those counties.

2. The Health Department has an urgent need for an approximately, 6,150 square foot medical, dental and office facility and related fixtures for the provision of health care and human services to be rendered by the Health Department and other governmental units and qualified tax exempt charitable organizations for related purposes (the "Facility").

3. Land presently owned by the City specifically described in EXHIBIT A hereto has been identified as a desirable site (the "Site") for the Facility, and the City has indicated its willingness to convey the Site to Van Buren Cass Community Health Properties, a Michigan nonprofit corporation (the "Issuer"), for purposes of the development of a two-floor condominium building to be constructed by the Issuer, as developer, of which the entire second floor will be one condominium unit to be owned upon completion of construction by the Issuer, for lease to the Health Department as described herein (subject to certain reversionary rights of the City), which unit will constitute the Facility for all purposes of this Resolution, and of which the first floor will be developed as one or more condominium units to be acquired and owned by the City.

4. It is proposed that:

(i) The Site will be conveyed by the City to the Issuer for purposes of the development of the Project for no consideration (subject to the City's reversionary rights set forth herein);

(ii) The Issuer will issue tax-exempt obligations on behalf of the City in a principal amount not to exceed \$1,125,000 (the "Bonds"), the proceeds of which will be used for the acquisition and development of the Facility, and

(iii) The Issuer will lease the Facility to the Health Department for a term of up to twenty-one (21) years, the lease payments being fixed in amounts sufficient for the Issuer to pay the principal of and interest on the Bonds as such amounts become due, together with reasonable administrative expenses, and

(iv) The Bonds shall not constitute a debt or general obligation of the City, or constitute a charge against the general credit or taxing power of the City, but will be solely payable from lease payments received by The Issuer, as lessor of the Facility, from the Health Department.

RESOLUTIONS

The City Council (the "Council") adopts the following resolutions:

1. The health care and human services provided by the Health Department and other governmental or charitable organizations in need of medical, dental and office facilities constitute an essential public purpose of benefit to the health and welfare of the residents of the City.

2. The Council approves the nonprofit purposes and activities of the Issuer, set forth in its Articles of Incorporation, attached hereto as EXHIBIT D, including the development of the Facility and the lease of the Facility to the Health Department for the purposes set forth in the Recitals for a term of up to twenty-one (21) years. The Issuer is incorporated by private nonprofit, charitable public health interests, is not an agent or instrumentality of the City, and shall operate independently of any control by the City.

3. The City shall convey title to the Site to the Issuer, subject to the provisions for reversion of title to the City as set forth in EXHIBIT B, and the Council hereby authorizes the Mayor and City Clerk to execute a deed and any other instruments as may be required to convey title to the Site to the Issuer.

4. The City Council hereby authorizes the Mayor and the City Clerk to execute a Subordination Agreement subordinating the rights of the City to the Facility to the claims of the holder of the Bonds (the "Bondholder") until the indebtedness represented by the Bonds issued on behalf of the City for the acquisition and development of the Facility are paid in full. The form and content of the Subordination Agreement to be executed and all related documents shall be subject to review and approval by City's legal counsel.

5. The City Council approves of the issuance of tax-exempt obligations of the Issuer on behalf of the City in a principal amount not to exceed \$1,125,000, for the purpose of financing the acquisition and development of the Facility, which Bonds shall be issued no later than six (6) months from the date hereof, upon substantially the terms set forth in EXHIBIT C hereto.

The City's approval of the issuance by the Issuer of the Bonds is only to the extent required in order for such debt obligations to be deemed to be issued "on behalf of" the City for purposes of Section 103 of the Internal Revenue Code of 1986, as amended, and, for no other purposes.

The Bonds and the interest thereon shall be non-recourse obligations of the Issuer, payable solely from the lease payments from the District Health Department and secured by the Facility and an assignment of such lease payments.

The Bonds shall never constitute general obligations of the City within the meaning of any constitutional, statutory or charter provision or limitation, and shall never constitute or give rise to a debt or liability of the City or a charge against the general credit or taxing power of the City. The City disclaims any financial responsibility for repayment of the Bonds, which are to be primarily secured by lease payments made by the Health Department to the Issuer.

6. Upon retirement of the indebtedness represented by the Bonds, the City shall accept title to the Facility (including any other additions to the Facility) from the Issuer, pursuant to the City's rights set forth on EXHIBIT B hereto. The reversion of title to the Facility to the City after the retirement of the Bonds, together with the use of the Site and the Facility for the provision of essential health and human services in the City, shall be consideration for the conveyance of the Site by the City to the Issuer for the development of the Facility.

7. The City hereby designates the Bonds in the maximum principal amount of \$1,125,000 as "qualified tax-exempt obligations" for purposes of the deduction of interest expense by financial institutions under Section 265 of the Internal Revenue Code of 1986, as amended. Such designation is based upon the reasonable expectation that the aggregate principal amount of the Bonds and all other tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) which will be issued during calendar year 2013 by the City (including obligations of all other entities which issue obligations on behalf of the City and all subordinate entities of the City) will not in the aggregate exceed \$10,000,000.

8. Upon the transfer of the title to the Facility to the City, the City shall at such time evaluate the lease of all or a portion of the Facility to the Health Department for its continued use as a health services facility, provided that the City shall have no obligation to enter into such a lease.

9. All resolutions or parts of resolutions insofar as they conflict with the provisions of this resolution be and they are hereby rescinded.

YES:

NO:

ABSENT:

ABSTAIN:

RESOLUTION DECLARED ADOPTED.

James E. Snow, City Clerk

STATE OF MICHIGAN)
) ss.
COUNTY OF CASS)

I, James E. Snow, the duly qualified and acting City Clerk of the City of Dowagiac, Michigan, certify that the foregoing is a true and complete copy of a resolution adopted by the City Council at a regular meeting held on August 12, 2013, the original of which is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267, Public Acts of Michigan, 1976, including in the case of a special or rescheduled regular meeting, notice by posting at least eighteen (18) hours prior to the time set for said meeting.

Dated: August ____, 2013

James E. Snow, City Clerk

EXHIBIT A - SITE DESCRIPTION

Lot 170 and Lot 171, Original Plat, City of Dowagiac” as shown on attached site plan.

EXHIBIT B - RIGHTS OF CITY

UNENCUMBERED TITLE TO AND EXCLUSIVE POSSESSION OF THE FACILITY (INCLUDING THE PROPERTY FINANCED BY BONDS TO BE ISSUED BY VAN BUREN/CASS COMMUNITY HEALTH PROPERTIES, AND ANY ADDITIONS THERETO) SHALL BE CONVEYED TO THE CITY UPON THE OCCURRENCE OF ANY OF THE FOLLOWING, WITHOUT ANY DEMAND OR FURTHER ACTION ON THE PART OF THE CITY:

1. Commencement of construction of the Facility does not commence prior to December 31, 2013 or completion of construction of the Facility does not occur prior to December 31, 2014.
2. The Facility is not being used on a regular basis for functions of the Van Buren/Cass District Health Department (the "District Health Department") (or any successor entity of the District Health Department providing substantially the same services), or related functions of governmental or Section 501(c)(3) organizations.
3. The District Health Department is dissolved.
4. Upon payment by Van Buren/Cass Community Health Properties of the full indebtedness represented by the Bonds.
5. The City shall have either prepaid the principal of and interest on the Bonds accrued to the date of prepayment, or shall have provided for the payment of the principal of and interest on the Bonds by irrevocably depositing in escrow Government Obligations maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment, and the City shall have paid all necessary and proper fees and expenses incident to such prepayment or defeasance. "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States.

PROVIDED, HOWEVER, THE RIGHTS OF THE CITY ARE SUBJECT AND SUBORDINATE TO THE CLAIMS OF THE BONDHOLDER UNTIL THE INDEBTEDNESS REPRESENTED BY THE BONDS ISSUED ON BEHALF OF THE CITY FOR THE FACILITY ARE PAID IN FULL.

EXHIBIT C

Principal Amount: Not to exceed \$1,125,000.

Interest Rate: Initial interest rate not to exceed 5.0% (subject to periodic adjustments based on an independent index as negotiated with the Bondholder).

Maturity Date/Amortization Schedule: Not later than twenty-one (21) years from the date the Bonds are issued. Additional bonds issued to finance improvements or additions to the Facility or to refund the Bonds or any additional bonds must be discharged no later than the latest maturity date of the Bonds, regardless of whether the Bonds are callable at an earlier date. The maturity date of the Bonds or any other obligations of Van Buren/Cass Community Health Properties with respect to the Facility may not be extended beyond the latest maturity date of the Bonds, regardless of whether the Bonds are callable at an earlier date.

Purposes: To finance the acquisition and development of an approximately, 6,150 square foot public health building and related fixtures for lease to the Health Department and other governmental units and charitable organizations at rates not in excess of fair rental value, and to pay costs relating to the issuance of the Bonds. All proceeds of the Bonds (net of the costs of issuance) shall be used for the acquisition of tangible real and tangible personal property. Proceeds may not be used for working capital.

Security:

1. Mortgage or security interest in the Facility
2. Assignment of Leases
3. Bonds non-recourse as to both Van Buren/Cass Community Health Properties and the City

Prepayment: The terms and conditions of prepayment of the Bonds by the Van Buren/Cass Community Health Properties shall be mutually agreeable to the Van Buren/Cass Community Health Properties and the Bondholder.

Rights of City upon Event of Default: Upon the failure by Van Buren/Cass Community Health Properties to pay the principal of or interest on the Bonds or upon any other event constituting an event of default under the Bonds giving rise to acceleration of the Bonds, the City shall have an exclusive option to purchase the property financed by the Bonds (including any additions to such property) for the amount of the outstanding indebtedness and accrued interest to the date of default, which option shall be exercisable for a period of at least 90 days following such default. In the event the City exercises such option, the City shall have a period of at least 90 days from the date of such exercise to purchase the property.

Rights of the City to Prepay and Defeasance Bonds: The City shall have the right to prepay or to defease the Bonds. Upon such prepayment or defeasance, title to the Facility shall be transferred to the City and all leases, management contracts and encumbrances (other than certain permitted encumbrances) shall terminate, and any users of the property shall vacate within 90 days, subject to the right (but without any obligation) of the City to enter into a new lease agreement with users of the property.

Insurance: Proceeds of fire or other casualty insurance policies received in connection with damage to or destruction of the property financed by the Bonds, including any additions to the property, will, subject to the claim of the Bondholder, (a) be used to reconstruct the property, regardless of whether the insurance proceeds are sufficient to pay for reconstruction or (b) remitted to the City.

Estimates of Fair Market Value and Useful Life: (1) A reasonable estimate of the fair market value of the property on the latest maturity date of the Bonds, regardless of whether the Bonds are callable at an earlier date, is equal to at least 20% of the original cost of the property financed by the Bonds (determined without regard to any addition to the property or any increase or decrease for inflation during the term of the Bonds), and (2) a reasonable estimate of the remaining useful life of the property on the latest maturity date of the Bonds, regardless of whether the Bonds are callable at an earlier date, is the longer of one year or 20% of the originally estimated useful life of the property financed by the Bonds.

EXHIBIT D

ARTICLES OF INCORPORATION, AS AMENDED, OF
VAN BUREN/CASS COMMUNITY HEALTH PROPERTIES

ARTICLE I

Name

The name of the corporation is:

VAN BUREN CASS COMMUNITY HEALTH PROPERTIES

ARTICLE II

Purposes

The purpose or purposes for which the corporation is organized are as follows:

To hold title to real property (including, but not limited to, the development, ownership, and rental of condominium units), collect the income therefrom, and distribute the entire amount thereof, less expenses, to the Northern Health Foundation in support of the public health care purposes of district health departments formed under Section 2415 of Act 368, P.A. 1978, as amended.

To fulfill the urgent need of the Van Buren - Cass District Health Department and the City of Dowagiac for a building to house medical and office facilities for the provision of health care and human services to be rendered by the Van Buren - Cass District Health Department and other governmental units and charitable organizations.

And, in general, to exercise any, all, and every power which is consistent with the purposes described above and which a nonprofit corporation organized under the provisions of the Michigan Nonprofit Corporation Act can be authorized to exercise, but not any other power.

Notwithstanding any other provision of these Articles, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(2) of the Internal Revenue Code and other related legislation and regulations as they now exist or as they may hereafter be amended. No part of the funds of this corporation shall inure to the benefit of any trustee, or individual, and no substantial part of the direct or indirect activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in or intervene in (including publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE III

Registered Office and Resident Agent

The address of the initial registered office (which is also the mailing address) is: 8500 Long Rapids Rd. Michigan 49707.

The name of the initial resident agent at the registered office is Larry Losinski.

ARTICLE IV

Form of Organization, Assets and Financing

This organization is organized on a nonstock membership basis.

The corporation possesses the following assets:

Real property: None

Personal property: None

Said corporation is to be financed under the following general plan:

Gross receipts derived from securing, holding, managing, and leasing real property.

ARTICLE V

Membership

The corporation shall have as its sole member Northern Health Foundation, a Michigan nonprofit corporation. Northern Health Foundation, acting through its board of trustees, shall elect the board of trustees of the corporation at such times and in such numbers and in the manner as shall be provided in the Bylaws of the corporation.

ARTICLE VI

Incorporator

The name and address of the Incorporator are as follows:

<u>Name</u>	<u>Business Address</u>
Northern Health Foundation	8500 Long Rapids Rd, Alpena, MI 49707

ARTICLE VII

Trustee Liability

Except to the extent prohibited by law, volunteer trustees shall not be personally liable to the corporation and its members for monetary damages for breach of fiduciary duty. The corporation assumes all liability to any person, other than the corporation and its members, for all acts or omissions of a volunteer trustee. Any repeal or amendment of this Article shall not adversely affect any right or protection of a trustee (as provided by this Article) against any claim which is made or which accrues prior to the date of such repeal or amendment.

ARTICLE VIII

Volunteer Liability

The Corporation assumes the liability for all acts or omissions of a nondirector or nontrustee volunteer, provided that:

- (a) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (b) the volunteer was acting in good faith;
- (c) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (d) the volunteer's conduct was not an intentional tort; and
- (e) the volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

Any repeal or modification of this Article shall not adversely affect any right or protection of any nondirector or nontrustee volunteer of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

ARTICLE IX

Indemnification

The corporation may indemnify its present and past trustees and officers, and such other persons as it shall have the power to indemnify, to the full extent permitted under, and subject to the limitations of, the laws of the state of Michigan, as they now exist or as they may hereafter be amended, and further subject to limitations as may be provided in the bylaws of the corporation.

ARTICLE X

Dedication of Assets

All of the property of this corporation and accumulations thereof shall be held and administered to effectuate its tax-exempt purposes, and no part of the income of this corporation shall inure to the private benefit of any individual. In the case of liquidation or dissolution of the corporation, the last board of trustees of the corporation shall cause all of the property, capital, and assets of the corporation of every kind and wherever located, to be assigned, transferred, and conveyed to the City of Dowagiac.

ARTICLE XI

Action Without a Meeting

Any action required or permitted by law to be taken at any meeting of the membership may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the minimum number of members that would be necessary to authorize or take action at a meeting at which all members were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those members who have not consented in writing.

ARTICLE XII

Amendments

These Articles of Incorporation may be amended or repealed only by the majority vote of the entire board of trustees of the member at a meeting thereof, provided that notice of such amendment or repeal has been given to each trustee of the member by mail at least two (2) weeks before each meeting at which the amendment is voted upon, unless a trustee of the member not receiving such notice waives such notice or is personally present at the meeting.

CITY OF DOWAGIAC
NOTICE OF PUBLIC HEARING
REGARDING BOND ISSUE FOR
VAN BUREN CASS COMMUNITY HEALTH PROPERTIES BUILDING PROJECT

This is notice that the City Council of the City of Dowagiac (the "City") shall hold a public hearing to fulfill the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code").

It is proposed that Van Buren Cass Community Health Properties, a Michigan nonprofit corporation (the "Issuer"), will issue tax-exempt obligations on behalf of the City in a principal amount not to exceed \$3,000,000 (the "Bond Issue") for the purposes of financing the construction of renovations to an approximately 20,081 square foot building, and refinancing the Issuer's Limited Obligation Revenue Note (Dowagiac Health and Medical Office Building Project), issued in the original principal amount of \$2,822,000 for the purpose of financing the construction of such building (collectively, the "Project"). The Project is located in the City of Dowagiac on an approximately 3-acre site located at 520 Main Street (the "Site").

The Project will be owned by the Issuer. Upon retirement of the Bond Issue, title to the Project will revert to the City.

The Project will be leased in its entirety to Borgess Health Alliance, Inc., a Michigan nonprofit corporation, and occupied by its affiliate Lee Memorial Hospital, a Michigan nonprofit corporation to be used for health care and hospital related office and clinic facilities.

The Bond Issue will not constitute a debt or general obligation of the City, or constitute a charge against the general credit or taxing power of the City, but will be payable primarily from lease payments received by the Issuer as lessor of the Project from Borgess Health.

NOTICE OF TIME AND PLACE OF PUBLIC HEARING

TAKE NOTICE that the public hearing shall be held at the regularly scheduled meeting of the City Council of the City of Dowagiac on **August 12, 2013, at 7:00 p.m.** or as soon thereafter as the agenda for such meeting shall provide, in the City Council Chambers, 241 South Front Street, Dowagiac, Michigan. For information, phone (269) 782-2195. The Bond Issue and the Project will be open for discussion at the public hearing. The City Council shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference thereto. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the Bond Issue and the Project.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

James E. Snow, City Clerk

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: Public Hearing for a 425 Agreement with Pokagon Township

Dan Levenson, of Heartland Ventures LLC, currently owns property located at 56271 M-51 South, more commonly known as the former Heartland Chrysler dealership. The building is currently located within city limits and most of the parking lot between the building and the new Honor Credit Union site is located in Pokagon Township. Honor Credit Union is also located within the city limits.

Mr. Levenson is requesting that the City and Township enter into a 425 Agreement that allows for the conditional transfer of property from the Township to the City. He is requesting this to better facilitate land splits, coordinate zoning, utility connections and police protection for future development on the site.

Mr. Levenson is in negotiations for the sale of a portion of this property and is requesting this agreement to help facilitate that transaction. This request would essentially square off city boundaries in this area. The City and Township have authorized 425 conditional transfers of properties in the past and the agreement mirrors previous agreements with the exception of the initial starting and ending dates.

Prior to taking any action on a 425 Agreement, public hearings are required by both the City and Township. Upon completion of the public hearing scheduled for the August 26th City Council meeting, there is a 30-day waiting period in case electors of either community challenge the decision and seek a referendum to place it as a ballot question.

RECOMMENDATION

Advertise and call for a public hearing at the August 26, 2013 City Council meeting.

Support Documents:

- Cover Memo-City Mgr.
- Resolution
- Agreement

Councilmember _____ offered and moved the adoption of the following resolution;
seconded by Councilmember _____.

WHEREAS, the City of Dowagiac and Township of Pokagon wish to enter into a contract for the conditional transfer of property, under the terms of Public Act 425 of 1984;
and

WHEREAS, an agreement covering the terms and provisions of such a contract has been negotiated between the City and Township for the purposes of facilitating an "economic development project" as defined in the Act; and

WHEREAS, prior to entering into a conditional land transfer contract under the terms of the Act, each respective legislative body must first hold at least one public hearing in the manner provided by the Open Meetings Act (P.A. 267, 1976).

NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby declare and establish that a public hearing will be conducted on Monday, August 26, 2013, at 7:00 p.m. in the Council Chambers of City Hall, at a regularly scheduled Council meeting, for the purposes of receiving public input on the proposed contract for the conditional transfer of property between the City of Dowagiac and Pokagon Township according to the terms of Public Act 425 of 1984.

BE IT FURTHER RESOLVED that notice of said hearing shall be published at least once in the *Dowagiac Daily News* in a manner in compliance with the Open Meetings Act, being Public Act 267 of 1976, and that said notice shall be published by posting at the Dowagiac City Hall, 241 South Front Street, Dowagiac, Michigan, provided such is allowed by Public Act 425 (1984).

ADOPTED/REJECTED

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: Farmland Agreement

A resolution is on Monday's agenda to approve a Farmland Agreement in Pokagon Township. The owners of this property are seeking to participate in the Department of Agriculture's Farmland and Open Space Preservation Program. Since the proposed property is within three miles of the City of Dowagiac, the program requires that the City be notified and comment on the proposed agreement.

On August 5, 2013 the Planning Commission recommended approval with no conditions of the Farmland Agreement. This agreement will have no impact on the City's Comprehensive Plan. A copy of the Planning Commission resolution and reports are attached for your information.

RECOMMENDATION

Approve the resolution authorizing a Farmland Agreement in Pokagon Township.

Support Documents:

Cover Memo-City Mgr.

Resolution

Planning Commission Backup

Councilmember _____ offered and moved the adoption of the following resolution; seconded by Councilmember _____.

WHEREAS, the City of Dowagiac has received an application for a Farmland Agreement from Terry and Ruth Ausra, 30550 Yaw Street, Dowagiac, Michigan for a 197-acre farm in Sections 3 and 10 of Pokagon Township (see attachment); and

WHEREAS, the proposed Farmland Agreement is in keeping with the City's Comprehensive Plan; and

WHEREAS, the applicant has requested that the Agreement run for twenty (20) years; and

WHEREAS, it has been the policy of the Dowagiac Planning Commission to recommend approval for ten (10) year periods only; and

WHEREAS, the Planning Commission has recommended that the City Council approve the Farmland Application submitted by Terry and Ruth Ausra for a ten (10) year period.

NOW, THEREFORE, BE IT RESOLVED that the Dowagiac City Council hereby approves the Farmland Application submitted by Terry and Ruth Ausra for a ten (10) year period.

BE IT FURTHER RESOLVED that the City Clerk be authorized and directed to submit this resolution to the Clerk of Pokagon Township.

ADOPTED/REJECTED

CITY OF DOWAGIAC

INTER-DEPARTMENTAL COMMUNICATION

TO: Planning Commission

FROM: James Bradford
DPS Director

RE: Planning Meeting

DATE: August 5, 2013

We have one item on the agenda for the planning Commission Meeting scheduled for Monday, August 5, 2013, at 7:00pm.

This item involves a resolution recommending approval of a Farmland Agreement to the Dowagiac City Council. I have attached for your review and consideration a resolution regarding this request.

Should after your review, you have any questions, please do not hesitate to contact this office.

Planning Commission
Resolution #1
August 5, 2013

Commissioner _____ offered and moved the adoption of the following resolution;
seconded by Commissioner _____.

WHEREAS, the City of Dowagiac has received a request from Pokagon Township for a Farmland Agreement of property within a three-mile radius of the City of Dowagiac, known as Section 3, Town Number 6S, Range 16W, Cass County Michigan, Pokagon Township; and

WHEREAS, the City Administration has reviewed this request and determined that it has no impact upon the City of Dowagiac's Comprehensive Plan; and

WHEREAS, the use of the property will be farmland.

NOW, THEREFORE, BE IT RESOLVED; that the City of Dowagiac Planning Commission does recommend to the Dowagiac City Council that the Farmland Agreement be approved as submitted.

ADOPTED/REJECTED



FARMLAND AND OPEN SPACE PRESERVATION PROGRAM

Application for Farmland Agreement

Part 361 of the Natural Resources and Environmental Protection Act, 1994 Act 451 as amended, more commonly known as PA 116.

Please print or type. Attach additional sheets as needed. Please read the Eligibility and Instructions document before filling out this form.

OFFICIAL USE ONLY

Local Governing Body:
Date Received: 6/8/13
Application No:
State:
Date Received:
Application No:
Approved: Rejected:

ALL APPLICATIONS MUST BE APPROVED BY LOCAL GOVERNING BODY ON OR BEFORE NOVEMBER 1 IN ORDER TO BE EFFECTIVE FOR THE CURRENT TAX YEAR

I. Personal Information:

1. Name(s) of Applicant: Ausra Terry
Last First Initial

(If more than two see #15) Ausra Ruth
Last First Initial

Marital status of all individual men listed on application, if more than one, indicate status after each name:
[X] Married [] Single

2. Mailing Address: 30550 Yaw St Dowagiac MI 49047
Street City State Zip Code

3. Telephone Number: (Area Code) 269 782-5517

4. Alternative Telephone Number (cell, work, etc.): (Area Code) 269 591-9776

5. E-mail address: tauzra@yahoo.com

II. Property Location (Can be taken from the Deed/Land Contract)

6. County: Cass 7. Township, City or Village: Pokagon

8. Section No. 3 Town No. 6 south Range No. 16 west

III. Legal Information:

9. Attach a clear copy of the deed, land contract or memorandum of land contract. (See #14)

10. Attach a clear copy of the most recent tax assessment or tax bill with complete tax description of property.

11. Is there a tax lien against the land described above? [] Yes [X] No

If "Yes", please explain circumstances:

12. Does the applicant own the mineral rights? [X] Yes [] No

If owned by the applicant, are the mineral rights leased? [] Yes [X] No

Indicate who owns or is leasing rights if other than the applicant:

Name the types of mineral(s) involved:

13. Is land cited in the application subject to a lease agreement (other than for mineral rights) permitting a use for something other than agricultural purposes: [] Yes [X] No If "Yes", indicate to whom, for what purpose and the number of acres involved:

14. Is land being purchased under land contract [] Yes [X] No: If "Yes", indicate vendor (seller):

Name:

Address:

Street

City

State

Zip Code

14a. Part 361 of the Natural Resources and Environmental Protection Act, 1994 Act 451 as amended, states that the vendor (seller) must agree to allow the land cited in the application to be enrolled in the program. Please have the land contract sellers sign below. (All sellers must sign).

Land Contract Vendor(s): I, the undersigned, understand and agree to permit the land cited in this application into the Farmland and Open Space Preservation Program.

Date

Signature of Land Contract Vendor(s) (Seller)

15. If the applicant is one of the following, please check the appropriate box and complete the following information (if the applicant is not one of the following - please leave blank):

- 2 or more persons having a joint or common interest in the land
- Corporation
- Estate
- Limited Liability Company
- Trust
- Partnership
- Association

If applicable, list the following: Individual Names if more than 2 Persons; or President, Vice President, Secretary, Treasurer; or Trustee(s); or Members; or Partners; or Estate Representative(s):

Name: _____ Title: _____

Name: _____ Title: _____

Name: _____ Title: _____

Name: _____ Title: _____

(Additional names may be attached on a separate sheet.)

IV. Land Eligibility Qualifications: Check one and fill out correct section(s)

This application is for:

- a. 40 acres or more → complete only Section 16 (a thru g);
- b. 5 acres or more but less than 40 acres → complete only Sections 16 and 17; or
- c. a specialty farm → complete only Sections 16 and 18.

16. a. Type of agricultural enterprise (e.g. livestock, cash crops, fruit, etc):

CASH CROP

- b. Total number of acres on this farm: 42
- c. Total number of acres being applied for (if different than above): _____
- d. Acreage in cultivation: 36
- e. Acreage in cleared, fenced, improved pasture, or harvested grassland: 0
- f. All other acres (swamp, woods, etc.): 6
- g. Indicate any structures on the property: (If more than one building, indicate the number of buildings):

No. of Buildings 0 Residence: _____ Barn: _____ Tool Shed: _____
 Silo: _____ Grain Storage Facility: _____ Grain Drying Facility: _____
 Poultry House: _____ Milking Parlor: _____ Milk House: _____
 Other: (Indicate) _____

17. To qualify as agricultural land of 5 acres or more but less than 40 acres, the land must produce a minimum average gross annual income of \$200.00 per acre from the sale of agricultural products.

Please provide the average gross annual income per acre of cleared and tillable land during 2 of the last 3 years immediately preceding this application **from the sale of agricultural products (not from rental income):**

\$ _____ : _____ = \$ _____ (per acre)
total income total acres of tillable land

18. To qualify as a specialty farm, the land must be designated by the Michigan Department of Agriculture, be 15 acres or more in size, and produce a gross annual income from an agricultural use of \$2,000.00 or more. If a specialty farm, indicate average gross annual income during 2 of the last 3 years immediately preceding application from the sale of agricultural products: \$ _____
Please note: specialty farm designation may require an on-the-farm site visit by an MDA staff person.

19. What is the number of years you wish the agreement to run? (Minimum 10 years, maximum 90 years); 20

V. Signature(s):

20. The undersigned declare that this application, including any accompanying informational material, has been examined by them and to the best of their knowledge and belief is true and correct.

Jerry Aus
(Signature of Applicant)

(Corporate Name, If Applicable)

[Signature]
(Co-owner, If Applicable)

(Signature of Corporate Officer)

2-6-13
(Date)

(Title)

ALL APPLICATIONS MUST BE APPROVED BY LOCAL GOVERNING BODY ON OR BEFORE NOVEMBER 1 IN ORDER TO BE EFFECTIVE FOR THE CURRENT TAX YEAR.

RESERVED FOR LOCAL GOVERNMENT USE: CLERK PLEASE COMPLETE SECTIONS I & II

I. Date Application Received: _____ (Note: Local Governing Body has 45 days to take action)

Action by Local Governing Body: Jurisdiction: _____
 County Township City Village

This application is approved, rejected Date of approval or rejection: _____

(If rejected, please attach statement from Local Governing Body indicating reason(s) for rejection.)

Clerk's Signature: _____

Property Appraisal: \$ _____ is the current fair market value of the real property in this application.

II. Please verify the following:

____ Upon filing an application, clerk issues receipt to the landowner indicating date received.

____ Clerk notifies reviewing agencies by forwarding a copy of the application and attachments

Note: Review Agencies have 30 days in which to respond before local governing body can proceed.

____ If rejected, applicant is notified in writing within 10 days stating reason for rejection and the original application, attachments, etc. are returned to the applicant. Applicant then has 30 days to appeal to State Agency.

____ If approved, applicant is notified and the original application, all supportive materials/attachments, and letters of review/comment from reviewing agencies (if provided) are sent to:

MDA-Farmland and Open Space Program, PO Box 30449, Lansing 48909

***Please do not send multiple copies of applications and/or send additional attachments in separate mailings without first contacting the Farmland Preservation office.**

<p>Please verify the following regarding Reviewing Agencies (sending a copy to reviewing agencies is required):</p> <p>COPY SENT TO:</p> <p><input checked="" type="checkbox"/> County or Regional Planning Commission</p> <p><input checked="" type="checkbox"/> Conservation District</p> <p><input checked="" type="checkbox"/> Township (if county has zoning authority)</p> <p><input checked="" type="checkbox"/> City (if land is within 3 miles of city boundary)</p> <p><input type="checkbox"/> Village (if land is within 1 mile of village boundary)</p>	<p>Before forwarding to State Agency, FINAL APPLICATION SHOULD INCLUDE:</p> <p><input checked="" type="checkbox"/> Copy of Deed or Land Contract (most recent showing <u>current ownership</u>)</p> <p><input checked="" type="checkbox"/> Copy of most recent Tax Bill (must include <u>tax description</u> of property)</p> <p><input checked="" type="checkbox"/> Map of Farm</p> <p><input checked="" type="checkbox"/> Copy of most recent appraisal record</p> <p><input checked="" type="checkbox"/> NA Copy of letters from review agencies (if available)</p> <p><input type="checkbox"/> Any other applicable documents</p>
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Questions? Please call Farmland Preservation at (517) 373-3328

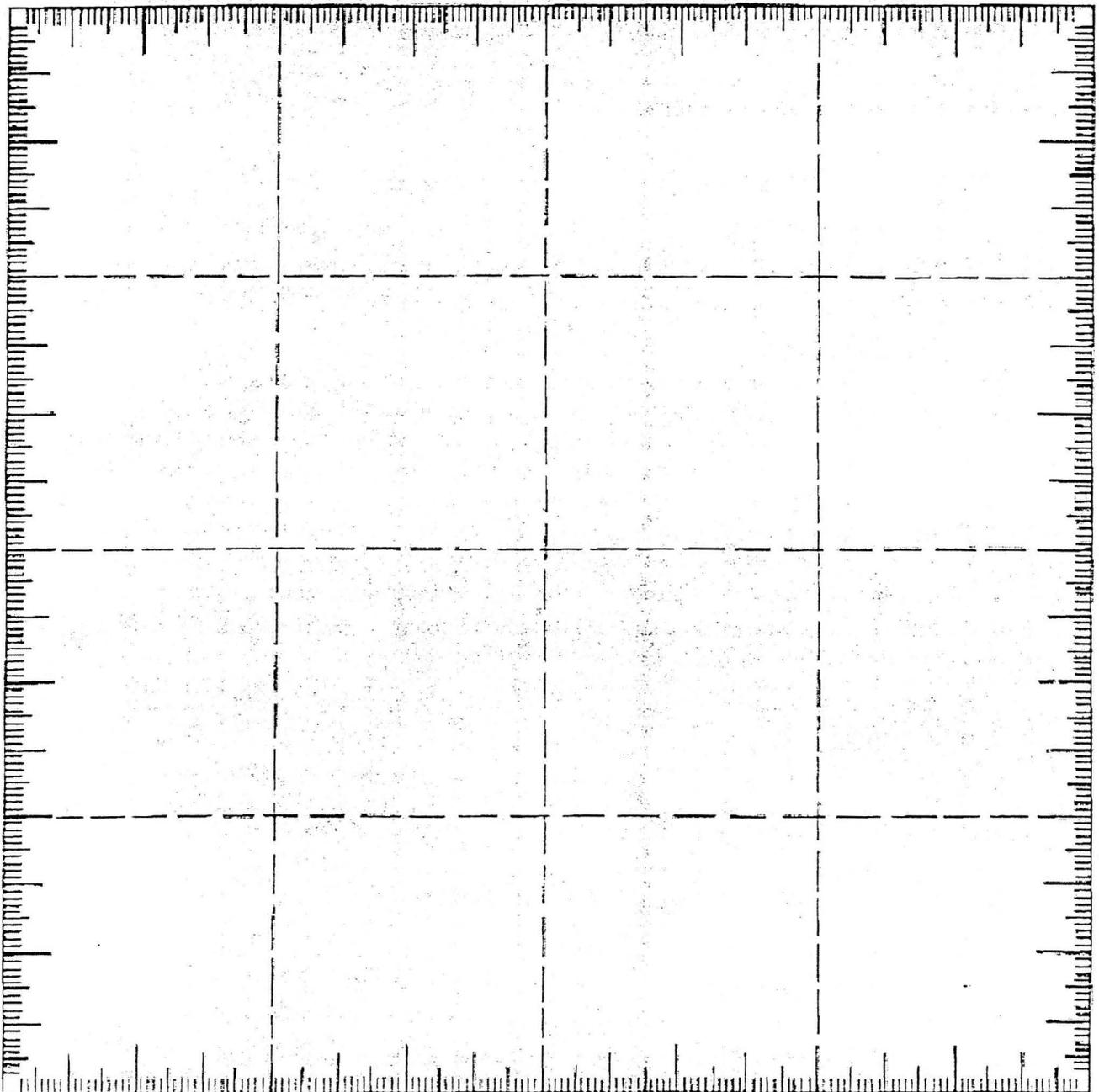
Map of Farm with Structures and Natural Features:

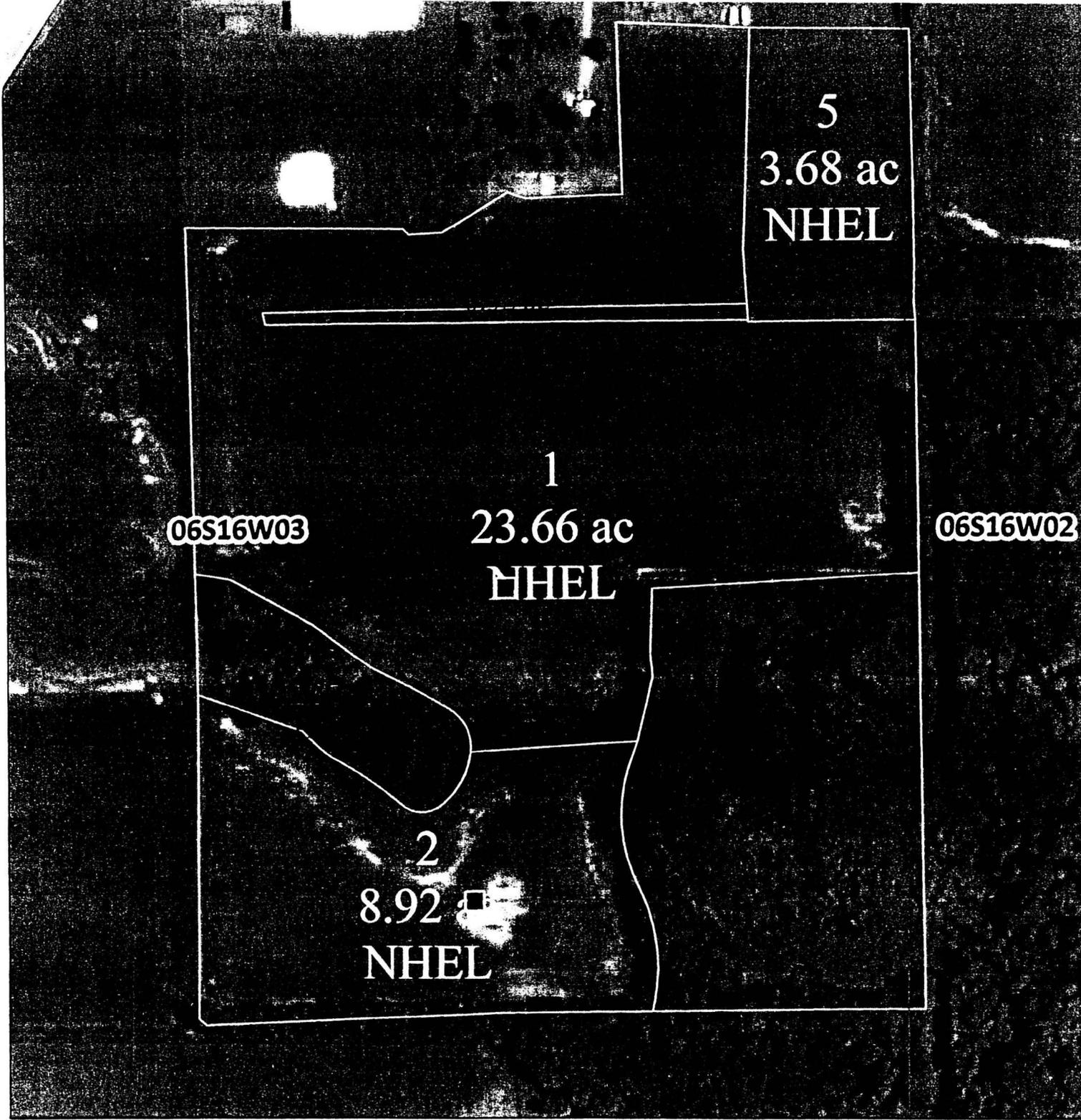
- A. Show boundary of land cited in application. (Grid below is designed to represent a 5280 ft² (1 mile²) Section)
- B. Show all buildings (house(s), barn(s), etc.); also label roads and other avenues of travel (i.e. utility access, etc.).
- C. Outline and designate the current uses of the property (crops, pasture, forest, swamp, etc.).
- D. Clear copies of map(s) provided by USDA Farm Service Agency are acceptable, but please label any roads visible on map, structures and their use, etc.

Note: Any residential structures housing persons not directly associated with the farm operation must be excluded from the application. Please indicate if a building falls in this category and provide the appropriate property description for its exclusion. Unless the appropriate description is included, your application cannot be processed.

County Cass ~~Pokagon~~
Township Pokagon
T 6 South R 16 West Section 3

↑ North





CASS CO FSA
1127 E STATE ST
CASSOPOLIS, MI 49031
269-445-8641 EXT 2

Farm: 8753
Tract: 509

May 10, 2011

USDA PROGRAM PURPOSES ONLY

COMMON LAND UNIT FIELD
Wetland Determination Identifiers

- Restricted Use
- ▼ Limited Restrictions
- Exempt from Conservation Compliance Provisions

HEL = Highly Erodible Land
NHEL = Not Highly Erodible Land
UHEL = Undetermined HEL

Disclaimer: Wetland identifiers do not represent the size, shape or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact wetland boundaries and determinations, or contact NRCS.

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: Dial-A-Ride 2013 Project Authorization Capital Purchase

A resolution is on Monday's agenda to approve a project authorization relating to the 2012-0076 Master Agreement with the Michigan Department of Transportation (MDOT) for the fiscal year 2013 grant for the Dial-A-Ride Transit. Attached is a memo from Rose Scherr, which further explains the project authorization.

RECOMMENDATION

Authorize the resolution to approve the Project Authorization agreement with the Michigan Department of Transportation (MDOT) relating to the fiscal year 2013 grant for the Dial-A-Ride operation.

Support Documents:

- Cover Memo-City Mgr.
- Cover Memo-Dept. Head
- Resolution
- Project Authorization

Councilmember _____ offered and moved the adoption of the following resolution;
seconded by Councilmember _____.

WHEREAS, pursuant to a grant agreement between the Michigan Department of Transportation and the City of Dowagiac it is necessary for the City of Dowagiac to enter into a project authorization agreement for its local transportation program for the fiscal year 2013 Section 5311 Capital/Congestion Mitigation and Air Quality Improvement Program in order to receive State and Federal financial assistance.

NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby authorize Transportation Coordinator Rozanne Scherr to execute the Project Authorization, FY 2013 Section 5311 Capital/Congestion Mitigation and Air Quality Improvement Program, attached hereto and by reference made a part hereof as required to receive financial assistance from the Michigan Department of Transportation, in accordance with Act 51; and

BE IT FURTHER RESOLVED that, for all public transportation matters, the Transportation Coordinator shall provide such information as deemed necessary by the State Transportation Commission or Department for its administration of Act 51 for fiscal year 2013.

ADOPTED/REJECTED

CITY OF DOWAGIAC
MEMO

TO: Kevin Anderson

FROM: Rozanne Scherr, HR Director/Assistant City Manager

DATE: August 8, 2013

RE: Dial-A-Ride 2013 Project Authorization

Attached are the original DART Project Authorizations dated July 10, 2013 for placement on Monday's agenda for City Council Approval. Formal approval of the Project Authorization is required under the 2012 – 0076 Master Agreement with the Michigan Department of Transportation (MDOT) relating to the fiscal year 2013 grant for the Dial-A-Ride Transit operation.

The project authorization agreement provides for a grant for a capital purchase under the Congestion Mitigation and Air Quality Improvement Program in the amount of \$48,000 Federal and \$12,000 State funding. The grant is for the replacement of DART bus 220 (model year 2008). This bus was purchased with grant funding in 2007 and is eligible for replacement this fiscal year. Although all of our buses are 2008 models, unit 220 is the only bus that needs to be replaced at this time due to the excessive wear and tear on the vehicle.

Please review the information provided and if you have any questions please do not hesitate to contact me.

Date: July 10, 2013
Agreement No.: 2012-0076
Authorization No.: P3
Project No.: 118086
Agenda: MA

**PROJECT AUTHORIZATION
CITY OF DOWAGIAC
FY 2013 SECTION 5311 CAPITAL/
CONGESTION MITIGATION AND AIR
QUALITY IMPROVEMENT PROGRAM**

This information is required by the Michigan Department of Transportation (MDOT) in order to record agreement of utilization of funds provided by the Federal Transit Administration, United States Department of Transportation and MDOT. The funds provided shall be used by the AGENCY in accordance with the above referenced Master Agreement.

Authorization Effective Date:

Authorization Expiration Date: Three years from the effective date of the authorization.

Fiscal Year of Effective Contract Clauses: 2013

The Federal Grant associated with the PROJECT AUTHORIZATION is MI-85-X006.

Award Year: 2013

Federal Item Number: WK0056

Project is not R&D.

The Catalog of Federal Domestic Assistance Number for the Federal Transit Administration Formula Grants for Other Than Urbanized Areas Program is 20.509.

The Special Section 5333(b) Warranty for Section 5311 can be found at: www.dol.gov/dol/esa/public/regs/compliance/olms/13factsheet.htm.

The AGENCY agrees to prepare and furnish to the DEPARTMENT an annual milestone report for Section 5311. Reports are due 20 days after the end of the fiscal year.

Timely Expenditure of Funds

The funds included in this project authorization must be obligated (i.e., place orders for buses, issue third party contracts, purchase equipment, complete facility improvements) within six months of receiving an executed project authorization. If funds have not been obligated within twelve months, the DEPARTMENT may cancel this project authorization and the AGENCY will no longer have access to the funds with the exception of new facility construction. The DEPARTMENT will not extend this project authorization beyond three years except for very unique circumstances as determined by the DEPARTMENT.

<u>Item</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
<u>Revenue vehicles:</u>			
One <30 ft replacement bus (819)	\$48,000	\$12,000	\$60,000

Funding sources:

2013/7509 \$48,000 (F)
2013/7520 \$12,000 (S)

PRF No.: 2013-322

CITY OF DOWAGIAC

Reviewed
W
Contract Adm

Signature

Print Name and Title

Signature

Print Name and Title

MICHIGAN DEPARTMENT OF TRANSPORTATION

Title: Department Director

Councilmember _____ offered and moved the adoption of the following resolution;
seconded by Councilmember _____.

WHEREAS, the following information has been reviewed by the City Manager and City
Treasurer and is being presented to City Council with a recommendation to
approve invoices and payrolls #22 and #23 for the period ending 8/8/13:

Invoices:	209,576.83
Payroll #22:	168,091.07
Payroll #23:	<u>156,272.69</u>
Total:	\$533,940.59

BE IT RESOLVED that the City Manager and City Treasurer are hereby authorized and
directed to pay the following bills and payroll due:

<u>Invoices</u>	<u>Payroll</u>	<u>Total</u>
\$209,576.83	\$324,363.76	\$533,940.59

ADOPTED/REJECTED

Moved by:

Seconded by:

Ayes:

Nays:

Absent:

Abstain:

James E. Snow, City Clerk

Vendor	Invoice #	Description	Amount
ABSOPURE WATER COMPANY	82862917	BOTTLED WATER/DEPOSIT	23.00
ABSOPURE WATER COMPANY	82862930	BOTTLED WATER/DEPOSIT-25830 NUBOUR	51.00
ABSOPURE WATER COMPANY	54174560	C&C COOLER RENTAL-25830 NUBOUR	6.00
ABSOPURE WATER COMPANY	82862935	DISTILLED WATER-26461 NUBOUR	49.50
ACADEMY TESTING	8/6/13	DART CDL ROAD TEST	100.00
ACCOUNTING CONSULTANTS, PC	7/15/13	CONSULTING SVC THROUGH 7/15/13	2,407.50
ACCOUNTING CONSULTANTS, PC	7/31/13	CONSULTING SVC THROUGH 7/31/13	967.50
AGIO IMAGING, INC	13-10067	FOUNDRY WALL MURAL-MUSEUM	1,679.00
AMERICAN ALLIANCE OF MUSEUMS	2013	ANNUAL MEMBERSHIP DUES	125.00
AMERICAN ELECTRIC POWER	04950133613	CCWS-VANDALIA TOWER	25.62
AMERICAN ELECTRIC POWER	04461935407	M-62 LIFT STATION	36.85
AMERICAN ELECTRIC POWER	04005021003	VINEYARD LIFT STATION	33.74
AMERICAN ELECTRIC POWER	04819785702	ST LIGHTS-MARCELLUS HWY	8.29
ARNT ASPHALT SEALING, INC	17036	CRACK SEALING-E PRAIRIE RONDE	5,150.00
ARNT ASPHALT SEALING, INC	17035	CRACK SEALING-N LOWE	1,745.00
AT&T MOBILITY	287019289817	WIRELESS CHARGES 6/24-7/23	795.28
BELL, VICKY	8/6/13	COMBINED ELECTION SERVICE	185.00
BILLINGHAM, MITCH	5/19-5/27	MILEAGE REIMBURSEMENT-51 MILES	28.81
BLUE TARP FINANCIAL	28789415	CASTER WHEEL-ATV TRAILER JACK	26.54
BOLT DOCUMENT MANAGEMENT	1612	LASERFICHE UPGRADE	1,560.00
BRADFORD, JARRID	7/16/13	REIMBURSEMENT-UNIFORMS	103.47
BS&A SOFTWARE, INC	092149	ASSESSING ANNUAL SUPPORT FEE	1,150.00
CAGNEY, MARY	8/6/13	COMBINED ELECTION SERVICE	168.75
CAGNEY, THOMAS	8/6/13	COMBINED ELECTION SERVICE	185.00
CANDLEWOOD SUITES	8/1/13	CONFIRMATION #62927955-EVANS, AUG 11-13	263.97
CARUSO'S CANDY KITCHEN	7/25/13	BECKWITH PARK CONCERT SERIES-ICE CRM SOC	250.00
CARUSO'S CANDY KITCHEN	7/25/13	SUMMER IN THE CITY FEST-ICE CREAM SOCIAL	67.00
CASSOPOLIS FAMILY CLINIC	7/16/13	CDL PHYSICAL-GILLESBY	100.00
CENTRAL ELEVATOR COMPANY, INC	53154	MUSEUM ELEVATOR MTCE	134.00
CHARLES CONCRETE	7/21/13	SIDEWALK REPLACEMENT BEHIND ZEKE'S	800.00
CHENNAULT, THURMAN	8/6/13	COMBINED ELECTION SERVICE	25.00
CHET NICHOLS, INC	367891	#330 AIR FILTER	29.44
CHET NICHOLS, INC	367329	#2209 ADAPTER/CLAMP	21.56
CHET NICHOLS, INC	364864	FREON	99.36
CINTAS LOCATION #336	336-01904	MATS/UNIFORMS	382.60
CINTAS LOCATION #336	336-07833	MATS/UNIFORMS	289.64
CINTAS LOCATION #336	336-05625	MATS	90.28
CLEAN CUT L&L, LLC	10427	MOW/TRIM CITY FACILITIES/PARKS	14,945.00
COMCAST	8771402380021236	INTERNET SERVICE-CH	109.11
COMMUNITY ANSWERING SERVICE	262807222013	DISPATCHING SERVICES	149.65
CONESTOGA-ROVERS & ASSOCIATES	412502	HISTORICAL FILE REVIEW/MDEQ MEETINGS	4,000.00
CONESTOGA-ROVERS & ASSOCIATES	412491	2013 INVESTIGATION WORK PLAN	2,277.00
CONESTOGA-ROVERS & ASSOCIATES	412506	2013 OMM ACTIVITIES	1,979.99
CREATIVE VINYL SIGNS	24965	ATV SIGNS	68.50
CREATIVE VINYL SIGNS	8/8/13	SUMMER IN THE CITY FESTIVAL SIGNAGE	292.00
CROSS EXCAVATING & DEMOLITION	2013-3124	LOADER RENTAL	570.00
DAVIS, HEATHER	7/18/13	SEWER RODDING REIMBURSEMENT	225.00
DOUBLEDAY OFFICE PRODUCTS, INC	142640I	OFFICE SUPPLIES	72.97
DOUBLEDAY OFFICE PRODUCTS, INC	142443I	SHIPPING LABELS	32.79
DOUBLEDAY OFFICE PRODUCTS, INC	142197I	CAUA-DBL WINDOW ENVELOPES	44.99
DOWAGIAC CLEANERS	8/1/13	UNIFORM CLEANING	170.50
DOWAGIAC UNION SCHOOLS	201213-26	FUEL EXPENSES-JUNE 2013	7,911.82
EAU CLAIRE FRUIT EXCHANGE	28492	TREE SPIKES/CROSSBOW/ROUND-UP	224.82
ELHORN ENGINEERING COMPANY	252655	CCWS-CHLORINE	530.00
ENTENMANN-ROVIN COMPANY	0091569-IN	PATROL BADGES	301.25

Vendor	Invoice #	Description	Amount
EVANS, GUY	7/24/13	REIMBURSEMENT-OTTER BOX	53.00
FERRIS STATE UNIVERSITY	13SAGLEMS02	GLEMS TRAINING-P HARDING	375.00
FLEETMATIC USA, LLC	806885	VEHICLE TRACKING SERVICE	40.00
FRONTIER	23118907970401035	PHONE SERVICE 6/20-7/19	1,762.47
GRAMES TIRE & BATTERY, INC	2205	#125 TIRE REPAIR	17.95
GRAMES TIRE & BATTERY, INC	2229	#10 TIRE REPAIR	17.95
GRAMES TIRE & BATTERY, INC	2236	#06CT NEW TIRE	78.95
GRAND RAPIDS-AIRPORT	8/12-15	HOTEL LODGING-P HARDING-CONF #66313049	445.05
GRAPHIC CONTROLS, LLC	LB9169	CHART PENS-IL LIFT STATION	168.32
GREATER DOWAGIACCHAMBER OF COMMERCE	7/25/13	POSTAGE/INLAND LAKE LIFE AD	239.00
HAAS ALARMS AND SERVICE, INC	058656	ALARM REPAIR-GROUNDS DEPT	80.00
HACH COMPANY	8399011	WWTP LAB SUPPLIES	951.00
HALE'S HARDWARE, INC	C28575	VELCRO SQUARES	4.65
HALE'S HARDWARE, INC	C28543	PAPER DROPCLOTH	7.35
HALE'S HARDWARE, INC	C29115	BOWL CLEANER/CLR/FURN POLISH	52.25
HALE'S HARDWARE, INC	B31550	SHIPPING CHARGES/INSECT SPRAY	32.83
HALE'S HARDWARE, INC	C28814	CMP SLEEVE	3.78
HALE'S HARDWARE, INC	C28517	WIRE WHEELS/CORNER IRONS	17.12
HALE'S HARDWARE, INC	D22505	WASP SPRAY	12.59
HALE'S HARDWARE, INC	D22994	WWTP REPLACEMENT PUMP/SUPPLIES	327.33
HALE'S HARDWARE, INC	C29425	TAPE MEASURE	12.99
HALE'S HARDWARE, INC	C29022	SHIPPING CHARGES	10.98
HALE'S HARDWARE, INC	C27723	CABLE TIES/LUBRICANT/BLADE/STORAGE BOX	27.53
HALE'S HARDWARE, INC	C27378	FOAM SEALANT	6.30
HALE'S HARDWARE, INC	C27524	GFCI OUTLET	16.99
HALE'S HARDWARE, INC	D22050	LIGHT BULBS	24.23
HALE'S HARDWARE, INC	D22250	SHIPPING CHARGES	12.95
HALE'S HARDWARE, INC	B30986	SHIPPING CHARGES/PLASTIC SPRAYER	46.63
HALE'S HARDWARE, INC	D22447	SHIPPING CHARGES/BROOM	42.97
HALE'S HARDWARE, INC	D21960	LYSOL/KEYS/KEY RING	53.61
HALE'S HARDWARE, INC	D22412	DRINKING WATER/CABLE TIES	25.19
HALE'S HARDWARE, INC	10083623	TEMP PROJECTOR CABLE	79.99
HANSON BEVERAGE SERVICE	660697	DISTILLED WATER	40.50
HARDING'S MARKET, INC	337017	OPERATING SUPPLIES-FD	33.18
HARDING'S MARKET, INC	337017	OPERATING SUPPLIES-FD	41.49
HARNDEN, SHARON	8/6/13	COMBINED ELECTION SERVICE	168.75
HI-TECH SMR COMMUNICATIONS	SMR15323	#PD132 OUTFIT NEW SQUAD	1,238.50
HI-TECH SMR COMMUNICATIONS	SMR15324	#PD131 OUTFIT NEW SQUAD	1,068.50
INTERNET BUSINESS SOLUTIONS	13256	MONTHLY WEBSITE MTCE	39.95
INVENTORY TRADING COMPANY	248917	UNIFORMS-VOLUNTEER FD	957.92
JOHN & CURT'S BRAKE & ALIGNMENT	8/7/13	#14 BRAKES	83.00
JUDD LUMBER COMPANY, INC	2523642	KEYS	11.94
JUDD LUMBER COMPANY, INC	2522993	NUTS/BOLTS/SCREWS/LUMBER/REDI-MIX GRAVEL	76.28
JUDD LUMBER COMPANY, INC	2523070	SAND-DT BRICKS	23.94
JUDD LUMBER COMPANY, INC	2523080	SAND-DT BRICKS	47.88
JUDD LUMBER COMPANY, INC	2523088	MASONRY BITS	13.77
JUDD LUMBER COMPANY, INC	2523105	BRICK SAW RENTAL	80.00
JUDD LUMBER COMPANY, INC	2523089	MASONRY BITS	3.70
JUDD LUMBER COMPANY, INC	2523297	REDI-MIX GRAVEL	14.97
JUDD LUMBER COMPANY, INC	2523425	D-CON	7.99
KIESLER'S POLICE SUPPLY, INC	0708249	BAIL OUT BAGS/EQUIPMENT	860.00
KOONTZ-WAGNER CONST SERVICES LLC	126568-09	CREW SUPERVISION 6/19-7/16	1,136.00
LEADER PUBLICATIONS, INC	98471	MISC PUBLICATIONS	201.45
MAXIMUM FIRE PROTECTION	1762	RECHARGE FIRE EXT-#10	40.00
MCDONALD UNDERGROUND	275	DIRECTIONAL BORE BY HOSPITAL	3,550.00

Vendor	Invoice #	Description	Amount
MICHIGAN STATE POLICE-CASHIERS OFC	551-397175	SOR LIEN TOKEN 4/1-6/30	99.00
MIDWEST ENERGY	3503301	CCWS-WATER TOWER	1,151.11
MTL, INC	15002	MOWING RUSSOM PARK	1,065.00
O'BOYLE COWELL BLALOCK AND ASSOC	8/5/13	RUSSOM PARK RENOVATIONS-PAY APP #1	93,475.13
O'BOYLE COWELL BLALOCK AND ASSOC	51010.03-12	RUSSOM PARK	1,355.03
PARKER, LOUANN	7/23/13	HOUSING INCENTIVE AWARD-409 NEW YORK	250.00
PETERSEN, MICHAEL	8/6/13	COMBINED ELECTION SERVICE	25.00
PETTY CASH	8/5/13	POSTAGE	32.29
PETTY CASH	8/5/13	OPERATING SUPPLIES-RETIREMENT PARTY	175.98
PETTY CASH	8/5/13	OPERATING SUPPLIES-CC WORKSHOP	43.94
PETTY CASH	8/5/13	TRAINING REIMBURSEMENT-MURRAY	50.00
POWER LINE SUPPLY, INC	5750282	SURGE ARRESTER BRACKETS	3,712.00
POWER LINE SUPPLY, INC	5751193	WIRE	1,738.35
POWER LINE SUPPLY, INC	5751196	15KV CUTOUTS	1,199.36
POWER LINE SUPPLY, INC	5751194	CONNECTORS	94.50
POWER LINE SUPPLY, INC	5749517	FUSELINKS	76.30
POWER LINE SUPPLY, INC	5747901	CONNECTORS	32.50
POWER LINE SUPPLY, INC	5747899	TIES	256.00
POWER LINE SUPPLY, INC	5747902	PHOTOCONTROL	448.00
PRAIRIE RONDE REALTY	813A	AUGUST RENT-DART	150.00
PRAIRIE RONDE REALTY	813B	AUGUST RENT-TEMP MUSEUM STORAGE	100.00
PRECISION DATA PRODUCTS	I0000386272	PRINTER INK	122.38
PREFERRED PRINTING, INC	7/25/13	SUMMER IN THE CITY-BROCHURES	1,297.00
PRIORITY COMPUTER SERVICES, INC	200617	WWTP SCADA PC	799.00
PRIORITY COMPUTER SERVICES, INC	200634	PRE-PAID SERVICE AGREEMENT	950.00
PUBLIC AGENCY TRAINING COUNCIL	AUG 12-14	FIRE/ARSON INVESTIGATION ACADEMY-EVANS	295.00
QT TECHNOLOGIES, LLC	47765	AIRPORT SERVICE AGREEMENT	595.00
QT TECHNOLOGIES, LLC	47764A	THERMAL PAPER, ROLL	66.51
QT TECHNOLOGIES, LLC	47764	THERMAL PAPER, ROLL	76.09
REAL PRO SOLUTIONS, LLC	LM2046	CODE MOWINGS	58.00
REAL PRO SOLUTIONS, LLC	PC1617	BLIGHT CLEANUP-301 LOUISE	100.00
REAL PRO SOLUTIONS, LLC	LM2041	CODE MOWINGS	87.00
REAL PRO SOLUTIONS, LLC	LM2047	CODE MOWINGS	188.50
REAL PRO SOLUTIONS, LLC	PC1616	BLIGHT CLEANUP-201 S FRONT	160.00
REAL PRO SOLUTIONS, LLC	LM2045	CODE MOWINGS	72.50
REAL PRO SOLUTIONS, LLC	LM2043	CCWS-MOWING PENN PUMP HOUSES	75.00
REAL PRO SOLUTIONS, LLC	LM2044	CCWS-MOWING VANDALIA TOWER	70.00
RELIABLE DISPOSAL, INC #646	0646-000760603	DUMPSTER-DPS WAREHOUSE	254.76
RHOADES MCKEE	233984	ENVIRONMENTAL-LANDFILL	312.50
RHOADES MCKEE	234112	RCRA-LANDFILL	7,527.50
RIETH-RILEY CONSTRUCTION COMPANY	7168785	ASPHALT	93.19
ROHDY'S HEATING & COOLING, LLC	PRO1885	REPLACE HVAC SYSTEM-PD	6,988.00
RUTKOWSKA, JASON	2911323858	CELL PHONE REIMBURSEMENT 6/10-7/9	60.00
SCHERR, ROZANNE	8/2/13	CELL PHONE REIMBURSEMENT-5 MONTHS	300.00
SEMCO ENERGY GAS COMPANY	0161871.500	GAS SERVICE 6/13/13-7/15/13	18.68
SIMPSON, KEN	130811	ELECTRICAL INSPECTIONS	346.40
SNOW, JAMES E	7/18/13	MILEAGE REIMBURSEMENT-835 MILES	471.78
STATE OF MICHIGAN	7/31/13	APP FEE-SERVICE MARK	50.00
SUPERIOR PLAY LLC	13-575	BENCH-RIVERSIDE CEMETERY	1,292.50
THE RIDGE COMPANY	521573	#220 HANGER/CLAMPS	26.67
THE RIDGE COMPANY	521536	#74/150 AIR FILTERS	79.46
THE RIDGE COMPANY	521161	STARTING FLUID	5.98
THE RIDGE COMPANY	521356	#MT6/2155 TRACTOR FLUID	128.97
TOURTELLOTTE WELDING	472417	#103 BEARINGS/ADJUST CONVEYOR	1,100.00
TOXOPEUS, DAVID	287248782175	CELL PHONE REIMBURSEMENT 6/19-7/18	60.00

Vendor	Invoice #	Description	Amount
TURF SERVICES	31895	IRRIGATION REPAIR-ROTARY BB FIELD	260.05
UNDERGROUND PIPE & VALVE, INC	706290	WWTP AIR SYSTEM REPAIR	9,669.40
VALDES, DON	7/1/13	STEEL-LANDFILL SIGNS	77.00
VERIZON WIRELESS	9708589112	CELL PHONES 7/22-8/21	85.31
VOSS LIGHTING	20120194-00	FLUORESCENT LAMPS-CH	100.80
WEST SHORE FIRE REPAIR, INC	6326	MASK CLEANER	150.99
WIGGINS, DANIEL	188028025202	CELL PHONE REIMBURSEMENT 5/24-6/23	60.00
WIGHTMAN & ASSOCIATES, INC	45034	PROF SVCS-2012 LOCAL ST PAVING	280.00
WIGHTMAN & ASSOCIATES, INC	45033	ENG SVC-CMAQ/CAUA/Front & Main	723.42
WIGHTMAN & ASSOCIATES, INC	45020	ENG SVC-LOWER MILL POND DAM REPAIRS	656.25
		Total:	209,576.83

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: August 9, 2013

SUBJECT: First Housing Corporation PILOT Ordinance – Vineyard Place

In January 2013 City Council approved an ordinance revision and agreement with First Housing Corporation so that they could move forward with funding from MSHDA for improvements to the property known as Vineyard Place Apartments. First Housing Corporation reports that they are in the last stages of financing and that MSHDA has additional language that needs to be in the ordinance so that the project can go forward.

The ordinance revision will have no impact on the payment in lieu of taxes (PILOT) or the additional service agreement for police services that were originally agreed to last January.

RECOMMENDATION

Hold the first reading of the proposed ordinance revisions and place them on the table for action at the August 26, 2013 City Council meeting at 7:00 pm.

Support Documents:

Cover Memo-City Mgr.
Ordinance

ORDINANCE NO. _____, 2013

ORDINANCE-----

AN ORDINANCE TO **AMEND** A TAX EXEMPTION ORDINANCE FOR A SERVICE CHARGE IN LIEU OF TAXES PURSUANT TO THE PROVISIONS OF ACT NO 364 OF THE PUBLIC ACTS OF MICHIGAN ON 1966 (MCL 125.1401, et. seq., MSA 116.114(1), et. seq., AS AMENDED). TITLE I COMMUNITY DEVELOPMENT, ARTICLE V MULTIPLE FAMILY DWELLING HOUSING TAX EXEMPTION, **DELETION OF SECTION 30-100.111, ACKNOWLEDGEMENT, AND RENUMBERING SECTION 30-100.112 AS 30-100.111, EFFECTIVE DATE.**

THE CITY OF DOWAGIAC ORDAINS:

Sec. 30-100.109. Duration.

This subdivision shall remain in effect and shall not terminate so long as the housing development remains subject to income and rent restrictions pursuant to Section 42 of the Internal Revenue Code of 1986, as amended; any **Authority loan remains outstanding or unpaid or the Authority has any interest in the property**, and provided that rehabilitation of the housing development commences within ~~one year~~ **15 months** from the effective date of this subdivision.

Sec. 30-100.110. Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of the Ordinance as a whole or any section or provision of this Ordinance other than the section or provision so declared to be unconstitutional or invalid.

~~**Sec. 30-100.111. Acknowledgement.**~~

~~The City hereby acknowledges receipt of documentation from the Authority indicating that the Authority's participation with the Housing Development is limited solely to the allocation of tax credits under the LIHTC Program.~~

~~**Sec. 30-100.112**~~ **Sec. 30-100.111. Effective date.**

This Ordinance shall take full force and effect immediately upon its publication in a newspaper of general circulation within the City of Dowagiac.

Section 2: That pursuant to the provisions of Chapter 1, Section 1.8 of the Dowagiac Charter and due to the length of this Ordinance, the Dowagiac City Clerk be and is hereby directed to forthwith cause posting and publication of this Ordinance on the bulletin board of the Dowagiac City Hall, the same being the usual place of posting for the actions of the City Council.

ADOPTED/REJECTED

Moved by:

Seconded by:

Ayes:

Nays:

Absent:

Abstain:

Donald D. Lyons, Mayor

James E. Snow, City Clerk

Resolution #8
August 12, 2013

Councilmember _____ offered and moved the adoption of the following resolution;
seconded by Councilmember _____.

WHEREAS, the Michigan Open Meetings Law, Public Act 267 of the Public Acts of 1976 as amended, provides that public bodies may meet in closed session for the purpose to consider the purchase or lease of real property up to the time an option to purchase or lease that property is obtained; and

WHEREAS, the Mayor and City Council desire to meet with the City Manager and the City Attorney to discuss the purchase of real property.

NOW, THEREFORE, BE IT RESOLVED the City Council will hereby adjourn to closed session to discuss the purchase of real property.

ADOPTED/REJECTED

Moved by:

Seconded by:

Ayes:

Nays:

Absent:

Abstain:

James E. Snow, City Clerk