AGENDA FOR THE COUNCIL MEETING
CITY OF PORTAGE
May 24, 2011

7:30 p.m. Call to Order.

Invocation: Rabbi Harvey Spivak of the Congregation of Moses of Kalamazoo.

Pledge of Allegiance.

Roll Call.

Proclamations.

A. Approval of the Special Meeting Minutes and Regular Meeting Minutes of May 10, 2011.

* B. Approval of Consent Agenda Motions.

* C. Communication from the City Manager recommending that City Council approve the Accounts Payable Register of May 24, 2011, as presented.

D. Public Hearings:

1. Public Hearing on an ordinance amendment to approve the 2011 Amended Tax Increment Finance Plan for the 2011 Amended Development Plan for development area in the City of Portage Downtown Development Authority, with final action on the ordinance scheduled for June 28, 2011.

2. Communication from the City Manager recommending that City Council adopt:
   a. Resolution No. 3 for the Trade Centre Way Relocation Project #997-R, directing the preparation of the special assessment roll, and
   b. Resolution of Intent to issue bonds and authorize publication of the Notice of Intent.

E. Petitions and Statements of Citizens:

F. Reports from the Administration:

* 1. Communication from the City Manager recommending that City Council approve the Fiscal Year 2011-2012 Budget.

* 2. Communication from the City Manager recommending that City Council support the substitution of the West Centre Avenue (Shaver to Oakland) project for the Romence Parkway (Lovers Lane to Sprinkle) project in the 2011-2012 Major Street Reconstruction Program.

* 3. Communication from the City Manager recommending that City Council confirm the appointment of Richard White as the City of Portage Director of Public Safety – Police/Fire Chief.

* 4. Communication from the City Manager recommending that City Council approve the $35,000 grant amendment to the Michigan State Housing Development Authority for the North Portage Home Buyer Purchase Rehabilitation Program and authorize the Mayor and City Manager to execute all documents related to the amendment in the event the request is awarded.

* 5. Communication from the City Manager recommending that City Council adopt a Resolution amending the Program Guidelines for the Youth Advisory Committee and Appointments of Youth Participants to City Boards and Commissions.

* 6. Communication from the City Manager recommending that City Council confirm the reappointments of the City Manager to the Portage Downtown Development Authority Board of Directors.

* 7. Communication from the City Manager regarding the response to comments of Mr. David McGavin – Information Only.

* 8. Communication from the City Manager regarding the Lexington Green Drainage Channel/Ditch response – Information Only.

* 9. Communication from the City Manager regarding the April 2011 Summary Environmental Activity Report – Information Only.

* 10. Department Monthly Reports.

G. Communications:

H. Unfinished Business:

* I. Minutes of Boards and Commissions Meetings:

1. Portage Zoning Board of Appeals of April 11, 2011.
2. Portage Environmental Board of April 13, 2011.

J. Ad-Hoc Committee Reports:

K. New Business:

L. Bid Tabulations:

* 1. Communication from the City Manager recommending that City Council approve:
a. a contract with Michigan Paving and Materials Company to provide reconstruction to selected local streets and asphalt surface repairs to isolated sections of major streets in the not-to-exceed amount of $638,707.09;
b. the added expenditure of $156,279.79 for additional street repairs at unit pricing within this contract; and,
authorize the City Manager to execute all documents related to this contract on behalf of the city.

* 2. Communication from the City Manager recommending that City Council approve a three-year contract with Renewed Earth, Incorporated, to provide yard waste recycling services in a total amount not-to-exceed $309,000 and authorize the City Manager to execute all documents related to this contract and subsequent renewals on behalf of the city.

* 3. Communication from the City Manager recommending that City Council award a contract to the low bidder, Peters Construction Company, for the construction of the 2011 Storm Drainage Improvements in the not-to exceed amount of $134,257.17 and authorize the City Manager to execute all documents on behalf of the city.

M. Other City Matters:

1. Statements of Citizens.

2. From City Council and City Manager.

* 3. Reminder of Meetings:
a. Thursday, May 26, 4:30 p.m., Public Media Network Board of Directors, 359 S. Kalamazoo Mall, 3rd Floor.
b. Thursday, May 26, 6:00 p.m., Austin Lake Governmental Lake Board, City Hall Room #1.
c. Tuesday, May 31, 6:00 p.m., Youth Advisory Committee, City Hall Room #1.
d. Wednesday, June 1, 8:15 a.m., Historic District Commission, City Hall Room #2.
e. Wednesday, June 1, 6:30 p.m., Park Board, Lexington Green Park.
f. Thursday, June 2, 6:30 p.m., Human Services Board, City Hall Room #1.
g. Thursday, June 2, 7:00 p.m., Planning Commission, City Council Chambers.
h. Wednesday, June 8, 7:00 p.m., Environmental Board, City Hall Room #1.
i. Monday, June 13, 7:00 p.m., Zoning Board of Appeals, City Council Chambers.

N. Materials Transmitted of May 6 and 10, 2011.

Adjournment.

CITY COUNCIL MEETING SUMMARY

May 10, 2011

CHECK REGISTER

- Approved the Check Register of May 10, 2011, as presented.

PUBLIC HEARINGS

- Adopted the Resolution to establish a millage rate not-to-exceed 0.1604 mills above the base tax rate as defined by the State of Michigan Public Act 5 of 1982.
- Adopted the 2011 sewer and water rate Resolutions establishing sewer and water rates, sewer and water franchise area fees and service fees and charges as outlined in the 2011 Utility Rate Financial Study and as recommended by the Administration and the City Council Water and Sewer Rate Study Committee.

PETITIONS AND STATEMENTS OF CITIZENS

- Charles Pasko, 5526 Meredith Street, issued a complaint against a contractor who left junk items and a mess along the creek in his back yard.
- James Pearson, 3004 East Shore Drive, expressed his appreciation to City Council for the follow-up information regarding posting of committee and subcommittee meetings on the City of Portage website.

REPORTS FROM THE ADMINISTRATION

- Approved the Community Development Block Grant (CDBG) Program FY 2011-15 Consolidated Plan and FY 2011-12 Annual Action Plan; authorized the City Manager to execute and submit the documents to the Department of Housing and Urban Development; and accepted as information the Analysis of Impediments to Fair Housing.
- Accepted Rezoning Application #10-01 for first reading and set a public hearing for June 14, 2011, at 7:30 p.m. or as soon thereafter as may be heard; and subsequent to the public hearing, will consider approving Rezoning Application #10-01 and rezone the seven parcels/lots from I-1, light industry and R-1C, one family residential, to OS-1, office service.
- Adopted Resolution No. 2 for the Trade Centre Way Relocation Project #997-R, setting a public hearing of necessity on May 24, 2011, at 7:30 p.m. or as soon thereafter as may be heard.
- Voted to maintain the proposed park-related budget reductions in the 2011-12 fiscal year as modified in the report from Parks and Recreation Director William M. Deming dated April 29, 2011.
- Approved a grant agreement with the Michigan Department of State for the purchase of laptop computers and accessories to support the implementation of Electronic Poll Books in the City of Portage voting precincts, and authorized the City Manager to sign the agreement and all other documents related to this grant program on behalf of the city.
- Granted the request to transfer ownership of the escrowed 2010 Resort Class C license, issued under MCL 436.1531(4), minimum seating 100, located at 5341 South Westnedge Avenue, Portage, MI 49002, Kalamazoo County, from Quick Casual Corporation (Bennigan's) to OC of Michigan, Inc. (Old Chicago).
- Received the correspondence from American Village Builders, LLC.
- Held a closed session immediately following the Regular City Council Meeting of May 10, 2011, to discuss an attorney/client communication.
- Received the communication from the City Manager regarding the posting of City Council Committee Meetings as information only.

COMMUNICATION

- Received the presentation by Historic District Commission Chairperson Mark Reile.

AD HOC COMMITTEE REPORTS

- Awarded a contract to the Kercher Center for Social Research at Western Michigan University in the amount of $10,019 to conduct the 2011 Portage Community Survey and authorized the City Manager to execute all related documents.
- Approved the revised Investment Policy as recommended by the Investment Committee and City Administration.
- Received a presentation by Councilmember Elizabeth Campbell regarding the recent activity of the City Council Customer Service Committee.
- Received a presentation by Councilmember Claudette Reid regarding the recent activity of the City Council Business and the City of Portage Committee.

NEW BUSINESS

- Appointed Elaine Abee, Eric Alden, Renee Beranek, Taylor Bruinwood, Catherine Cartier, Matthew Cartier, Sujay Dewan, Ali Fulling, Kyle Huitt,Kitu Komya, Madelyn Krenselewski, Abhiram Krishnan, Kelcie McGowan, Kasia Mietusiewicz, Humza Mirza, Brittany Muraoka, Sarah Perry, Nate Rajpoot, Avery Roper Beebe, Genevieve Sertic, Carly Siko, Nolan Stoffer, Reinie Thomas, Tucker Webb, Chelsea Williams, Tori Wilson and Lai Zhexuan with terms ending June 30, 2012, to the Youth Advisory Committee pending a Resolution to be presented at the next Regular City Council Meeting to increase membership; appointed Sarah Perry with term ending June 30, 2012, as Youth Participant to the Environmental Board; reappointed Kyle Huitt with term ending June 30, 2012, as Youth Participant to the Human Services Board; reappointed Tucker Webb with term ending June 30, 2012, as Youth Participant to the Park Board; appointed Kitu Komya with term ending June 30, 2012, as Youth Participant to the Senior Citizens Advisory Board; reappointed John Kounelis and Bill Leach with terms ending June 1, 2014, and appointed Gary Gilchrist with unfulfilled term ending June 1, 2012, to the Construction Board of Appeals; reappointed Miko Dargitz, Bill Patterson and Allan Reiff with terms ending May 31, 2014, to the Planning Commission; appointed Tim Winslow with unfulfilled term ending October 1, 2011, to the Environmental Board; appointed Nadeem Mirza with unfulfilled term ending October 1, 2011, to the Human Services Board.

CLOSED SESSION

- Upheld the disclosure denial of Scott Anderson for the reason that the one page NLETS and the 9-PAGE LEIN records can not be released due to provisions of Michigan State Law.

BID TABULATIONS

- Approved the purchase of one staff sedan at a total cost of $13,368 and authorized the City Manager to execute all documents related to this purchase on behalf of the city.
- Approved a purchase from Office Depot in the amount of $12,875 for office furnishings related to the relocation of the Parks Department and authorized the City Manager to execute all documents related to this action on behalf of the city.

STATEMENTS OF CITIZENS

- James Pearson, 3004 East Shore Drive, expressed an interest in placing satisfaction with neighborhood streets back into the survey and announced for the second time that a public hearing will be held by the Governmental Austin Lake Board at 6:00 p.m., Wednesday, May 18, 2011, City Hall Council Chambers on the practicability of doing Bioaugmentation and Aeration of Austin Lake.

STATEMENTS OF CITY COUNCIL AND CITY MANAGER

- Councilmember Randall congratulated Portage Northern High School Forensics Team for taking their tenth consecutive Michigan State Title and to Portage Central High School Forensics Team for placing Second in the State last weekend.
- Mayor Pro Tem Sackley mentioned that the State Farm Insurance Company has consolidated operations by closing all of its offices but two, one in Livonia and one in Portage. He also talked about the visit from U.S. Transportation Secretary Ray LaHood, who signed and delivered to Governor Rick Snyder a $199,309,608.00 Federal grant check this afternoon at downtown Detroit's Amtrak station that will pay to upgrade rail lines and enable high-speed passenger train service between Dearborn and Kalamazoo. He also announced the Riparian Association Meeting that will precede the Governmental Austin Lake Board by two days, Monday, May 16, 2011 at 7:00 p.m. at Lake Center Elementary School to discuss the practicability of the Bioaugmentation and Aeration of Austin Lake.
- Mayor Strazdas expressed appreciation to the community for recently coming together with: the Portage Crop Hunger Walk 2011 where 471 walkers raised over $33,000; Golf for the Arts to raise funds for the Summer Entertainment Series; the AFE group of KRESA where businesses provide opportunities for youth to job shadow; and, the National Day of Prayer.

****

COMPLETE MINUTES OF EACH CITY COUNCIL MEETING ARE AVAILABLE ON THE CITY WEBSITE AT PORTAGEMI.GOV, IN CITY HALL AND IN THE DISTRICT LIBRARY. MINUTES OF CITY BOARDS AND COMMISSIONS ARE AVAILABLE ON REQUEST FROM VARIOUS DEPARTMENTS.

DRAFT

MINUTES OF THE SPECIAL MEETING OF THE PORTAGE CITY COUNCIL OF MAY 10, 2011 - BOARDS AND COMMISSIONS APPLICANTS

Mayor Peter Strazdas called the meeting to order at 5:33 p.m. The following Councilmembers were present: Councilmembers Cory Bailes, Elizabeth Campbell, Patricia Randall, Claudette Reid and Terry Urban, Mayor Pro Tem Ed Sackley and Mayor Peter Strazdas. Also present were City Manager Maurice Evans and City Clerk James Hudson.

City Council introduced themselves and interviewed applicants for the Youth Advisory Committee and Youth Participants on various Boards and Commissions. Mayor Strazdas asked each of them to express a Board, Commission or Committee preference for serving:

* 5:33-6:11 p.m., Abhiram Krishnan, Chelsea Williams, Nate Rajpoot, Ali Fulling, Madelyn Krenselewski, Renee Beranek, Carly Siko, Matthew Cartier, Kyle Huitt, Catherine Cartier, Lai Zhexuan, Nolan Stoffer, Tucker Webb, Eric Alden, Tori Wilson, Kitu Komya and Sarah Perry. Discussion followed for the need to increase the membership by Resolution to accommodate the increased interest in serving by the youth in the community. Discussion followed.

City Council interviewed applicants for the following City Council Advisory Boards and Commissions:

* 6:12-6:19 p.m., Stan Runyan and Gary Gilchrist for the Construction Board of Appeals. Discussion followed.

* 6:20-6:41 p.m., Stan Runyan, Gary Gilchrist, Bill Patterson, Allan Reiff, Tim Winslow, Dan Corradini, Mike Robbe and Miko Dargitz for the Planning Commission. Planning Commission Jim Cheeseboro was present for questions. Discussion followed.

* 6:42-6:49 p.m., Alex Ray, Stan Runyan and Tim Winslow for the Environmental Board. Discussion followed.

* 6:50-7:00 p.m., Nadeem Mirza for the Human Service Board. Discussion followed.

Discussion followed regarding the placement of each of the applicants on the various boards and commissions.

ADJOURN: Mayor Strazdas adjourned the meeting at 7:02 p.m.

_____

James R. Hudson, City Clerk

CITY COUNCIL MEETING MINUTES FROM MAY 10, 2011 DRAFT

The Regular Meeting was called to order by Mayor Strazdas at 7:35 p.m.

The City Clerk called the roll with the following members present: Councilmembers Cory A. Bailes, Elizabeth A. Campbell, Patricia M. Randall, Claudette S. Reid, Terry R. Urban and Mayor Pro Tem Edward J. Sackley and Mayor Peter J. Strazdas. Also in attendance were City Manager Maurice S. Evans, City Attorney Randall Brown and City Clerk James R. Hudson.

Mayor Strazdas asked Councilmember Urban to give the invocation and Eagle Scout Elliot Klose led the City Council and the audience in the recitation of the Pledge of Allegiance.

APPROVAL OF MINUTES: Motion by Reid, seconded by Campbell, to approve the April 26, 2011 Regular Meeting Minutes as presented. Upon a voice vote, motion carried 7 to 0.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Urban to read the Consent Agenda. Councilmember Campbell asked that item F.2, Rezoning Application #10-01, Portage Road and Fairlane Avenue, be removed from the Consent Agenda and Mayor Pro Tem Sackley asked that Item F.7, Proposal to Enter into a Lease for Use of City Hall Property, be removed from the Consent Agenda. Motion by Reid, seconded by Campbell, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 7 to 0.

* **APPROVAL OF CHECK REGISTER OF MAY 10, 2011:** Motion by Reid, seconded by Campbell, to approve the Check Register of May 10, 2011. Upon a roll call vote, motion carried 7 to 0.

PUBLIC HEARINGS:

PUBLIC ACT 5 OF 1982 (TRUTH IN TAXATION): Mayor Strazdas opened the public hearing and City Manager Maurice Evans stated that this item is the action on the tax levy and the actual public hearing on the budget, and that no final action would be taken since the budget will be adopted at the May 24, 2011 Regular City Council Meeting. He indicated that the 2011-2012 Budget is slightly over $60 million and is reflective of the guidance by the City Council at the annual retreat in November 2010 and takes into account the information provided by the Administration to City Council at the retreat. He indicated that this budget allows the city to meet its financial challenges in a responsible manner; that the budget is balanced and core services are being maintained at current levels, and he named a few: Police and Fire, Street Maintenance, Snow Removal, Water and Sewer Services, Parks and Recreation Programs and the Capital Improvement Program Projects. He reflected that the Administration did a trend analysis and that there is a continuation of reduction in revenue streams with a 2.9% reduction in property tax revenue, a decrease in Act 51 funds and lower state revenue sharing.

Mr. Evans pointed out that the 10.8916 millage rate is reflective of a 0.15 mill increase to accommodate curbside recycling and leaf pick-up funding needs and a 13% fund balance as prescribed by City Council. He also indicated that under the new program outlined by Governor Snyder, the City of Portage would be competing for revenue sharing with other cities, and that the City of Portage continues to remain in the lower 25 percent of all Michigan cities of greater than 25,000 in population in terms of millage level. He outlined the recent trend analysis that was shared with City Council and taken into account when determining the budget, and the Administration continues to take additional reductions. As a result of these factors, he pointed that the City will need to continue to reduce operating costs. Discussion followed.

James Pearson. 3004 East Shore Drive, expressed his appreciation for the responsiveness of the Administration during the Special Meetings for Budget presentation which he cited as a very positive process, praised staff, City Manager Evans and City Council for their hard work and cited some of the cost-cutting measures found in the Budget. When he asked about the 9% increase in sewer rates and the 12% increase in water rates, he was asked to wait for the explanation as found in Item D.2, 2011 Utility Rate Financial Study. When he asked about competitive bidding and the 32% increase in the curbside recycling cost, Finance Director Daniel Foecking responded that the contract was bid, and that it is in its third year where there was an escalation clause built into the contract that was there from the beginning. Discussion followed.

Ken Nunn, 9878 Arabian Drive, indicated that he had moved to Portage from California and asked for an explanation of Spring Clean-up and expressed an interest in having each individual homeowner do his or her own clean-up effort as the "gleaners" and "flea marketers," "metal collectors" who comb the neighborhoods on "pick-up" day annoy him and asked City Council to reconsider the program. Mayor Strazdas pointed out that this program was a result of an election and the vote was in favor of both a Recycling Program and a Spring Clean-up Program. He commented that where such programs do not exist, citizens let the material pile up which creates an undesirable situation. Councilmember Urban pointed out that this is a separate millage from the Charter that was approved by the voters; therefore the City is constrained to levy the millage and provide the service and offered the City of Kalamazoo as a comparison where monthly clean-up of large items is an adjunct to weekly recycling. Discussion followed.

David McGavin, 611 South Shore Drive, expressed his misgivings and misconceptions regarding the 2011 Proposed Budget, praised the Administration for reducing staff, consolidating departments, reducing the plantings in the Spring and cutting city-sponsored events in an effort to save money. Mayor Pro Tem Sackley asked him to provide his information and figures to the Administration regarding his misunderstanding of budget figures to allow the City Manager to respond to his questions regarding: a new information system for $137,000; Cable TV funding up 33%; $200,000 extra for Cable Access; a bikeway and park trails for an additional expenditure of $100,000; the need to reduce the number of the ten-year old vehicles and the 1997 City Hall van parked overnight in the City Hall parking lot that are utilized by staff in their daily duties; the purchase of the new vehicle on the agenda to replace the one lost in an accident where a citizen crashed into one of the ten-year old city cars; that the City Assessor spent $250,000 for an outside consultant; the increase in the millage rate will only generate $315,000; that since 2003 the city has increased its revenues from taxes and fees for services by 30% with an increase in population of only 5% since 2000; that there are other options instead of an 11% increase for water and sewer; an alternative to increasing the taxes by 1.5%; that in this city unemployment has doubled in the last 7 to 10 years with 8% of people in Portage unemployed; and, that the 13% fund balance should be reduced to 10%. Mr. Foecking responded and discussion followed.

Motion by Reid, seconded by Campbell, to close the public hearing. Upon a voice vote, motion carried 7 to 0. Discussion followed.

Motion by Urban, seconded by Sackley, to adopt the Resolution to establish a millage rate not-to-exceed 0.1604 mills above the base tax rate as defined by the State of Michigan Public Act 5 of 1982. Upon a roll call vote, motion carried 6 to 1. Yeas: Councilmembers Bailes, Campbell, Reid and Urban, Mayor Pro Tem Sackley and Mayor Strazdas. No: Councilmember Randall.

2011 UTILITY RATE FINANCIAL STUDY: At the request of Mayor Strazdas, City Manager Evans introduced Transportation & Utilities Director Chris Barnes and recognized Utilities Engineer Kendra Gwin. Mr. Barnes discussed the findings and recommendations of the 2011 Utility Rate Financial Study and reviewed the communication from City Manager Maurice Evans dated May 3, 2011, found in the City Council Agenda Packet using pie graphs and bar graphs as illustrations.

Mr. Barnes answered questions and concerns of Mayor Strazdas and City Council. Discussion followed. As Chair of the Utility Rate Committee consisting of Jeffrey Breneman and Former Mayor Pro Tem Ted W. Vliek, Sr., as citizens at large, Councilmembers Randall and Bailes and himself, Mayor Pro Tem Sackley provided a review of their activity and analysis. He indicated that the City of Portage contracted Utility Financial Solutions, LLC, to assist in the goal of getting to the readiness charge which is whether a household uses a drop of water or water all of the time, there is a fixed cost all of the time based on the size of the meter to have the utility system available throughout the city. He indicated that the Committee was unanimous in its findings and explained. Discussion followed.

Mayor Strazdas asked for comment from the public. There being no further comment, motion by Urban, seconded by Reid, to close the public hearing. Upon a voice vote, motion carried 7 to 0. Discussion followed.

Motion by Sackley, seconded by Urban, to adopt the 2011 sewer and water rate Resolutions establishing sewer and water rates, sewer and water franchise area fees and service fees and charges as outlined in the 2011 Utility Rate Financial Study and as recommended by the Administration and the City Council Water and Sewer Rate Study Committee. Discussion followed. Upon a roll call vote, motion carried 7 to 0.

PETITIONS AND STATEMENTS OF CITIZENS: Charles Pasko, 5526 Meredith Street, issued a complaint against a contractor who left junk items and a mess along the creek in his back yard and asked for a remedy. City Manager Evans offered to follow-up and provide a report of the details to City Council for consideration. Discussion followed. He asked when can his property be reassessed and Mr. Evans said that can be done at anytime and offered an outline of his option from the City Assessor. Discussion followed.

James Pearson, 3004 East Shore Drive, expressed his appreciation to City Council for the follow-up information regarding posting of committee and subcommittee meetings on the City of Portage website. Discussion followed.

REPORTS FROM THE ADMINISTRATION:

* **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM RECOMMENDATION:** Motion by Reid, seconded by Campbell, to approve the Community Development Block Grant (CDBG) Program FY 2011-15 Consolidated Plan and FY 2011-12 Annual Action Plan; authorize the City Manager to execute and submit the documents to the Department of Housing and Urban Development; and accept as information the Analysis of Impediments to Fair Housing. Upon a roll call vote, motion carried 7 to 0.

REZONING APPLICATION #10-01, PORTAGE ROAD AND FAIRLANE AVENUE: Councilmember Campbell recused herself as one of the buildings to be considered for rezoning is owned by her employer. After a discussion on the proposed motion, motion by Sackley, seconded by Urban, to accept Rezoning Application #10-01 for first reading and set a public hearing for June 14, 2011, at 7:30 p.m. or as soon thereafter as may be heard; and subsequent to the public hearing, consider approving Rezoning Application #10-01 and rezone the seven parcels/lots from I-1, light industry and R-1C, one family residential, to OS-1, office service. Upon a roll call vote, motion carried 7 to 0. Councilmember Campbell returned.

* **TRADE CENTRE WAY RELOCATION PROJECT #997-R:** Motion by Reid, seconded by Campbell, to adopt Resolution No. 2 for the Trade Centre Way Relocation Project #997-R, setting a public hearing of necessity on May 24, 2011, at 7:30 p.m. or as soon thereafter as may be heard. Upon a roll call vote, motion carried 7 to 0.

* **FISCAL YEAR 2011-12 PROPOSED PARK BUDGET REDUCTIONS:** Motion by Reid, seconded by Campbell, to maintain the proposed park-related budget reductions in the 2011-12 fiscal year as modified in the report from Parks and Recreation Director William M. Deming dated April 29, 2011. Upon a roll call vote, motion carried 7 to 0.

* **ELECTRONIC POLL BOOK HARDWARE GRANT AGREEMENT:** Motion by Reid, seconded by Campbell, to approve a grant agreement with the Michigan Department of State for the purchase of laptop computers and accessories to support the implementation of Electronic Poll Books in the City of Portage voting precincts, and to authorize the City Manager to sign the agreement and all other documents related to this grant program on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

* **TRANSFER OWNERSHIP OF THE ESCROWED 2010 RESORT CLASS C LICENSE, ISSUED UNDER MCL 436.1531(4), MINIMUM SEATING 100, LOCATED AT 5341 SOUTH WESTNEDGE AVENUE (BENNIGAN'S):** Motion by Reid, seconded by Campbell, to grant the request to transfer ownership of the escrowed 2010 Resort Class C license, issued under MCL 436.1531(4), minimum seating 100, located at 5341 South Westnedge Avenue, Portage, MI 49002, Kalamazoo County, from Quick Casual Corporation (Bennigan's) to OC of Michigan, Inc. (Old Chicago).

PROPOSAL TO ENTER INTO A LEASE FOR USE OF CITY HALL PROPERTY: Mayor Pro Tem Sackley reviewed the letter from American Village Builders (AVB), 4200 West Centre Avenue, dated May 2, 2011, to Property Manager Bill Deming from Greg Dobson of AVB. Mr. Dobson requested a Proposal to Lease a segment of the City Hall parking lot area for the placement of a pad for an Automatic Teller Machine (ATM) to be owned by Lake Michigan Credit Union and related traffic cue area. Mayor Pro Tem Sackley expressed his opposition to the use of city property, public property, for commercial use notwithstanding the use of leasing water towers for cell phone antennas, as he viewed this as distinguishable. He expressed the need to review this matter as a Committee of the Whole rather than refer it to the Property Committee as it is a huge change, unusual and extraordinary and it would be unfair to give it to a three-member City Council Committee. He even mentioned that the Planning Commission and Zoning Board of Appeals should weigh in on the discussion as well. He insisted that his comments are not against American Village Builders, Lake Michigan Credit Union or the Administration and pointed out that the parking lot was not pedestrian or traffic friendly. Discussion followed. Mayor Pro Tem Sackley cited some of the ATM's in the area and Councilmember Urban concurred.

Motion by Urban, seconded by Sackley, to receive the correspondence from American Village Builders LLC. Councilmember Campbell expressed her support of the motion, indicated that this is a security issue and she pointed out that there are seventeen ATM's within 2.5 miles of City Hall just going down Centre Avenue without considering Shaver Road or South Westnedge Avenue, all at private businesses. Mayor Strazdas concurred and indicated that it was inappropriate and not the same as co-locating antennas on water towers. Councilmember Bailes concurred. Councilmember Reid concurred and indicated the City would be favoring one business over another and distinguished this request from the livery operation at Bicentennial Park. Discussion followed. Upon a roll call vote, motion carried 7 to 0.

* **CLOSED SESSION:** Motion by Reid, seconded by Campbell, to hold a closed session immediately following the Regular City Council Meeting of May 10, 2011, to discuss an attorney/client communication. Upon a roll call vote, motion carried 7 to 0.

* **POSTING OF CITY COUNCIL COMMITTEE MEETINGS – INFORMATION ONLY:** Motion by Reid, seconded by Campbell, to receive the communication from the City Manager regarding the posting of City Council Committee Meetings as information only. Upon a roll call vote, motion carried 7 to 0.

COMMUNICATION:

PRESENTATION BY HISTORIC DISTRICT COMMISSION CHAIRPERSON MARK REILE: City Council received the Presentation by Historic District Commission Chairperson Mark Reile as information only.

MINUTES OF BOARDS AND COMMISSIONS: City Council received the minutes of the following Boards and Commissions:

Portage Historic District Commission of April 6, 2011.
Portage Park Board of April 6, 2011.
Portage Human Services Board of April 11, 2011.
Portage Planning Commission of April 21, 2011.

AD HOC COMMITTEE REPORTS:

2011 COMMUNITY SURVEY: Mayor Strazdas indicated that the Community Survey Committee consists of Councilmembers Reid and Urban and himself, and Councilmember Reid provided some background information on the Portage Community Survey and an analysis of the goals of the survey instrument. Mayor Strazdas asked for assurances that the City Councilmembers could submit questions and concerns upon the approval of the contract. Discussion followed. Motion by Reid, seconded by Urban, to award a contract to the Kercher Center for Social Research at Western Michigan University in the amount of $10,019 to conduct the 2011 Portage Community Survey and authorize the City Manager to execute all related documents. Discussion followed. Upon a roll call vote, motion carried 7 to 0.

APPROVAL OF REVISED INVESTMENT POLICY: Mayor Strazdas explained the reasons behind the impetus to revise the Investment Policy at this time and complimented the Committee for their work and offered special thanks to Jan Sackley and Councilmember Campbell for their service in this matter. Motion by Sackley, seconded by Reid, to receive the communication from the City Council Investment Committee and approve the revised Investment Policy as recommended by the Investment Committee and City Administration. Upon a roll call vote, motion carried 7 to 0.

CITY COUNCIL CUSTOMER SERVICE COMMITTEE: City Council received the Presentation by Councilmember Elizabeth Campbell regarding the recent activity of the City Council Customer Service Committee.

CITY COUNCIL BUSINESS AND THE CITY OF PORTAGE COMMITTEE: City Council received the Presentation by Councilmember Claudette Reid regarding the recent activity of the City Council Business and the City of Portage Committee.

DRAFT

NEW BUSINESS:

* **APPOINTMENTS TO VARIOUS BOARDS AND COMMISSIONS:** Motion by Reid, seconded by Campbell, to appoint Elaine Abee, Eric Alden, Renee Beranek, Taylor Bruinwood, Catherine Cartier, Matthew Cartier, Sujay Dewan, Ali Fulling, Kyle Huitt, Kitu Komya, Madelyn Krenselewski, Abhiram Krishnan, Kelcie McGowan, Kasia Mietusiewicz, Humza Mirza, Brittany Muraoka, Sarah Perry, Nate Rajpoot, Avery Roper Beebe, Genevieve Sertic, Carly Siko, Nolan Stoffer, Reinie Thomas, Tucker Webb, Chelsea Williams, Tori Wilson and Lai Zhexuan with terms ending June 30, 2012, to the Youth Advisory Committee pending a Resolution to be presented at the next Regular City Council Meeting to increase membership; to appoint Sarah Perry with term ending June 30, 2012, as Youth Participant to the Environmental Board; to reappoint Kyle Huitt with term ending June 30, 2012, as Youth Participant to the Human Services Board; to reappoint Tucker Webb with term ending June 30, 2012, as Youth Participant to the Park Board; to appoint Kitu Komya with term ending June 30, 2012, as Youth Participant to the Senior Citizens Advisory Board; to reappoint John Kounelis and Bill Leach with terms ending June 1, 2014, and appoint Gary Gilchrist with unfulfilled term ending June 1, 2012, to the Construction Board of Appeals; to reappoint Miko Dargitz, Bill Patterson and Allan Reiff with terms ending May 31, 2014, to the Planning Commission; to appoint Tim Winslow with unfulfilled term ending October 1, 2011, to the Environmental Board; and to appoint Nadeem Mirza with unfulfilled term ending October 1, 2011, to the Human Services Board. Upon a roll call vote, motion carried 7 to 0.

BID TABULATIONS:

* **PURCHASE RECOMMENDATION – REPLACEMENT VEHICLE:** Motion by Reid, seconded by Campbell, to approve the purchase of one staff sedan at a total cost of $13,368 and authorize the City Manager to execute all documents related to this purchase on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

* **RELOCATION OFFICE FURNISHINGS – PURCHASE RECOMMENDATION:** Motion by Reid, seconded by Campbell, to approve a purchase from Office Depot in the amount of $12,875 for office furnishings related to the relocation of the Parks Department and authorize the City Manager to execute all documents related to this action of behalf of the city. Upon a roll call vote, motion carried 7 to 0.

RECESS: 10:04 p.m.
RECONVENE: 10:31 p.m.

CLOSED SESSION: Motion by Sackley, seconded by Bailes, to uphold the disclosure denial of Scott Anderson for the reason that the one page NLETS and the 9-PAGE LEIN records can not be released due to provisions of Michigan State Law.

OTHER CITY MATTERS:

STATEMENTS OF CITIZENS: James Pearson, 3004 East Shore Drive, expressed an interest in placing satisfaction with neighborhood streets back into the survey and announced for the second time that a public hearing will be held by the Governmental Austin Lake Board at 6:00 p.m., Wednesday, May 18, 2011, City Hall Council Chambers on the practicability of doing Bioaugmentation and Aeration of Austin Lake.

DRAFT

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Councilmember Randall congratulated the Portage Northern High School Forensics Team for taking their tenth consecutive Michigan State Title and the Portage Central High School Forensics Team for placing Second in the State last weekend.

Mayor Pro Tem Sackley mentioned that the State Farm Insurance Company has consolidated operations by closing all of its offices but two, one in Livonia and one in Portage. He also talked about the visit from U.S. Transportation Secretary Ray LaHood, who signed and delivered to Governor Rick Snyder a $199,309,608.00 Federal grant check this afternoon at downtown Detroit's Amtrak station that will pay to upgrade rail lines and enable high-speed passenger train service between Dearborn and Kalamazoo. He also announced the Riparian Association Meeting that will precede the Governmental Austin Lake Board by two days, Monday, May 16, 2011 at 7:00 p.m. at Lake Center Elementary School to discuss the practicability of the Bioaugmentation and Aeration of Austin Lake.

Mayor Strazdas expressed appreciation to the community for recently coming together with: the Portage Crop Hunger Walk 2011 where 471 walkers raised over $33,000; Golf for the Arts to raise funds for the Summer Entertainment Series; the AFE group of KRESA where businesses provide opportunities for youth to job shadow; and, the National Day of Prayer.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 10:41 p.m.

_____

James R. Hudson, City Clerk

***Indicates items included on the Consent Agenda.**

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 16, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Accounts Payable Register

ACTION RECOMMENDED: That City Council approve the Accounts Payable Register of May 24, 2011 as presented.

Attached please find the Accounts Payable Register for the period May 1, 2011 through May 15, 2011, which is recommended for approval.

c: Daniel S. Foecking, Finance Director

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
05/06/2011	276062	STATE OF MICHIGAN	3988	208.00
05/13/2011	276063	AT&T	849	3,825.35
05/13/2011	276064	A-1 AMERICAN FLAGPOLES & FLAGS	2656	249.00
05/13/2011	276065	ALL-PHASE ELECTRIC SUPPLY CO.	108	65.00
05/13/2011	276066	ALLDATA, LLC	4676	1,200.00
05/13/2011	276067	ALLEGRA PRINT & IMAGING	533	293.19
05/13/2011	276068	AMERICAN SAFETY & FIRST AID	113	71.79
05/13/2011	276069	TODD ARBANAS ENTERPRISES INC.	1704	4,375.00
05/13/2011	276070	AREA DEVELOPMENT	999999	75.00
05/13/2011	276071	AUMACK, MICHAEL	670	117.50
05/13/2011	276072	AUTOMATIC DATA PROCESSING	3305	885.66
05/13/2011	276073	B M I SUPPLY	4669	1,936.33
05/13/2011	276074	B S & A SOFTWARE	1148	6,775.00
05/13/2011	276075	BAILEY, KEITH & PATSY	999999	180.00
05/13/2011	276076	BALKEMA EXCAVATING, INC.	130	3,560.00
05/13/2011	276077	BDO USA, LLP	136	5,000.00
05/13/2011	276078	BEACON ATHLETICS	4168	192.17
05/13/2011	276079	BEVERIN, TYLER	4683	126.00
05/13/2011	276080	BILL'S LOCK SHOP, INC.	146	95.00
05/13/2011	276081	BLOOMBERG BUSINESSWEEK	999999	30.00
05/13/2011	276082	BOOTH NEWSPAPERS INC	89	2,844.24
05/13/2011	276083	BORGESS HEALTH ALLIANCE	151	107.00
05/13/2011	276084	BOYNE USA RESORTS	999999	416.98
05/13/2011	276085	BRANCH, JOYCE	999999	282.00
05/13/2011	276086	BRINK WOOD PRODUCTS, INC.	3537	1,213.29
05/13/2011	276087	BRINK'S, INC	153	252.73
05/13/2011	276088	BROWN, JOHN BARNARD	3990	500.00
05/13/2011	276089	BYHOLT INC.	68	773.43
05/13/2011	276090	CARROLL COUNTY WABASH AND	999999	552.00
05/13/2011	276091	CHARTER COMMUNICATIONS	3080	170.39
05/13/2011	276092	CINTAS CORP.	2206	1,097.62
05/13/2011	276093	CITY OF KALAMAZOO (TRANS MILLA	4649	40.98
05/13/2011	276094	CITY OF KALAMAZOO TREASURER	540	48.07
05/13/2011	276095	CITY OF PORTAGE	177	3,232.57
05/13/2011	276096	CLEMENT COMMUNICATIONS	835	209.64
05/13/2011	276097	COCHRANE, TERRANCE & MARY	999999	80.00
05/13/2011	276098	CONSUMERS ENERGY	743	43,332.30
05/13/2011	276099	CONSUMERS ENERGY - KALAMAZOO	190	2,373.00
05/13/2011	276100	CONSUMERS ENERGY-BILL PMT CNT	189	11,663.63
05/13/2011	276101	COSTAR REALTY INFORMATION, INC	4620	282.00
05/13/2011	276102	CROSSROADS CAR WASH	195	26.00
05/13/2011	276103	CROSSROADS EXPERT AUTO SERVICE	4109	12.09
05/13/2011	276104	CROWN TROPHY	2790	520.00
05/13/2011	276105	CUMMINGS BRIDGEWAY LLC	745	149.35
05/13/2011	276106	D & D PRINTING CO.	920	220.00
05/13/2011	276107	D & R SPORTS CENTER, INC.	4222	60.00
05/13/2011	276108	DAUDERT, CHARLES	999999	165.00
05/13/2011	276109	DEGRAFF, JOAN	999999	100.00
05/13/2011	276110	DETROIT MARRIOTT	999999	190.00
05/13/2011	276111	JACK DOHENY SUPPLIES INC.	69	1,623.16
05/13/2011	276112	DRENTH, JACOB	4542	258.50

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
05/13/2011	276113	EAST JORDAN IRON WORKS	226	3,051.25
05/13/2011	276114	EDWARDS INDUSTRIAL SALES, INC.	228	48.75
05/13/2011	276115	EMERGENCY VEHICLE PRODUCTS	2948	12,348.68
05/13/2011	276116	F D LAKE COMPANY	985	389.96
05/13/2011	276117	FIRST IMAGE	1679	100.00
05/13/2011	276118	FLETCHER ENTERPRISES	1399	888.00
05/13/2011	276119	FREEDOM COMMUNICATIONS INC	999999	5.50
05/13/2011	276120	FULTON & SONS INC., JAMES E	562	5,130.00
05/13/2011	276121	GALL'S, AN ARAMARK COMPANY	25	410.91
05/13/2011	276122	GORDON WATER SYSTEMS	517	275.50
05/13/2011	276123	GRAHAM FORESTRY SERVICE, INC.	464	1,080.00
05/13/2011	276124	GREAT LAKES INSULATION, INC.	1913	4,743.00
05/13/2011	276125	GRIFFIN PEST CONTROL, INC.	598	250.00
05/13/2011	276126	HAMILTON, SHIRLEY	999999	242.00
05/13/2011	276127	HAMMER, KEN & ERIN	999999	59.57
05/13/2011	276128	HAVENS, ELAINE	999999	96.00
05/13/2011	276129	HESSLER, BILL	999999	77.00
05/13/2011	276130	HOADLEY, LEO	4228	135.00
05/13/2011	276131	HOCKEY SERVICES	2898	320.00
05/13/2011	276132	HOEKSTRA ROOFING CO.	1186	8,150.00
05/13/2011	276133	HOME DEPOT	691	214.93
05/13/2011	276134	HOSPITAL NETWORK HEALTHCARE SE	4482	55.00
05/13/2011	276135	HUSEN, LINDA	999999	1,620.00
05/13/2011	276136	IERVOLINA, SUSAN	2074	140.00
05/13/2011	276137	IP CONSULTING, INC.	4642	990.00
05/13/2011	276138	IRISH AYRES ENTERPRISES, LLC	4143	10,689.00
05/13/2011	276139	J & J LAWN SERVICE, INC.	457	1,000.00
05/13/2011	276140	J B PRINTING COMPANY	1595	1,014.30
05/13/2011	276141	J P CONTROLS	77	237.00
05/13/2011	276142	JOHNSON OUTDOORS INC	3261	38.02
05/13/2011	276143	KAL CO MEDICAL CONTROL AUTH	735	20.02
05/13/2011	276144	KALAMAZOO CONCERT BAND	481	1,800.00
05/13/2011	276145	KALAMAZOO COUNTY TREASURER	514	3,969.89
05/13/2011	276146	KALAMAZOO COUNTY TREASURER	514	196.68
05/13/2011	276147	KALAMAZOO LANDSCAPE SUPPLIES	90	2,065.03
05/13/2011	276148	KALAMAZOO REG'L EDUC SVS AGENG	721	1,709.02
05/13/2011	276149	KALAMAZOO VALLEY COMMUNITY COL	230	994.87
05/13/2011	276150	KAR LABORATORIES	1899	287.50
05/13/2011	276151	KASTEN INSULATION SERVICES, IN	4510	1,580.00
05/13/2011	276152	KENDALL ELECTRIC, INC.	231	123.23
05/13/2011	276153	KOPEC, CASEY	4409	132.00
05/13/2011	276154	KUIPER BROTHERS MOVING INC.	1066	178.00
05/13/2011	276155	KUIPER BUILDING SERVICES, LLC	4454	6,500.00
05/13/2011	276156	KZOO TIRE COMPANY	564	348.00
05/13/2011	276157	LAKESHORE ENVIRONMENTAL INC	4320	7,000.00
05/13/2011	276158	LAWSON PRODUCTS, INC	240	1,092.85
05/13/2011	276159	THE LIFEGUARD STORE	1878	213.00
05/13/2011	276160	LOCEY SWIM POOL CO.	243	200.65
05/13/2011	276161	MAIL MANAGEMENT	2130	1,008.00
05/13/2011	276162	MCDONALD'S TOWING & RESCUE, IN	728	290.00
05/13/2011	276163	MCNALLY ELEVATOR CO.	256	86.98

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
05/13/2011	276164	MEDEMA, TIMOTHY	4406	52.50
05/13/2011	276165	MI ASSOC. OF CHIEFS OF POLICE	2157	245.00
05/13/2011	276166	MICHIGAN ASSESSOR'S ASSOC.	763	75.00
05/13/2011	276167	MICHIGAN ELECTION RESOURCES, L	264	1,220.00
05/13/2011	276168	MICHIGAN KAL ELECTRONICS, INC.	266	358.15
05/13/2011	276169	MOORE MEDICAL, LLC	3850	915.91
05/13/2011	276170	MORDAS, DON	4003	188.00
05/13/2011	276171	MYBINDING.COM	4679	124.00
05/13/2011	276172	NEW FRESH CLEANING SERVICE	4351	5,367.00
05/13/2011	276173	A NEW LEAF	635	85.00
05/13/2011	276174	NYE UNIFORMS	299	322.68
05/13/2011	276175	OCWEN LOAN SERVICING LLC	999999	8.57
05/13/2011	276176	OFFICE DEPOT, INC.	1721	406.44
05/13/2011	276177	ONE WAY PRODUCTS	440	268.02
05/13/2011	276178	OPALEWSKI, DONALD	999999	213.00
05/13/2011	276179	P C MALL GOV. INC.	3945	11,928.00
05/13/2011	276180	PAPER CENTRAL	2623	6,357.78
05/13/2011	276181	PATESEL, TERRY	4455	146.50
05/13/2011	276182	JACK PEARL'S SPORT CENTER INC	561	406.86
05/13/2011	276183	PETERS CONSTRUCTION CO.	1638	1,476.73
05/13/2011	276184	PETTY CASH-SENIOR CENTER	537	228.45
05/13/2011	276185	PETTY CASH-SENIOR CENTER	537	.00
05/13/2011	276186	PORTAGE CENTRAL HIGH SCHOOL	999999	90.00
05/13/2011	276187	PORTAGE DISTRICT LIBRARY	810	1,335.83
05/13/2011	276188	PORTAGE PUBLIC SCHOOLS	590	3,760.52
05/13/2011	276189	THE POSTMAN	2633	3,996.00
05/13/2011	276190	PROFESSIONAL TREE SERVICE, INC	321	1,375.00
05/13/2011	276191	PROJECT FISH	4273	144.00
05/13/2011	276192	PURITY CYLINDER GASES, INC	323	61.28
05/13/2011	276193	RATHCO SAFETY SUPPLY, INC.	327	70.00
05/13/2011	276194	RELIABLE MANAGEMENT SYSTEMS, I	4354	331.00
05/13/2011	276195	REPUBLIC WASTE SERVICES OF W M	4443	41,315.76
05/13/2011	276196	REPUBLIC WASTE SERVICES OF W M	4443	977.97
05/13/2011	276197	RIDGE AUTO NAPA	438	1,657.05
05/13/2011	276198	RIVERSIDE INTEGRATED SYSTEMS,	3598	296.66
05/13/2011	276199	ROAD EQUIPMENT PARTS CENTER	339	96.65
05/13/2011	276200	ROMENCE GARDENS, INC	343	142.16
05/13/2011	276201	SCHMITT, TRACY	532	160.00
05/13/2011	276202	SCHURING'S RETAIL GREENHOUSE	4519	285.00
05/13/2011	276203	SHOUT	4663	1,500.00
05/13/2011	276204	SHOW ME CABLES	4647	188.59
05/13/2011	276205	SIG ARMS, INC.	2201	45.00
05/13/2011	276206	SIMMONS, DAN	4684	40.00
05/13/2011	276207	SIRCHIE FINGER PRINT LABORATOR	786	86.54
05/13/2011	276208	SKILLQUEST INTERNATIONAL LLC	456	1,400.00
05/13/2011	276209	SLAGER CONSTRUCTION	3593	736.69
05/13/2011	276210	SPENCER, SUZANNE	999999	242.00
05/13/2011	276211	STATE INDUSTRIAL PRODUCTS CORP	2010	926.17
05/13/2011	276212	STATE OF MICHIGAN (DOT)	368	13,694.38
05/13/2011	276213	STATE SYSTEMS RADIO, INC	369	293.00
05/13/2011	276214	STAYWELL/KRAMES	1477	215.85

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
05/13/2011	276215	STEENSMA LAWN & POWER EQUIPMEN	3222	103.89
05/13/2011	276216	SUPERIOR ASPHALT, INC.	4183	1,650.00
05/13/2011	276217	SUPERIOR EQUIPMENT LLC	1107	1,689.80
05/13/2011	276218	T D S METROCOM, LLC	4539	2,939.67
05/13/2011	276219	T-MOBILE USA INC	3665	29.99
05/13/2011	276220	TAYLOR, JEFF	4436	188.00
05/13/2011	276221	TECHNOLOGY SOLUTIONS	4612	2,468.75
05/13/2011	276222	TERMINAL SUPPLY CO.	380	55.83
05/13/2011	276223	THE CHURCH OF JESUS CHRIST	999999	296.56
05/13/2011	276224	THOMPSON PUBLISHING GROUP	385	428.50
05/13/2011	276225	JOHANNA THOMPSON	4682	628.00
05/13/2011	276226	THOMPSON, JOHANNA	999999	3,665.50
05/13/2011	276227	THOMPSON, JOHANNA	999999	41.75
05/13/2011	276228	THOMSPON, JOHANNA	999999	30.00
05/13/2011	276229	TRACTOR SUPPLY CORP.	2817	14.47
05/13/2011	276230	TWIN DATA CORPORATION	2913	258.00
05/13/2011	276231	U S POSTMASTER	391	3,481.00
05/13/2011	276232	UNITED PARCEL SERVICE	545	833.79
05/13/2011	276233	UNITED PARTY & EVENT SERVICES	2177	588.00
05/13/2011	276234	UNITED PARTY & EVENT SERVICES	2177	93.75
05/13/2011	276235	USA TODAY	999999	195.00
05/13/2011	276236	USA TODAY	999999	195.00
05/13/2011	276237	VALUETEC APPRAISAL SERVICES, I	4681	225.00
05/13/2011	276238	VANATTA, JOYCE	999999	90.00
05/13/2011	276239	VANDER VEEN, DONALD	4230	92.00
05/13/2011	276240	VANDERBILT, JOHN	668	329.00
05/13/2011	276241	WALKER, SCOTT & REBECCA	999999	80.00
05/13/2011	276242	WASHCO, LLC	1104	1,770.00
05/13/2011	276243	WEDEL'S INC.	410	392.34
05/13/2011	276244	WEIGHT WATCHERS INTERNATIONAL	999999	90.92
05/13/2011	276245	WEINBERG, JACKLYN	999999	90.00
05/13/2011	276246	WILSON, RODNEY	999999	44.00
05/13/2011	276247	WINDEMULLER ELECTRIC, INC.	3061	3,152.50
05/13/2011	276248	WINDER POLICE EQUIPMENT, INC.	429	154.99
05/13/2011	276249	WINTERBURN, JOHN	999999	615.00
05/13/2011	276250	WOLVERINE POWER SYSTEMS	4322	1,274.50
05/13/2011	276251	DAN WOOD COMPANY	2019	696.28
05/13/2011	276252	PETTY CASH-CITY HALL	767	463.08
			DATE RANGE TOTAL *	320,942.60 *

PAYMENT NO	VENDOR NO	VENDOR NAME	TRANSFER DATE	AMOUNT	TRACE NUMBER	EFT BATCH	BANK CODE
230		ALRO STEEL CORPORATION	05/13/2011	23.47	072000320000001	0000001	00
231		ANDRUS TRAVEL, GAIL	05/13/2011	630.00	072000320000002	0000001	00
232		ANIMAL REMOVAL SERVICE, LLC	05/13/2011	375.00	072000320000003	0000001	00
233		ARGUS-HAZCO	05/13/2011	5,195.90	072000320000004	0000001	00
234		B & B YARDSCAPE	05/13/2011	5,225.00	072000320000005	0000001	00
235		BATTERIES PLUS	05/13/2011	136.68	072000320000006	0000001	00
236		BEEBE, RON	05/13/2011	188.00	072000320000007	0000001	00
237		BRENNER OIL CO.	05/13/2011	20,544.64	072000320000008	0000001	00
238		EMPLOYMENT GROUP, INC.	05/13/2011	1,716.06	072000320000009	0000001	00
239		ENGINEERED PROTECTION SYSTEMS, INC.	05/13/2011	126.00	072000320000010	0000001	00
240		ETNA SUPPLY, INC.	05/13/2011	909.60	072000320000011	0000001	00
241		GRAINGER INC, W W	05/13/2011	400.44	072000320000012	0000001	00
242		HI-TECH ELECTRIC CO.	05/13/2011	2,560.00	072000320000013	0000001	00
243		INDUSCO SUPPLY CO., INC.	05/13/2011	570.56	072000320000014	0000001	00
244		KEHOE, EDWARD J	05/13/2011	260.00	072000320000015	0000001	00
245		MCCARTHY SMITH LAW GROUP, PLC	05/13/2011	3,419.66	072000320000016	0000001	00
246		PACIFIC TELEMGMT SERVS, JAROTH INC	05/13/2011	303.00	072000320000017	0000001	00
247		PARKER, ROBERT	05/13/2011	188.00	072000320000018	0000001	00
248		PLEUNE SERVICE COMPANY	05/13/2011	9,762.00	072000320000019	0000001	00
249		PRECISION PRINTER SERVICES INC	05/13/2011	1,359.39	072000320000020	0000001	00
250		ROBERTS, CHARLES D	05/13/2011	141.00	072000320000021	0000001	00
251		SARCOM, INC	05/13/2011	203.60	072000320000022	0000001	00
252		SNELL, DEBRA	05/13/2011	127.00	072000320000023	0000001	00
253		THOMPSON, HELENE	05/13/2011	133.00	072000320000024	0000001	00
254		U S SIGNAL COMPANY, LLC	05/13/2011	549.00	072000320000025	0000001	00
255		UNITED WATER NACO LLC	05/13/2011	175,701.45	072000320000026	0000001	00
256		VISION SERVICE PLAN INSURANCE CO	05/13/2011	2,217.33	072000320000027	0000001	00
257		WEST, STEVE	05/13/2011	141.00	072000320000028	0000001	00

GRAND TOTAL: 233,106.78 NO. OF CHECKS: 28

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** April 14, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: 2011 Amended Tax Increment Finance Plan/2011 Development Plan

ACTION RECOMMENDED: That City Council:

a. consider adoption of the resolution receiving an amended development plan, which is part of an amended tax increment financing plan, from the City of Portage Downtown Development Authority and setting a public hearing for May 24, 2011; and
b. consider approval of the first reading of an ordinance amendment to approve the 2011 Amended Plan, with final action scheduled for June 28, 2011.

The City Administration recommends that City Council facilitate economic expansion in the City of Portage Downtown Development Authority (DDA) along Trade Centre Way, north of I-94 and west of South Westnedge Avenue. As City Council is aware, there have been ongoing discussions with private property owners involving additional, new private investments. Roger Hinman and Joseph Gesmundo plan to develop new projects that include an upscale motel, as well as another multi-story office building. These projects will have an anticipated market value of more than $12 million and involve several hundred new jobs. Future projects are also anticipated that will involve restaurant, retail and office facilities. This initiative is exciting news for the community, particularly given the past several years in which the State of Michigan has experienced an economic recession of unparalleled scale as compared with the last 30 years.

Item F3 on the April 26, 2011 City Council Meeting Agenda includes a related action to initiate the Trade Centre Way Improvement and Relocation Special Assessment Project #997-R. This special assessment project is in response to a petition received from H&G 2, LLC, and Trade Centre Holdings, LLC. These two actions involving Project #997 and the 2011 Amended Tax Increment Finance Plan/2011 Development Plan are necessary for the successful implementation of this initiative.

This recommended economic expansion initiative follows several highly successful efforts by the city that began in 1998 and continued through 2005. These efforts will be renewed this year to again foster private development, grow the tax base in Portage and in Kalamazoo County, and generate new job opportunities for area residents. As brief background for the Council:

- In 1998, the City Administration presented the Community Investment Initiative, for City Council consideration, which involved the establishment of the City of Portage Downtown Development Authority (DDA) north of I-94 along the South Westnedge Avenue Commercial Corridor. With the creation of the DDA, public street (Market Place and West Fork Crossing) and sanitary sewer infrastructure were financed and completed that resulted in significant investment in the community by several property owners.
- In 2003, action to promote economic expansion using the DDA to finance public improvements was again approved to further induce redevelopment of deteriorating properties and new development on previously inaccessible vacant land. Construction of Trade Centre Way from West Fork Crossing west, together with public storm drainage facilities and water main utilities, were financed and constructed.
- In 2005, a related program -- the South Westnedge Enhancement Project (SWEPs) -- was approved. This project proposed public street and utility improvements along this commercial corridor with funding to be provided from multiple sources including DDA financing. The planned improvement of South Westnedge Avenue was designed to occur with the reconstruction and widening of I-94 and interchange reconstruction

activities by the State of Michigan. The enhancements to South Westnedge Avenue included widening, intersection signalization, boulevard construction and related activities to improve traffic safety and flow, encourage economic development, enhance the aesthetic character of the corridor and protect adjacent neighborhoods.

Today these initiatives in the DDA have resulted in new and redeveloped properties by multiple businesses exceeding approximately 607,000 square feet of building space and representing $46 million of estimated market value, with more than 1,400 full- and part-time employment opportunities.

The following specific activities are proposed by the City of Portage to stimulate additional development in the Trade Centre area and along South Westnedge Avenue in the DDA:

TRADE CENTRE AREA (2011)

1. Property Acquisition. Vacant land will be purchased as right-of-way for the purpose of constructing a relocated Trade Centre Way – West Fork Crossing intersection to improve access to The Trade Centre area from South Westnedge Avenue. Properties will be transferred to accommodate public street, utility and storm drainage facilities between private property owners, with the State of Michigan and the City of Portage.
2. Construction of Public Street and Storm Drainage Facilities. Public street, utility, storm water drainage, street lighting, landscaping and related improvements will be completed at South Westnedge Avenue and Trade Centre Way, along Trade Centre Way and along the south 500 feet of West Fork Crossing.

The costs associated with the property acquisition and the public infrastructure construction are to be financed through a framework involving a petitioned special assessment from the property owners, H&G 2, LLC, and Trade Centre Holdings, LLC, and the future capture of tax increment revenue from private development within the 15 acre Trade Centre area. As an incentive, when sufficient tax increment is available from development within the Trade Centre area, the property owners will receive a credit up to the amount of the annual special assessment for that particular year if those tax increment amounts have been paid by the DDA to the City of Portage in that year. A Development Agreement that contains the provisions between the parties including the special assessment payments by the Developer, and the bond principal and interest payments, will be finalized by City of Portage Bond Counsel and City Administration, presented to the DDA Board of Directors for review and to City Council for approval.

SOUTH WESTNEDGE ENHANCEMENT PROJECTS (SWEPs)

As an added element, financing public improvements through the DDA that are included in SWEPs are also recommended as part of this initiative. A total of $1.25 million of public improvements are proposed:

1. Public street construction. Widening of South Westnedge from Market Place to Kilgore Road including land acquisition, design and related street and utility activities.
2. Signalization/Overhead utility/Access management. Public activities to facilitate safe and efficient traffic flow along this commercial corridor, enhance aesthetics and protect existing neighborhoods.

These SWEPs elements were incorporated into the FY2005-15 Capital Improvement Program (CIP). Consistent with this proposal and as revised in the upcoming FY2011-21 CIP, the public improvements are projected to be accomplished beginning in 2018. Upon implementation, financing will be through the DDA utilizing bonds to be paid with tax increment revenue captured from anticipated private investments.

With specific regard to the economic impact of this next phase of development in the DDA, the additional investment within the DDA will benefit the City of Portage and the other partnering local taxing units. Pursuant to Act 197 of 1975, as amended, and the public-private cooperative venture enabled by this statute, the millage levied by the City of Portage, Kalamazoo County, Kalamazoo Valley Community College and the Portage District Library on new development within the DDA will be captured. While the county, community college and district library do not provide direct public services and do not directly expend tax revenues in this area of the City of Portage, current tax revenue to these taxing units will continue. Only the

new tax increment from new development is captured. With the anticipated financing, the capability to foster private investment in the DDA can be accomplished with special assessment payments and tax increment revenues. No new taxes will be required to finance the needed infrastructure improvements.

Documents associated with the proposed initiative including the amendment of the Tax Increment Finance Plan/Development Plan, new Development Agreement, resolutions, public notices and related materials will be completed over the next several months by the City Administration with the assistance of Bond Counsel and presented to the City Council and the DDA Board of Directors for formal action. Also, the meeting agenda item that involves Special Assessment Project #997-R will initiate the special assessment process including the special assessment costs, preliminary special assessment roll and bond process necessary to finance the public infrastructure improvements and public activities.

The DDA Board of Directors met on April 13, 2011 and considered the 2011 Amended Plan. The Board voted unanimously to approve the 2011 Amended Plan and forward the document to City Council. The City Administration recommends that City Council adopt the resolution receiving the 2011 Amended Plan and set a public hearing for May 24, 2011. It is further recommended that the ordinance to approve the 2011 Amended Plan be given first reading, with final action to adopt the ordinance scheduled for June 28, 2011.

Attachments: City of Portage DDA Map
DDA Board of Directors Resolution Approving and Authorizing Transmission of the 2011 Amended Plan
City Council Resolution Receiving the 2011 Amended Plan and Setting a Public Hearing (with the Plan)
Ordinance to approve the 2011 Amended Plan (First reading)

CITY OF PORTAGE
A Place for Opportunities to Grow

Downtown Development Authority

Downtown Development Authority Area

DOWNTOWN DEVELOPMENT AUTHORITY
1998-2011 LEVEL OF INVESTMENT

Business	Address	Year Established	Site Acres	Building Area	Jobs [a]	Estimated Market Value [b]
Meijer Inc. Gas	5121 S. Westnedge	1998	1	2,400	10	$918,502
Rite Aid (vacant)	5003 S. Westnedge	1998	1.25	11,060		$1,541,988
Subtotals		1998	2.25	13,460	10	$2,460,490
Gander Mountain	5348 S. Westnedge	1999	5	80,000	60	$2,994,509
Subtotals		1999	5	80,000	60	$2,994,509
Hooters	5250 S. Westnedge	2000	1	4,000	110	$1,065,274
Subtotals		2000	1	4,000	110	$1,065,274
Lowe's	5108 S. Westnedge	2001	15	135,000	200	$11,364,447
Subtotals		2001	15	135,000	200	$11,364,447
Trade Center I	750 Trade Centre Way	2003	5	78,494	290	$11,234,786
Subtotals		2003	5	78,494	290	$11,234,786
I-Hop	5321 S. Westnedge	2004	0.9	4,500	75	$1,415,821
Mongolian BBQ	5315 S. Westnedge	2004	0.9	6,000	75	$1,525,070
Subtotals		2004	1.8	10,500	150	$2,940,891
Meijer Inc. (remodel)	5152 S. Westnedge	2006	19	216,427	330	$1,500,000
Subtotals		2006	19	216,427	330	$1,500,000
Trade Center II [c]	950 Trade Centre Way	2007	9.4	111,705	275	$11,278,000
Subtotals		2007	9.4	111,705	275	$11,278,000
Old Chicago [d]	5314 S. Westnedge	2011	1.7	8,000	50	$1,359,621
Subtotals		2011	1.7	8,000	50	$1,359,621
Totals			60.15	607,586	1,475	$46,198,018

a. Includes new or retained full and part time jobs as reported by the business owner
b. Estimated market value as reported by the City Assessor
c Facility is adjacent to the DDA
d. Old Chicago will occupy the former Bennigans facility in the summer of 2011. Value based on the Bennigans facility

N

0 250 500 1,000 Feet

Date of Photography: March 2009

h: R:\GIS\ADMIN\karl\projects\DEPTS\COM DEV\DDA-WESTNEDGE\DDA_logos_2011.mxd

CITY OF PORTAGE
DOWNTOWN DEVELOPMENT AUTHORITY

At a regular meeting of the Board of the City of Portage Downtown Development Authority (the "Authority") held in the Portage City Hall, in the City of Portage, Michigan on April 13, 2011 at 8:00 a.m. Eastern Daylight Savings Time, there were:

PRESENT: Matt Milks, Terry Patterson, Jeff Chrystal, Ron Dunlop, Walt Hansen, James Huberty, Ben Boyer, Rich MacDonald

ABSENT: None

The following preamble and resolution were offered by Chrystal and seconded by Boyer.

RESOLUTION APPROVING AND AUTHORIZING
TRANSMISSION OF 2011 AMENDED DEVELOPMENT PLAN
AND 2011 AMENDED TAX INCREMENT FINANCING PLAN TO THE
CITY COUNCIL

WHEREAS, the City of Portage Downtown Development Authority (the "Authority") has been duly incorporated by the City of Portage (the "City") pursuant to Act No. 197 of the Public Acts of Michigan of 1975, as amended (the "Act") and the Board of the Authority has been duly appointed and sworn into office, and

WHEREAS, the Board has received and reviewed an Amended Development Plan (the "2011 Development Plan") meeting the requirements of Section 17 of the Act which is a part of an Amended Tax Increment Financing Plan (the "2011 Amended Tax Increment Financing Plan") together (the "Plan") meeting the requirements of Section 14 of the Act, and

WHEREAS, this Board approves the Plan, a copy of which is attached to this resolution as Exhibit A *(the plan will be attached when in final form)*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF PORTAGE DOWNTOWN DEVELOPMENT AUTHORITY as follows:

1. The 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan (together the "Plan") attached hereto as Exhibit A are hereby approved for submission to the City Council of the City of Portage as required by the Act.

2. The City Council of the City of Portage is requested to call a public hearing on the Plan as required by the Act.

3. The President of the Authority is authorized to transmit the Plan to the City Council of the City of Portage.

The results of a roll-call vote on the foregoing resolution were as follows:

YES: All

NO: None

ABSTAIN: None

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

SECRETARY'S CERTIFICATE

The undersigned, being the duly qualified and acting Secretary of the Board of the City of Portage Downtown Development Authority, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Board at a regular meeting held on April 13, 2011, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records of the proceedings of the Board in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended), and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Secretary

las.r1-por188

CITY OF PORTAGE

At a regular meeting of the City Council of the City of Portage, County of Kalamazoo, held in the Portage City Hall, in Portage, Michigan, on April 26, 2011 at 7:30 p.m. Eastern Daylight Savings Time, there were:

PRESENT: Bailes, Campbell, Randall, Reid, Sackley, Strazdas, Urban

ABSENT: None.

The following resolution was offered by Urban and was seconded by Reid:

RESOLUTION RECEIVING A 2011 AMENDED DEVELOPMENT PLAN WHICH IS A PART OF A 2011 AMENDED TAX INCREMENT FINANCING PLAN FROM THE DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF PORTAGE AND SETTING A PUBLIC HEARING THEREON

WHEREAS, pursuant to the provisions of Act No. 197, Public Acts of Michigan of 1975, as amended (the "Act"), the City of Portage has established the Downtown Development Authority of the City of Portage (the "Authority") so it can create and implement a 2011 Amended Development Plan and a 2011 Amended Tax Increment Financing Plan to develop part of the City of Portage within a Downtown Development District approved by the City Council.

WHEREAS, the Authority has approved a 2011 Amended Development Plan as a part of a 2011 Amended Tax Increment Financing Plan (collectively the "Plans") copies of which are on file with the City Clerk, and

WHEREAS, pursuant to the Act, it is necessary that the City Council hold a public hearing on the Plans after notice as provided in the Act,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTAGE, as follows:

1. The City of Portage has received and filed with the City Clerk copies of the Plans approved by the Downtown Development Authority of the City of Portage.

2. A hearing on both the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan shall be held

on May 24, 2011 at the City Hall, 7900 South Westnedge Avenue, in the City of Portage at7:30 p.m. Eastern Daylight Savings Time.

3. The City Clerk shall publish a Notice of Public Hearing in the form attached hereto as Attachment A twice in the Kalamazoo Gazette, a newspaper of general circulation in the City of Portage as required in the Act.

The results of a roll-call vote on the foregoing resolution were as follows:

YES: Bailes, Campbell, Randall, Reid, Sackley, Strazdas, Urban

NO: None.

ABSTAIN: None.

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan, held on the 26th day of April, 2011, the original of which is in the official proceedings of the City Council.

James R. Hudson, City Clerk

las.r6-por188

ATTACHMENT A

NOTICE OF PUBLIC HEARING

**TO: THE RESIDENTS AND TAXPAYERS
OF THE CITY OF PORTAGE
AND PROPERTY OWNERS IN THE
FOLLOWING TAXING UNITS:
THE CITY OF PORTAGE,
THE COUNTY OF KALAMAZOO,
THE KALAMAZOO VALLEY COMMUNITY COLLEGE, AND
THE PORTAGE DISTRICT LIBRARY**

PLEASE TAKE NOTICE, that the City Council of the City of Portage will hold a public hearing on the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan as approved by the Downtown Development Authority of the City of Portage pursuant to Act No. 197 of the Public Acts of Michigan of 1975, as amended, which will relate to public projects in the Downtown Development Authority District approved heretofore by the City Council which hearing will be held on May 24, 2011, at 7:30 p.m. Eastern Daylight Savings Time in the City Hall at 7900 South Westnedge Avenue, Portage, Michigan.

PLEASE TAKE FURTHER NOTICE that a representation of the property to which the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan applies in relation to highways and streets is shown on the accompanying map.

[INSERT MAP]

Maps, plats, and a copy of the proposed 2011 Amended Development Plan, which is a part of the 2011 Amended Tax Increment Financing Plan including the method of relocating families and individuals who may be displaced from the area, are available for public inspection at the City Hall, 7900 South Westnedge Avenue, at the office of the City Clerk.

PLEASE TAKE FURTHER NOTICE that at the hearing the City Council will provide an opportunity for interested persons to be heard and will receive and consider communications in writing with reference to the matter it being the intention of the City Council to provide the fullest opportunity for expression of opinion, for argument on the merits and for introduction of

documentary evidence pertinent to the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan. These actions are being considered to create jobs and business opportunities in the City of Portage, Kalamazoo County.

Written comments to the City of Portage prior to the public hearing are also welcome.

James R. Hudson
City Clerk

Published: _____

Las.r6-por188

THIS TRANSMITTED COPY OF THE PLAN IS TO BE PLACED ON FILE WITH THE CITY CLERK WHEN THE ORDINANCE IS INTRODUCED ON APRIL 26, 2011

2011 Amended Tax Increment Finance Plan /2011 Amended Development Plan

City of Portage
Downtown Development Authority

April 13, 2011

Department of Community Development
7900 South Westnedge Avenue
Portage, Michigan 49002
(269) 329-4477
(269) 329-4506 Fax

Reviewed by:
Axe & Ecklund, P.C.
Suite 360
21 Kercheval Avenue
Grosse Pointe Farms, Michigan 48236
(313) 884-1550

DOWNTOWN DEVELOPMENT AUTHORITY BOARD

Terry V. Patterson, President

Benjamin J. Boyer, Vice President

Jeff Chrystal

Walter Hansen

James Huberty

Rich MacDonald

Matthew Milks

Maurice S. Evans

CITY OF PORTAGE OFFICIALS

CITY COUNCIL

Peter J. Strazdas, Mayor

Edward J. Sackley III, Mayor Pro Tem

Cory Bailes

Patricia Randall

Claudette S. Reid

Terry R. Urban

CITY MANAGER

Maurice S. Evans

CITY CLERK

James Hudson

FINANCE DIRECTOR

Daniel Foecking

COMMUNITY DEVELOPMENT DIRECTOR

Jeffrey M. Erickson

Table of Contents

Table of Contents page 4

Part I: Development Plan page 5

Part II: Tax Increment Financing Plan page 32

Appendices page 40

Appendices

· Appendix 1, Legal Description and DDA District Map
· Appendix 2, Existing Street, Water and Sewer Map
· Appendix 3, Existing Land Use Map
· Appendix 4, Future Land Use Map
· Appendix 5, Public/Right-of-way Improvements Map
· Appendix 6, 2003 Land Purchase Project Map
· Appendix 7, DDA Effect on Taxing Jurisdictions
· Appendix 8, City of Portage DDA Ordinance
· Appendix 9, Costs To Be Paid By City of Portage Table

Las.r5-por124

PART I: DEVELOPMENT PLAN

A. DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO HIGHWAYS, STREETS, STREAMS, OR OTHERWISE.

The property to which the Development Plan applies is the north portion of the South Westnedge Avenue Commercial Corridor in the City of Portage. The area includes approximately 97 acres of land and is bounded by Kilgore Road on the north, the city of Kalamazoo wellfield to the west, I-94 to the south and the business zoning districts to the east of South Westnedge Avenue on the east.

The legal description of the boundaries of the development area is attached hereto as Appendix 1 and included in this appendix is a map showing the area.

B. **THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA AND DESIGNATION OF THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES NOW EXISTING AND PROPOSED FOR THE RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.**

See Appendix 2, Existing Street, Water and Sewer Map

See Appendix 3, Existing Land Use Map

See Appendix 4, Future Land Use Map

See Appendix 1, Legal Description and DDA District Map

c. DESCRIPTION OF EXISTING IMPROVEMENTS IN THE DEVELOPMENT AREA TO BE DEMOLISHED, REPAIRED, OR ALTERED, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS; AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

1998 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - INFRASTRUCTURE IMPROVEMENT PROJECTS **(COMPLETED)**

Roadway Improvements	Original Estimated Time Required for Completion	Original Estimated Cost
1. Andy Avenue Extension	12 months	$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	$850,000
Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.		

Note: Additional right-of-way and/or easements was provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (renamed to be Market Place) and repaving of DeHaan Drive (renamed Trade Centre Way) was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of $3,100,000 to finance street improvements of $521,342; sanitary sewer relocation of $292,429; and property acquisition of $2,286,229. (Lead underwriter is Morgan Stanley Dean Witter).

2003 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - **(COMPLETED)**

Not applicable to the 2003 amendment because there were no existing improvements in the development area to be demolished, repaired, or altered.

Widening (repair; alteration) of South Westnedge Avenue to facilitate safe and efficient traffic flow will be accomplished. Water main replacement activities are planned as part of the public infrastructure work.

The realignment of a portion of Trade Centre Way and West Fork Crossing intersection (repair; alteration) is planned to ensure safe and efficient traffic flow. This alteration will necessitate street and utility removal and reconstruction and cooperation between the City of Portage and the State of Michigan regarding right-of-way and subsequent construction actions will be necessary.

The 2011 planned activities are explained in the following sections D and E.

D. **THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS, INCLUDING REHABILITATION, CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.**

1998 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - INFRASTRUCTURE IMPROVEMENT PROJECTS **(COMPLETED)**

Public Improvements	Estimated Time Required for Completion	Estimated Cost
1. Andy Avenue Extension	12 months	$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	$850,000
Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.		

Note: Additional right-of-way and/or easements will be provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (Market Place) and repaving of DeHaan Drive (Trade Centre Way) was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of $3,100,000 to finance street improvements of $521,342; sanitary sewer relocation of $292,429; and property acquisition of $2,286,229. (Lead underwriter is Morgan Stanley Dean Witter).

2003 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (**COMPLETED**)

Public Improvements	Estimated Time Required for Completion	Estimated Cost
1. The acquisition of 5.44 acres of land for public street right-of-way and stormwater retention -	Fall 2003	$ 909,000
2. The construction of an approximate 2200-foot long, 36-foot wide public cul-de-sac street, with pavement, curb and gutter, sidewalk, conduit for the installation of telecommunications fibre, street lighting and landscaping -	Fall 2003/ Spring 2004	$ 689,000
3. The construction of public water main from the Milham Well Field to the DDA under I-94, to be looped with public water utilities in Holiday Lane -	Fall 2003/ Spring 2004	$ 300,000
4. To facilitate "way finding" by customers from South Westnedge and West Fork Crossing the financing and construction of identification sign at South Westnedge and orientation sign at West Fork Crossing -	Summer 2004	$ 30,000
5. The acquisition of 2.81 acres of land in the DeHaan Drive and West Fork Crossing vicinity of the DDA for stormwater or other public use -	2004	$ 500,000
6. The annual maintenance, monitoring Of the retention facility mitigation facility -	Annually (Not Bonded)	$ 5,000 ($100,000 over 20 yrs.)

Note: The public right-of-way and stormwater retention area to be purchased by the City of Portage through the DDA is shown on the accompanying map and is generally situated adjacent to and lying immediately north of I-94 (See Appendix 6, 2003 Land Purchase Project Map).

2011 AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (**PROPOSED**)

To further encourage private sector investment and the further development within the DDA and along South Westnedge Avenue when the DDA was established in 1998, public street, stormwater, and water main replacement projects identified in the South Westnedge Enhancement Projects (SWEPs) program are planned.

Additionally, to foster new private sector investment and the development of office, motel/accommodations, restaurant/retail and office uses in the Trade Centre that was also envisioned when the DDA was established, eligible activities will be financed and constructed as part of the 2011 amended DDA Tax Increment Finance Plan / Development Plan.

The following public improvements and projects are proposed:

Public Improvements	Estimated Time Required for Completion	Estimated Cost
1. SWEPs project improvements: a) The widening of portions of South Westnedge Avenue from north of Market Place to Kilgore Road including related land acquisition, design, and street and utility construction activities. b) Traffic signal upgrades, overhead utility relocation activities, and access management activities along South Westnedge Avenue in the DDA district to facilitate safe and efficient traffic flow.	FY2018/FY2020	$1,250,000
2. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.	FY2011	$191, 623
3. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements: a) Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing. The realignment will include curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction.	FY2011	$1,148,377

(3. continued)

b) West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property.

c) The Trade Centre Way and West Fork Crossing intersection will be reconstructed incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.

d) A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to facilitate left turn-in and right turn-in movements from South Westnedge Avenue to Trade Centre Way and right turn-out movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

Note: The Costs To Be Paid By City of Portage Table, Appendix 9 of this 2011 Plan Amendment, includes the:
1. SWEPs project improvements; and
2. The Phase III Development Agreement with Trade Center Holdings, LLC and includes a planned land purchase and Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements contemplated to facilitate private investment to be accomplished by Trade Center Holdings, LLC.

E. **A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.**

1998 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - INFRASTRUCTURE IMPROVEMENT PROJECTS **(COMPLETED)**

Roadway Improvements	Estimated Time Required for Completion	Estimated Cost
1. Andy Avenue Extension	12 months	$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	$850,000
Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.		

Note: Additional right-of-way and/or easements will be provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (Market Place) and repaving of DeHaan Drive was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of $3,100,000 to finance street improvements $521,342; sanitary sewer relocation $292,429; and property acquisition $2,286,229). (Lead underwriter is Morgan Stanley Dean Witter).

2003 DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -
PROPERTY ACQUISITION AND CONSTRUCTION OF PUBLIC IMPROVEMENT PROJECTS
(COMPLETED)

Improvements	Estimated Time Required for Completion	Estimated Cost
1. The acquisition of 5.44 acres of land for public street right-of-way and stormwater retention -	Fall 2003	$ 909,000
2. The construction of an approximate 2200-foot long, 36-foot wide public cul-de-sac street, with pavement, curb and gutter, sidewalk, conduit for the installation of telecommunications fibre, street lighting and landscaping -	Fall 2003/ Spring 2004	$ 689,000
3. The construction of public water main from the Milham Well Field to the DDA under I-94, to be looped with public water utilities in Holiday Lane -	Fall 2003/ Spring 2004	$ 300,000
4. To facilitate "way finding" by customers from South Westnedge and West Fork Crossing the financing and construction of identification sign at South Westnedge and orientation sign at West Fork Crossing -	Summer 2004	$ 30,000
5. The acquisition of 2.81 acres of land in the DeHaan Drive and West Fork Crossing vicinity of the DDA for stormwater or other public use -	2004	$ 500,000
6. The annual maintenance, monitoring Of the retention facility mitigation facility -	Annually (Not Bonded)	$ 5,000 ($100,000 over 20 yrs.)

Note: The public right-of-way and stormwater retention area to be purchased by the City of Portage through the DDA is shown on the accompanying map and is generally situated adjacent to and lying immediately north of I-94 (See Appendix 6, 2003 Land Purchase Project Map).

2011 AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PROPERTY ACQUISITION AND CONSTRUCTION OF PUBLIC IMPROVEMENT PROJECTS

(PROPOSED)

To further encourage private sector investment and the further development within the DDA and along South Westnedge Avenue when the DDA was established in 1998, public street, stormwater, and water main replacement projects identified in the South Westnedge Enhancement Projects (SWEPs) program are planned.

Additionally, to foster new private sector investment and the development of office, motel/accommodations, restaurant/retail and office uses in the Trade Centre that was also envisioned when the DDA was established, eligible activities will be financed and constructed as part of the 2011 amended DDA Tax Increment Finance Plan / Development Plan.

The following public improvements and projects are proposed:

Public Improvements	Estimated Time Required for Completion	Estimated Cost
1. SWEPs project improvements: a) The widening of portions of South Westnedge Avenue from north of Market Place to Kilgore Road including related land acquisition, design, and street and utility construction activities. b) Traffic signal upgrades, overhead utility relocation activities, and access management activities along South Westnedge Avenue in the DDA district to facilitate safe and efficient traffic flow.	FY2018/FY2020	$1,250,000
2. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.	FY2011	$191,623
3. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements: a) Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing. The realignment will include curb and gutter, storm sewer, utility relocation,	FY2011	$1,148,377

boulevards, first class road landscaping, lighting, fencing and related construction.

b) West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property.

c) The Trade Centre Way and West Fork Crossing intersection will be reconstructed incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.

d) A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to facilitate left turn-in and right turn-in movements from South Westnedge Avenue to Trade Centre Way and right turn-out movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

F. **A DESCRIPTION OF ANY PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE.**

Not Applicable

G. **A DESCRIPTION OF ANY PORTIONS OF THE DEVELOPMENT AREA THAT THE AUTHORITY DESIRES TO SELL, DONATE, EXCHANGE, OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS.**

The public facilities to be constructed and acquired by the issuance of bonds in this 2011 Plan Amendment by the Authority will be retained and/or transferred to the City of Portage. The public facilities will be constructed and acquired by the city, using as revenues to retire bonds to be issued by the city, payments from the Authority to the city, which will be provided for in a contract between the city and the Authority.

H. A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.

1998 DDA TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN **(COMPLETED)**

Zoning Changes

Approximately 60 acres of land was rezoned to CPD, commercial planned development and OS-1, office service by the City of Portage in June 1998. No additional zoning changes are contemplated.

Street Changes

As part of the original Tax Increment Finance / Development Plan, Andy Avenue extension (now Market Place) was completed. DeHaan Drive was resurfaced.

A new public cul-de-sac street was constructed that is identified on the preceding pages of D. and E. in the Amended 2003 Plan.

Street Intersections

No additional intersection improvements were undertaken.

Utilities

No additional sanitary sewer utilities were undertaken.

New public utilities were constructed to serve the planned development and future development within the DDA in the Amended 2003 Plan. These public utilities include public water mains, stormwater facilities and street appurtenances (landscaping, sidewalks, street lighting, traffic control and related facilities).

2003 TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN **(COMPLETED)**

Zoning Changes

No additional zoning changes are contemplated.

Street Changes

A new public cul-de-sac street was constructed that is identified on the preceding pages of D. and E. in the Amended 2003 Plan.

Street Intersections

Consistent with the street changes above, related intersection work at DeHaan Drive (now Trade Centre Way) was completed as generally described on pages of D. and E in the Amended 2003 Plan.

Utilities

New public utilities were constructed to serve the planned development and future development within the DDA in the Amended 2003 Plan. These public utilities include public water mains, stormwater facilities and street appurtenances (landscaping, sidewalks, street lighting, traffic control and related facilities).

Zoning Changes

No additional zoning changes are contemplated.

Street Changes

Reconstruction of part of South Westnedge Avenue will occur.

A realigned intersection of two public streets will be constructed that is explained on the preceding pages of D. and E. in the 2011 Amended Plan.

In the future, additional improvements including widening along South Westnedge Avenue are planned as part of the SWEPs program.

Street Intersections

Consistent with the street changes above, related intersection work at Trade Centre Way and West Fork Crossing will be completed as generally described on pages of D. and E.

Utilities

New public utilities will be constructed to serve the planned development and future development within the DDA in the 2011 Amended Plan. These public utilities include street and street appurtenances (landscaping, sidewalks, street lighting, fencing, undergrounding of overhead utilities where possible), stormwater facilities as needed, traffic control and related facilities.

I. AN ESTIMATE OF THE COST OF THE DEVELOPMENT, A STATEMENT OF THE PROPOSED METHOD OF FINANCING THE DEVELOPMENT, AND THE ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

It is anticipated that the 2011 Amended Plan will cost an additional $2,590,000, which does not include annual maintenance. The costs include the following bond issuance and other costs:

	Trade Centre Improvements	South West-nedge En-hancement (SWEPs) Im-provements *
ACQUISITION AND CONSTRUCTION COSTS	$1,115,256	$1,200,000
FINANCING COSTS AND BOND DISCOUNT	$ 79,552	$ 50,000
SUBTOTAL	$1,194,808	$1,250,000
CAPITALIZED INTEREST	$ 105,000	0
CONTINGENCY	$ 40,192	0
TOTAL	$1,340,000	$1,250,000

Notes: All costs of the public improvements and activities to be paid from the proceeds of Downtown Development Authority (DDA) bonds or other bonds issued by the City as may be allowed by law.

Debt service will be paid by the DDA. The tax on the captured values in the DDA district will provide the revenues for the DDA.

* SWEPs public improvements, costs, financing and related project details are estimated and programmed for FY18-19 and FY19-20 in the City of Portage FY2011-21 Capital Improvement Program (CIP).

J. **DESIGNATION OF THE PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM ALL OR A PORTION OF THE DEVELOPMENT IS TO BE LEASED, SOLD, OR CONVEYED, IN ANY MANNER, AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN IF THAT INFORMATION IS AVAILABLE TO THE AUTHORITY.**

The public improvements undertaken along South Westnedge Avenue as part of the SWEPs program will benefit the community in general, as envisioned when the DDA was established in 1998, and the businesses, employees, consumers and related citizenry who conduct business, work, shop or otherwise visit this corridor.

Additional public improvements will be undertaken to foster economic development and job creation in the Trade Centre Way area within the DDA. Joseph Gesmundo and Roger Hinman, being principals in Trade Center Holdings, LLC, are referenced and there is a 2011 Phase III Development Agreement with terms with this entity.

Other property owners/developers may also express interest in land purchase and subsequent development of office, motel/accommodations and/or retail development, which will also be consistent with applicable city requirements.

K. **THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING, IN ANY MANNER, OF ALL OR A PORTION OF THE DEVELOPMENT UPON ITS COMPLETION, IF THERE IS NO EXPRESS OR IMPLIED AGREEMENT BETWEEN THE AUTHORITY AND PERSON, NATURAL OR CORPORATE, THAT ALL OR A PORTION OF THE DEVELOPMENT WILL BE LEASED, SOLD, OR CONVEYED, IN ANY MANNER, TO THOSE PERSONS.**

Not applicable

L. **ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED. IF OCCUPIED RESIDENCES ARE DESIGNATED FOR ACQUISITION AND CLEARANCE BY THE AUTHORITY, A DEVELOPMENT PLAN SHALL INCLUDE A SURVEY OF THE FAMILIES AND INDIVIDUALS TO BE DISPLACED, INCLUDING THEIR INCOME AND RACIAL COMPOSITION; A STATISTICAL DESCRIPTION OF THE HOUSING SUPPLY IN THE COMMUNITY, INCLUDING THE NUMBER OF PRIVATE AND PUBLIC UNITS IN EXISTENCE OR UNDER CONSTRUCTION; THE CONDITION OF THOSE UNITS IN EXISTENCE; THE NUMBER OF OWNER-OCCUPIED AND RENTER-OCCUPIED UNITS; THE ANNUAL RATE OF TURNOVER OF THE VARIOUS TYPES OF HOUSING; THE RANGE OF RENTS AND SALE PRICES; AN ESTIMATE OF THE TOTAL DEMAND FOR HOUSING IN THE COMMUNITY AND THE ESTIMATED CAPACITY OF PRIVATE AND PUBLIC HOUSING AVAILABLE TO DISPLACED FAMILIES AND INDIVIDUALS.**

Not Applicable

M. **PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT IN ANY NEW HOUSING IN THE DEVELOPMENT AREA.**

Not Applicable

N. **PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE DEVELOPMENT AND FINANCIAL ASSISTANCE AND REIMBURSEMENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STANDARDS AND PROVISIONS OF THE FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970.**

Not Applicable

o. **A PLAN FOR COMPLIANCE WITH ACT NO. 227 OF THE PUBLIC ACTS OF 1972, BEING SECTIONS 213.321 TO 213.332 OF THE MICHIGAN COMPLIED LAWS.**

Not Applicable

P. **OTHER MATERIAL THAT THE AUTHORITY, LOCAL PUBLIC AGENCY, OR GOVERNING BODY CONSIDERS PERTINENT.**

None

PART II - TAX INCREMENT FINANCING PLAN

A. DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE.

Tax increment financing permits the Authority to capture tax revenues attributable to increases in the value of real and personal property resulting from the acquisition and construction of eligible property as defined in the Act. Property value increases, in the case of the development within the district boundaries, will be attributable to the construction of projects.

At the time the tax increment financing plan is approved by the City Council, the value of the eligible property to which the plan pertains (the initial value) is established. The initial value is the taxable value of the eligible property on that date.

In each subsequent year for the duration of the tax increment financing plan the "current value" of the eligible property will be determined. The current value for each year is the taxable value of the eligible property for that year.

The amount by which the current value exceeds the initial value in any one year is the captured value. For the duration of the tax increment financing plan, the local taxing jurisdictions will continue to receive tax revenues based upon the initial value. The Authority, however, receives that portion of the tax levy of the City of Portage, Portage District Library, Kalamazoo County and Kalamazoo Valley Community College (as taxing jurisdictions) paid each year on the captured value of the eligible property included in the tax increment financing plan; provided, however, that the Authority does not receive any part of millage specifically levied for the payment of principal of and interest on obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

For example, in year one a tax increment financing plan relating to eligible property having a taxable value of $500,000 is established. The initial value is $500,000. Assume that the tax rate applicable to the eligible property is 52 mills and, of the 52 mills, 2 mills are levied for the payment of principal and interest on obligations described above. In year one, the taxes on the eligible property will be 52 mills times $500,000 or $26,000. None of those taxes will be paid to the Authority. In year two, because of the construction of eligible property, the taxable value of the eligible property is $750,000. The current value in year two is $750,000 and the captured value in year two is $250,000 ($750,000 less than the initial value of $500,000). If there were no agreements for the sharing of captured value, the Authority would receive tax increments of $13,000 (52 mills times $250,000). The taxing jurisdictions would receive $26,500 (52 mills time $500,000 which represents the initial value, plus 2 mills times $250,000 which represents the captured value). In each subsequent year for the duration of the tax increment financing plan a similar computation would be made.

If agreements to share captured value were in place the calculations would be adjusted to reflect the terms of those agreements.

B. **MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.**

The maximum amount of note or bond indebtedness is estimated at $1,340,000 including capitalized interest.

An Estimated Debt Service Schedule Follows:

2011 Special Assessment - Estimated
Principal and Interest payments

Date	$ 1,340,000 Principal	Coupon Rate %	Interest	Total Semi-annual Debt Service
12/1/11	Capitalized Interest		$ 18,733.33	$ 18,733.33
6/1/12	Capitalized Interest		$ 28,100.00	$ 28,100.00
12/1/12	Capitalized Interest		$ 28,100.00	$ 28,100.00
6/1/13	Capitalized Interest		$ 28,100.00	$ 28,100.00
12/1/13			$ 28,100.00	$ 28,100.00
6/1/14			$ 28,100.00	$ 28,100.00
12/1/14			$ 28,100.00	$ 28,100.00
6/1/15			$ 28,100.00	$ 28,100.00
12/1/15	$ 40,000	3.00%	$ 28,100.00	$ 68,100.00
6/1/16			$ 27,500.00	$ 27,500.00
12/1/16	$ 40,000	3.00%	$ 27,500.00	$ 67,500.00
6/1/17			$ 26,900.00	$ 26,900.00
12/1/17	$ 45,000	3.00%	$ 26,900.00	$ 71,900.00
6/1/18			$ 26,225.00	$ 26,225.00
12/1/18	$ 45,000	3.25%	$ 26,225.00	$ 71,225.00
6/1/19			$ 25,493.75	$ 25,493.75
12/1/19	$ 50,000	3.50%	$ 25,493.75	$ 75,493.75
6/1/20			$ 24,618.75	$ 24,618.75
12/1/20	$ 50,000	3.50%	$ 24,618.75	$ 74,618.75
6/1/21			$ 23,743.75	$ 23,743.75
12/1/21	$ 55,000	3.70%	$ 23,743.75	$ 78,743.75
6/1/22			$ 22,726.25	$ 22,726.25
12/1/22	$ 55,000	3.75%	$ 22,726.25	$ 77,726.25
6/1/23			$ 21,695.00	$ 21,695.00
12/1/23	$ 60,000	3.80%	$ 21,695.00	$ 81,695.00
6/1/24			$ 20,555.00	$ 20,555.00
12/1/24	$ 60,000	3.85%	$ 20,555.00	$ 80,555.00
6/1/25			$ 19,400.00	$ 19,400.00
12/1/25	$ 65,000	3.95%	$ 19,400.00	$ 84,400.00
6/1/26			$ 18,116.25	$ 18,116.25
12/1/26	$ 70,000	4.05%	$ 18,116.25	$ 88,116.25
6/1/27			$ 16,698.75	$ 16,698.75
12/1/27	$ 75,000	4.20%	$ 16,698.75	$ 91,698.75
6/1/28			$ 15,123.75	$ 15,123.75
12/1/28	$ 75,000	4.30%	$ 15,123.75	$ 90,123.75
6/1/29			$ 13,511.25	$ 13,511.25
12/1/29	$ 85,000	4.50%	$ 13,511.25	$ 98,511.25
6/1/30			$ 11,598.75	$ 11,598.75
12/1/30	$ 85,000	4.75%	$ 11,598.75	$ 96,598.75
6/1/31			$ 9,580.00	$ 9,580.00
12/1/31	$ 90,000	4.90%	$ 9,580.00	$ 99,580.00
6/1/32			$ 7,375.00	$ 7,375.00
12/1/32	$ 95,000	5.00%	$ 7,375.00	$ 102,375.00
6/1/33			$ 5,000.00	$ 5,000.00
12/1/33	$ 100,000	5.00%	$ 5,000.00	$ 105,000.00
6/1/34			$ 2,500.00	$ 2,500.00
12/1/34	$ 100,000	5.00%	$ 2,500.00	$ 102,500.00

B. **MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.**

The maximum amount of note or bond indebtedness is estimated at $1,250,000 including capitalized interest.

An Estimated Debt Service Schedule Follows:

2018 DDA Bond Issue - Estimated
Principal and Interest payments

Dated date July 1, 2018 closing date July 1, 2018
First coupon January 1, 2019

Date	$ 1,250,000 Principal	Coupon Rate %	Interest	Total Semi-Annual Debt Service
1/1/19			$ 26,348.75	$ 26,348.75
7/1/19	-		$ 26,348.75	$ 26,348.75
1/1/20			$ 26,348.75	$ 26,348.75
7/1/20	$ 40,000	3.00%	$ 26,348.75	$ 66,348.75
1/1/21			$ 25,748.75	$ 25,748.75
7/1/21	$ 40,000	3.00%	$ 25,748.75	$ 65,748.75
1/1/22			$ 25,148.75	$ 25,148.75
7/1/22	$ 40,000	3.25%	$ 25,148.75	$ 65,148.75
1/1/23			$ 24,498.75	$ 24,498.75
7/1/23	$ 40,000	3.50%	$ 24,498.75	$ 64,498.75
1/1/24			$ 23,798.75	$ 23,798.75
7/1/24	$ 50,000	3.50%	$ 23,798.75	$ 73,798.75
1/1/25			$ 22,923.75	$ 22,923.75
7/1/25	$ 55,000	3.70%	$ 22,923.75	$ 77,923.75
1/1/26			$ 21,906.25	$ 21,906.25
7/1/26	$ 55,000	3.75%	$ 21,906.25	$ 76,906.25
1/1/27			$ 20,875.00	$ 20,875.00
7/1/27	$ 60,000	3.80%	$ 20,875.00	$ 80,875.00
1/1/28			$ 19,735.00	$ 19,735.00
7/1/28	$ 60,000	3.85%	$ 19,735.00	$ 79,735.00
1/1/29			$ 18,580.00	$ 18,580.00
7/1/29	$ 65,000	3.95%	$ 18,580.00	$ 83,580.00
1/1/30			$ 17,296.25	$ 17,296.25
7/1/30	$ 80,000	4.05%	$ 17,296.25	$ 97,296.25
1/1/31			$ 15,676.25	$ 15,676.25
7/1/31	$ 80,000	4.20%	$ 15,676.25	$ 95,676.25
1/1/32			$ 13,996.25	$ 13,996.25
7/1/32	$ 80,000	4.30%	$ 13,996.25	$ 93,996.25
1/1/33			$ 12,276.25	$ 12,276.25
7/1/33	$ 80,000	4.50%	$ 12,276.25	$ 92,276.25
1/1/34			$ 10,476.25	$ 10,476.25
7/1/34	$ 85,000	4.75%	$ 10,476.25	$ 95,476.25
1/1/35			$ 8,457.50	$ 8,457.50
7/1/35	$ 85,000	4.90%	$ 8,457.50	$ 93,457.50
1/1/36			$ 6,375.00	$ 6,375.00
7/1/36	$ 85,000	5.00%	$ 6,375.00	$ 91,375.00
1/1/37			$ 4,250.00	$ 4,250.00
7/1/37	$ 85,000	5.00%	$ 4,250.00	$ 89,250.00
1/1/38			$ 2,125.00	$ 2,125.00
7/1/38	$ 85,000	5.00%	$ 2,125.00	$ 87,125.00

C. DURATION OF THE PROGRAM.

The development plan and the tax increment financing plan are to continue for the period of time needed to complete the plan and collect and disburse tax increments as may be needed to pay and retire any tax increment bonds issued by the Authority or other obligations.

It is anticipated that the program identified in the amended plan will extend through the year 2038.

D. **STATEMENT OF THE ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON THE ASSESSED VALUES OF ALL TAXING JURISDICTION IN WHICH THE DEVELOPMENT AREA IS LOCATED.**

See Appendix 7

E. STATEMENT AS TO WHETHER PLAN PROVIDES FOR THE USE OF SOME OR ALL OF THE CAPTURED VALUE.

The use of all of the captured value is contemplated.

F. **METHOD FOR EXCLUDING GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION.**

Not Applicable

Las.r5-por124

APPENDICES

Appendix 1

A parcel of land located in the northwest quarter of section three and the northeast quarter of section four, township three south, range eleven west, more particularly described as follows:

Commencing at the west quarter post of said section three; thence east along the east-west quarter line of said section three 131.69 feet to a point 34.31 feet west of the southeast corner of lot 19 of the Assesor's Plat of DeBoer Homestead Acres and the place of beginning; thence northwesterly 100.00 feet to the northwest corner of said lot 19; thence northerly 66.00 feet along the west line of lot 18 of said Assessor's Plat to the northwest corner of said lot 18; thence northerly 66.00 feet along the west line extended of said lot 18 to the southwest corner of lot 17 of said Assessor's Plat; thence continuing northerly 264.00 feet more or less along the west line of lots 14, 15, 16, and 17 of said Assessor's Plat to the northwest corner of said lot 14; thence westerly 80.00 feet more or less to the intersection of the south right-of-way line of DeHaan Drive with the west right-of-way line of South Westnedge Avenue; thence westerly 590.00 feet more or less along the south right-of-way line of DeHaan Drive to the intersection of the south right-of-way line of DeHaan Drive with the east right-of-way line of Clara Drive; thence southwesterly 280.00 feet more or less along the east right-of-way line of Clara Drive; thence westerly 50.00 feet more or less to the southeast corner of lot 108 of said Assessor's Plat; thence westerly 63.40 feet more or less along the south line of said lot 108; thence south 58 degrees 3 minutes 8 seconds west, 119.84 feet; thence south 72 degrees 5 minutes 59 seconds west, 163.48 feet; thence north 89 degrees 2 minutes 44 seconds west, 250.80 feet; thence north 84 degrees 28 minutes 18 seconds west, 1,241.33 feet more or less to the south line of said Assessor's Plat; thence westerly 21.00 feet more or less along the south line of said Assessor's Plat to the southwest corner of lot 98 of said Assesor's Plat; thence north 0 degrees 20 minutes 0 seconds west, 419.30 feet along the north-south quarter line of said section four; thence easterly 1,763.82 feet to the northwest corner of lot 68 of said Assessor's Plat; thence northeasterly 481.00 feet more or less along the center line of the west branch of Portage Creek; thence northeasterly 188.00 feet more or less along said creek; thence northerly along said creek to a point on the east-west eighth line of said section four 458.64 feet west of the east line of said section four; thence westerly 50.00 feet along said east-west eighth line; thence northerly 289.06 feet parallel with the east line of said section four; thence north 85 degrees 16 minutes 20 seconds west, 549.72 feet; thence north 58 degrees 41 minutes 0 seconds west, 317.39 feet to the west line of the east half of the northeast quarter of said section four; thence north 0 degrees 0 minutes 3 seconds west, 527.79 feet along the west line of the east half of the northeast quarter of said section four to a point 480.37 feet south of the north line of said section four, said point also being in the south line of lot 17 of Kilgore Plat; thence east along the south line of Kilgore Plat 869.44 feet to the southwest corner of lot 5 of said plat; thence north along the west line of lot 5, 125.00 feet; thence east 154.00 feet to the east line of lot 4 of said plat; thence north 322.37 feet to the north line of section four; thence easterly 304.00 feet to the northeast corner of said section four, this point also being the northwest corner of said section three; thence continuing easterly 951.78 feet along the north line of the northwest quarter of said section three to the west line extended of lot 121 of Ridgebrook No. 1; thence southerly 50.00 feet along the west line extended of said lot 121 to the northwest corner of said lot 121; thence continuing southerly 157.09 feet along the west line of said lot 121 to the southwest corner of said lot 121; thence southwesterly 173.82 feet along the north line of lot 122 of Ridgebrook No. 1 to the northwest corner of said lot 122 and the easterly right-of-way line of Old Kilgore Road; thence southerly 1,255.74 feet along the westerly line and the westerly line extended of Ridgebrook No. 1 to a point in the north line of lot 64 of Terrace Heights; thence westerly 183.95 feet along the north line of lots 64, 65 and 66 of Terrace Heights to the northwest corner of said lot 66; thence southerly 132.00 feet along the west line of said lot 66 to the southwest corner of said lot 66 and the north right-of-way line of Andy Avenue; thence westerly 264.00 feet along the north right-of-way line of Andy Avenue to the west line of Terrace Heights; thence southerly 858.00 feet along the west line of Terrace Heights to the southwest corner of lot 9 of Terrace Heights and a point in the north line of lot 53 of said Assessor's Plat; thence westerly 165.00 feet along the north line of lots 53, 54 and 55 of said Assessor's Plat to the northwest corner of said lot 55; thence southerly 198.00 feet along the west line and the west line extended of said lot 55 to the northwest corner of lot 20 of said Assessor's Plat; thence continuing southerly 132.00 feet along the west line of said lot 20 to the southwest corner of said lot 20 and the southeast corner of said lot 19; thence westerly 34.31 feet along the east-west quarter line of said section three and along the south line of said lot 19 to the place of beginning.

CITY OF
PORTAGE
A Place for Opportunities to Grow

Downtown Development Authority

Legend

DDA Area

N

0 300 600 1,200 Feet

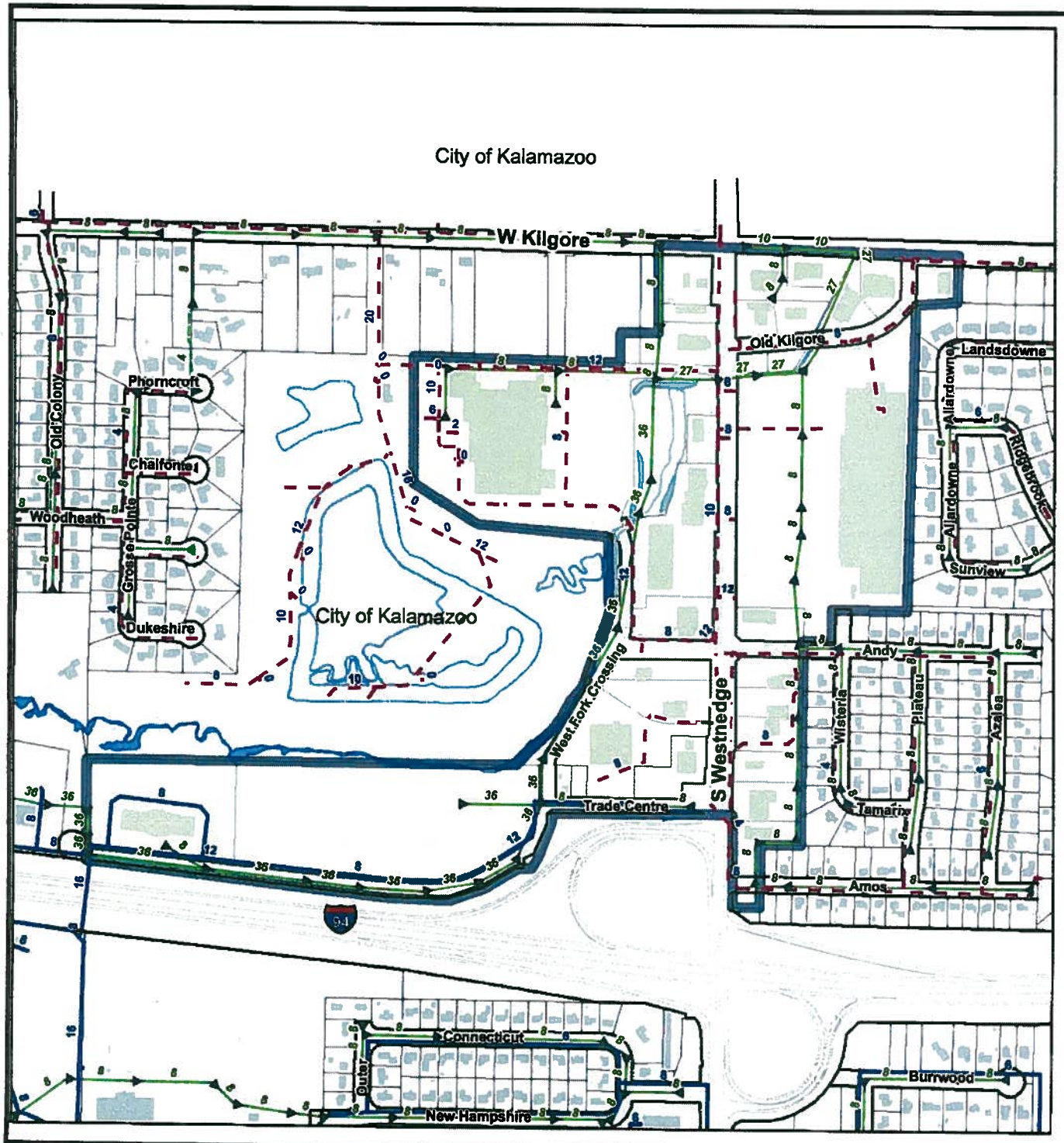
Date of Aerial Photography: March, 2009
Date Printed: January 27, 2011

Map Document: (R:\GIS\ADMIN\karl\projects\comdev\DDA-WESTNEDGE\dda_location-aerial.mxd)

Appendix 2

CITY OF PORTAGE
A Place for Opportunities to Grow

Downtown Development Authority
Existing Street, Water and Sewer Map



Legend

Sewer

- GRAVITY
- FORCE

Water

- PORTAGE
- KALAMAZOO
- DDA Area
- Building Footprint

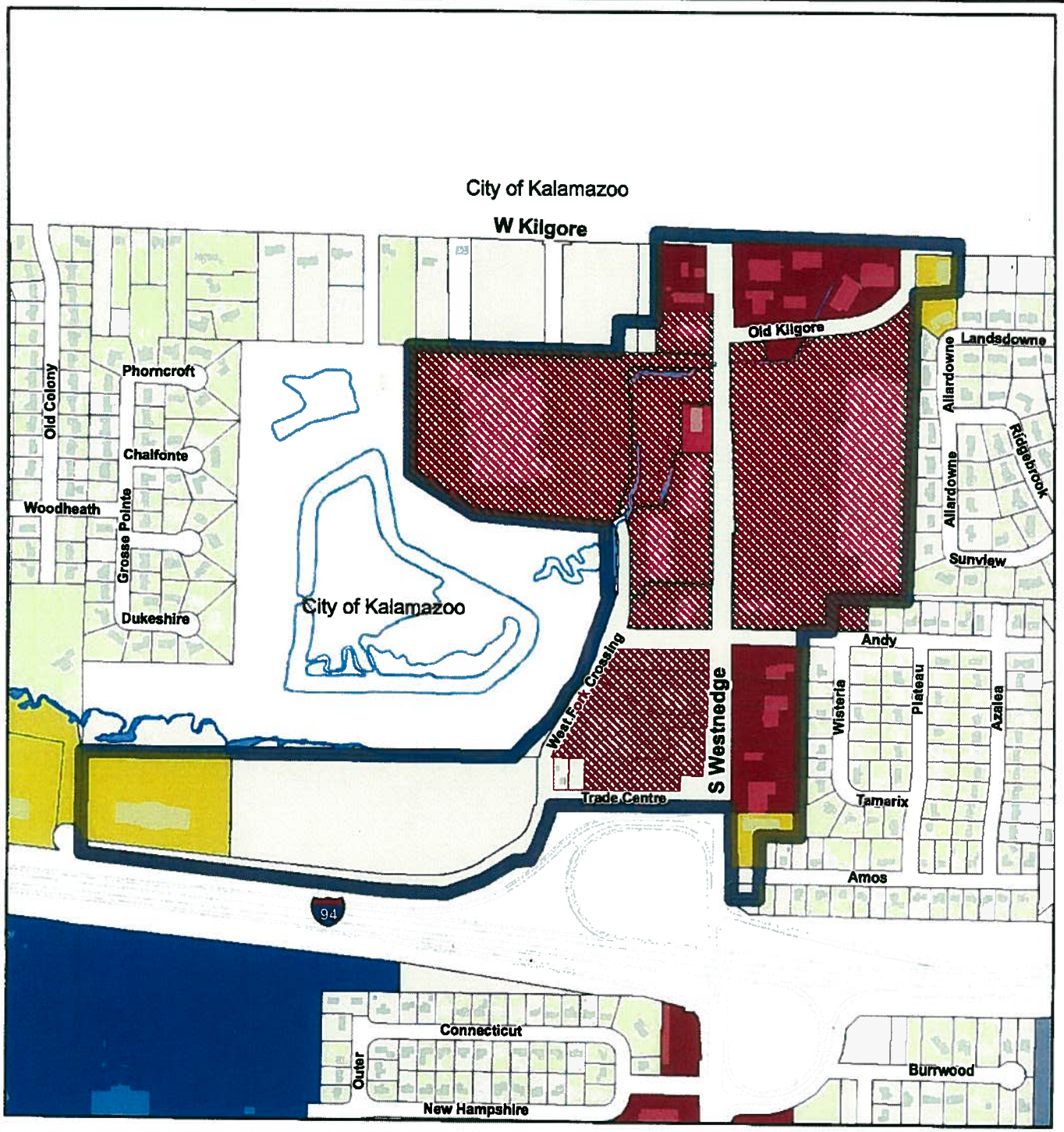
1 inch = 600 feet

Date Printed: January 28, 2011

Appendix 3

CITY OF PORTAGE
A Place for Opportunities to Grow

Downtown Development Authority
Existing Land Use



Existing Land Use

- DDA Area
- Building Footprint
- Single-Family
- Local Business
- General Business
- Office
- Regional Business
- Light Industrial
- Public/Institutional
- Vacant/Undeveloped

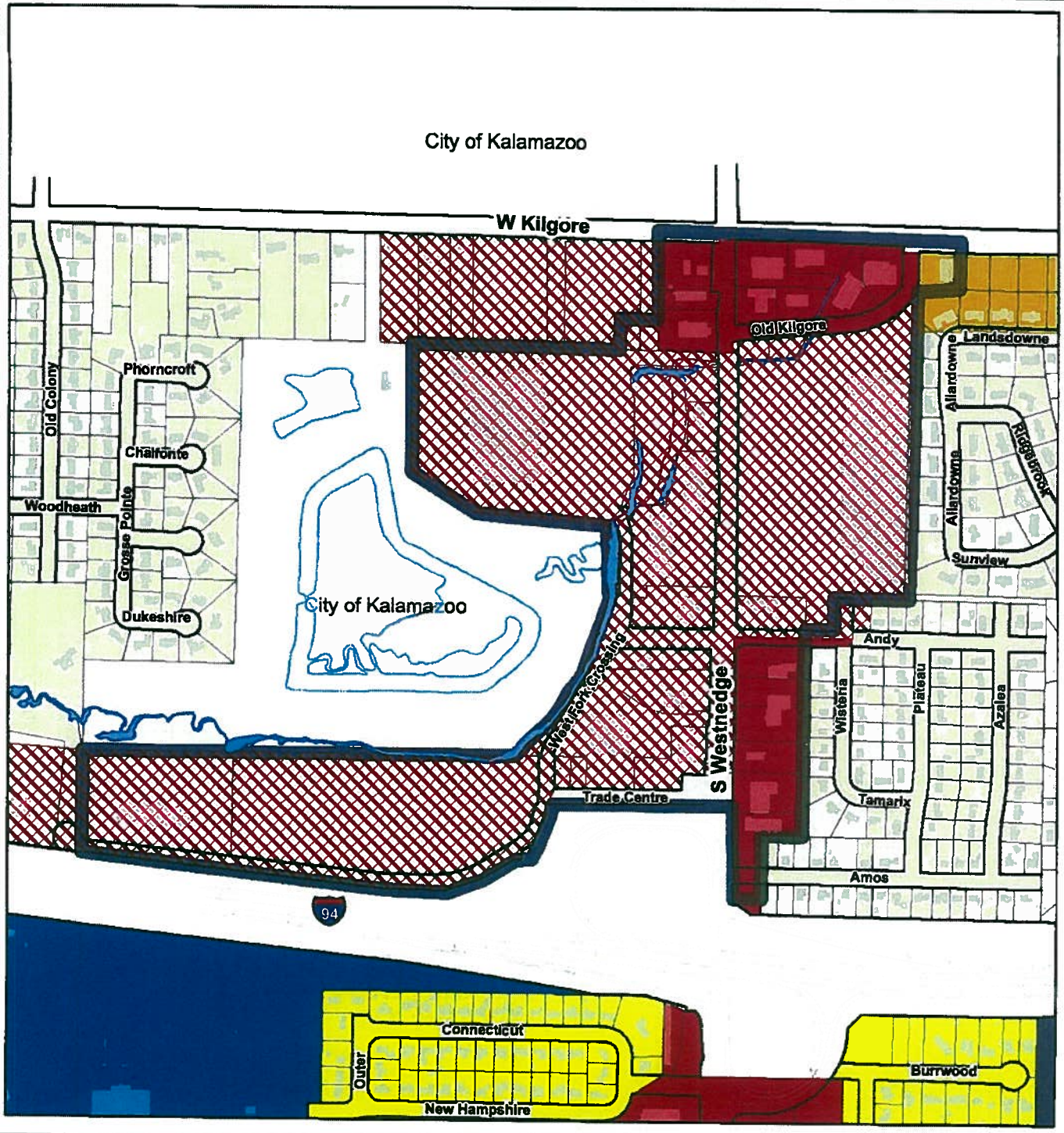
1 inch = 600 feet

Date Printed: January 28, 2011

Appendix 4

CITY OF PORTAGE
A Place for Opportunities to Grow

Downtown Development Authority Future Land Use



Future Land Use

- Low Density Residential
- Single-Family Detached-Medium Density Residential
- General Business
- Local Business
- Regional Business
- General Industrial
- Office
- Public
- DDA Area
- Building Footprint

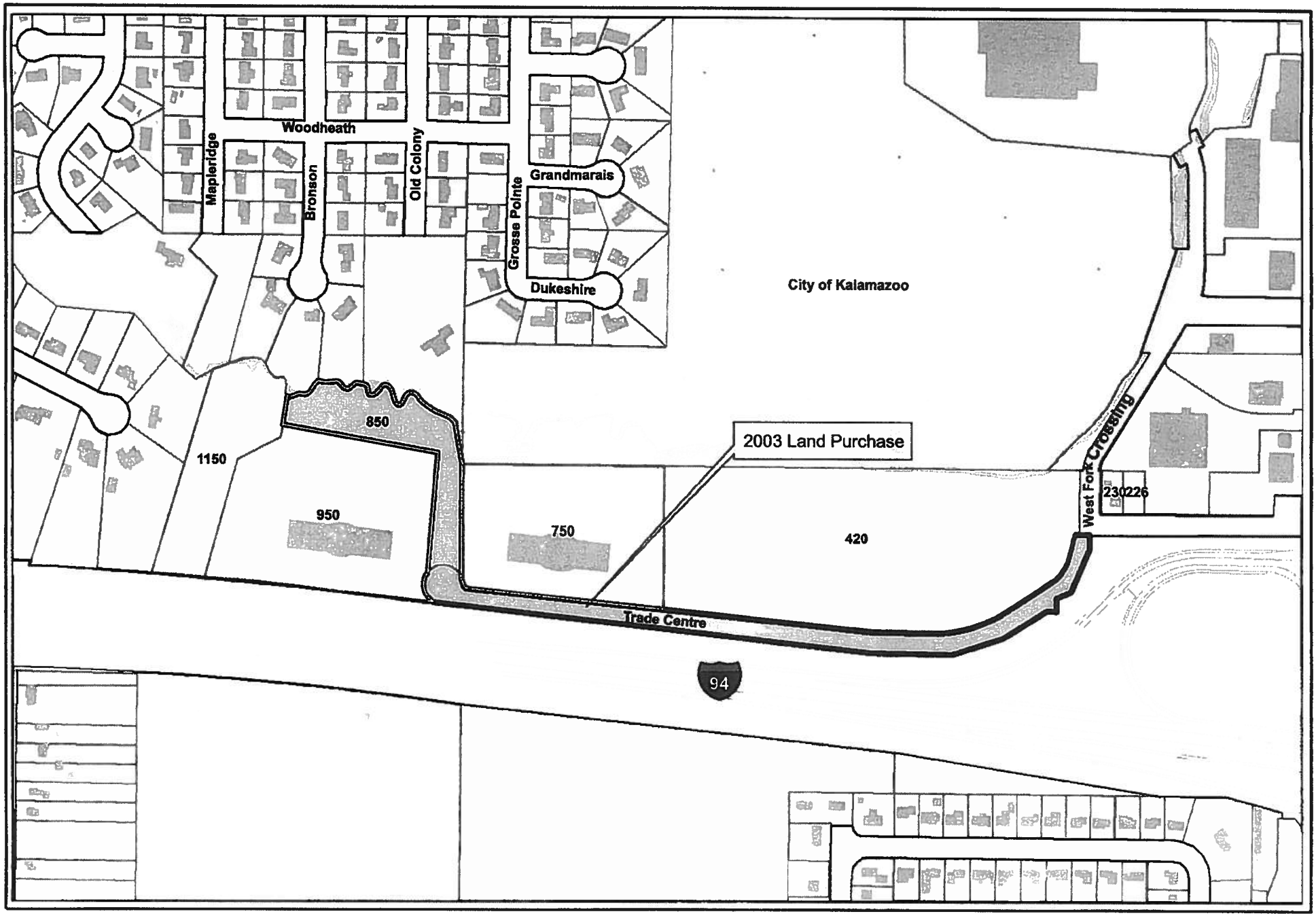
1 inch = 600 feet

Date Printed: January 28, 2011

1 inch = 100 feet

Public Facilities Improvement Map

path: R:\GISADMIN\karl\projects\DEPTS\COM DEV\DDA-WESTNEDGE\dda plan\appendix-c.mxd



Appendix 6

2003 Land Purchase Project Map

1 inch = 385 feet

2003 Land Purchase

Appendix 7, page 1

Estimated Impact of DDA Tax Capture on Taxing Jurisdictions within the Downtown Development Area
Relating to the Trade Centre Way realignment project

Tax Year	Estimated Captured Taxable Value	10.7312 City Capture	2.8139 KVCC Capture	6.5262 County Capture	1.5000 Library Capture	Total Capture for tax year
2011	0	0	0	0	0	0
2012	$ 26,128	$ 280	$ 74	$ 171	$ 39	$ 564
2013	52,648	565	148	344	79	1,136
2014	4,052,648	43,490	11,404	26,448	6,079	87,421
2015	4,139,566	44,423	11,648	27,016	6,209	89,296
2016	4,227,787	45,369	11,897	27,591	6,342	91,199
2017	4,317,332	46,330	12,149	28,176	6,476	93,131
2018	9,317,332	99,986	26,218	60,807	13,976	200,987
2019	9,483,220	101,766	26,685	61,889	14,225	204,565
2020	9,651,596	103,573	27,159	62,988	14,477	208,197
2021	9,822,498	105,407	27,640	64,104	14,734	211,885
2022	9,995,964	107,269	28,128	65,236	14,994	215,627
2023	10,172,031	109,158	28,623	66,385	15,258	219,424
2024	10,350,740	111,076	29,126	67,551	15,526	223,279
2025	10,532,129	113,022	29,636	68,735	15,798	227,191
2026	10,716,239	114,998	30,154	69,936	16,074	231,162
2027	10,903,110	117,003	30,680	71,156	16,355	235,194
2028	11,092,785	119,039	31,214	72,394	16,639	239,286
2029	11,285,305	121,105	31,756	73,650	16,928	243,439
2030	11,480,712	123,202	32,306	74,925	17,221	247,654
2031	11,679,051	125,330	32,864	76,220	17,519	251,933
2032	11,880,365	127,491	33,430	77,534	17,821	256,276
2033	12,084,789	129,684	34,005	78,868	18,127	260,684
2034	12,292,097	131,909	34,589	80,221	18,438	265,157
		$ 2,141,475	$ 561,533	$ 1,302,345	$ 299,334	$ 4,304,687

Appendix 7, page 2

Estimated Impact of DDA Tax Capture on Taxing Jurisdictions within the Downtown Development Area
Related to SWEPs project

Tax Year	Estimated Captured Taxable Value	10.7312 City Capture	2.8139 KVCC Capture	6.5262 County Capture	1.5000 Library Capture	Total Capture for tax year
2018	$ 4,500,000	$ 48,290	$ 12,663	$ 29,368	$ 6,750	$ 97,071
2019	4,590,000	$ 49,256	$ 12,916	$ 29,955	$ 6,885	$ 99,012
2020	4,681,800	$ 50,241	$ 13,174	$ 30,554	$ 7,023	$ 100,992
2021	4,775,436	$ 51,246	$ 13,438	$ 31,165	$ 7,163	$ 103,012
2022	4,870,945	$ 52,271	$ 13,706	$ 31,789	$ 7,306	$ 105,072
2023	4,968,364	$ 53,317	$ 13,980	$ 32,425	$ 7,453	$ 107,175
2024	5,067,731	$ 54,383	$ 14,260	$ 33,073	$ 7,602	$ 109,318
2025	5,169,086	$ 55,470	$ 14,545	$ 33,734	$ 7,754	$ 111,503
2026	5,272,467	$ 56,580	$ 14,836	$ 34,409	$ 7,909	$ 113,734
2027	5,377,917	$ 57,711	$ 15,133	$ 35,097	$ 8,067	$ 116,008
2028	5,485,475	$ 58,866	$ 15,436	$ 35,799	$ 8,228	$ 118,329
2029	5,595,184	$ 60,043	$ 15,744	$ 36,515	$ 8,393	$ 120,695
2030	5,707,088	$ 61,244	$ 16,059	$ 37,246	$ 8,561	$ 123,110
2031	5,821,230	$ 62,469	$ 16,380	$ 37,991	$ 8,732	$ 125,572
2032	5,937,654	$ 63,718	$ 16,708	$ 38,750	$ 8,906	$ 128,082
2033	6,056,408	$ 64,993	$ 17,042	$ 39,525	$ 9,085	$ 130,645
2034	6,177,536	$ 66,292	$ 17,383	$ 40,316	$ 9,266	$ 133,257
2035	6,301,086	$ 67,618	$ 17,731	$ 41,122	$ 9,452	$ 135,923
2036	6,427,108	$ 68,971	$ 18,085	$ 41,945	$ 9,641	$ 138,642
2037	6,555,650	$ 70,350	$ 18,447	$ 42,783	$ 9,833	$ 141,413
2038	6,686,763	$ 71,757	$ 18,816	$ 43,639	$ 10,030	$ 144,242
		$ 1,245,086	$ 326,482	$ 757,200	$ 174,039	$ 2,502,807

CITY OF PORTAGE
ORDINANCE NO. 98-14

AN ORDINANCE ENTITLED "AN ORDER TO ESTABLISH A DOWNTOWN DEVELOPMENT AUTHORITY IN THE CITY OF PORTAGE PURSUANT TO ACT 197 OF MICHIGAN, 1975, TO DETERMINE THE NECESSITY THEREOF; TO PROVIDE FOR THE CREATION OF THE AUTHORITY; TO DEFINE THE BOUNDARIES OF THE DOWNTOWN DEVELOPMENT DISTRICT; TO PROVIDE FOR THE ESTABLISHMENT OF THE BOARD OF DIRECTORS FOR THE AUTHORITY; TO PROVIDE FOR THE POWERS OF THE AUTHORITY; TO PROVIDE DEFINITIONS; TO PROVIDE FOR THE FISCAL YEAR OF THE AUTHORITY; TO PROVIDE FOR THE SEVERABILITY OF THE ORDINANCE; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES; TO PROVIDE FOR THE NOTICE AND EFFECTIVE DATE THEREOF"; TO PRESCRIBE ITS POWER AND DUTIES; TO CORRECT AND PREVENT DETERIORATION IN THE CENTRAL BUSINESS DISTRICT; TO AUTHORIZE THE ACQUISITION AND DISPOSAL OF REAL AND PERSONAL PROPERTY; TO AUTHORIZE THE CREATION AND IMPLEMENTATION OF DEVELOPMENT PLAN IN THE DISTRICT; TO PROMOTE THE ECONOMIC GROWTH IN THE DISTRICT; TO PROVIDE FOR A BOARD; TO PRESCRIBE ITS POLICIES AND DUTIES; TO AUTHORIZE, TO LEVY AND COLLECTION OF TAXES; TO AUTHORIZE THE ISSUANCE OF BONDS AND OTHER EVIDENCES OF INDEBTEDNESS; AND TO AUTHORIZE THE USE OF TAX INCREMENT FINANCING; TO PROVIDE FOR THE PUBLICATION AND EFFECTIVE DATE.

WHEREAS, the City of Portage (the "City") has established a downtown development authority known as the Downtown Development Authority of the City of Portage (the "Authority") and has designated a downtown district (the "District") pursuant to Act No. 197 of the Public Acts of 1975, as amended, ("Act 197"); and

WHEREAS, pursuant to Act 197, a public hearing was held on April 21, 1998which is a date prior to the adoption of the Ordinance.

THE CITY OF PORTAGE ORDAINS:

ARTICLE I
INCORPORATION, BOUNDARIES, AND DETERMINATION OF NEED

Section 1. This Ordinance shall serve as the permanent Articles of Incorporation of the Downtown Development Authority of the City of Portage.

Section 2. Pursuant to Public Act No. 197 of the Michigan Public Acts of Michigan of 1975, as amended, (the "Act"), there is hereby established the Downtown Development Authority of the City of Portage.

Section 3. The boundaries of the Downtown District shall be as set forth in Appendix A.

Section 4. The following words shall have the meaning set forth, unless the context clearly indicates otherwise:

(a) "Authority" means the Downtown Development Authority of the City of Portage created by this Ordinance.

(b) "Board" or "Board of Directors" means the Board of Directors of the Authority, the governing body of the Authority.

(c) "Business District" means an area in the downtown of the City of Portage zoned and used principally for business.

(d) "The Chief Executive Officer" means the City Manager of the City.

(e) "Development Area" means that area to which a Development Plan is applicable.

(f) "Development Plan" means that information and those requirements for development as required by Act 197.

(g) "Development Program" means the implementation of the Development Plan.

(h) "Downtown District" means the area in the Business District described in Appendix A.

(i) "Governing Body" means the City Council of the City of Portage.

(j) "Operations" means office maintenance, including salaries and expenses of employees, office supplies, consultation fees, design costs, and other expenses incurred in the daily management of the Authority and its activities.

(k) "Public Facility" means a street, plaza, pedestrian mall, and any improvements thereto including street furniture and beautification, parks, parking facilities, recreational facilities, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by public agency.

(l) "City" means the City of Portage, Kalamazoo County, Michigan.

(m) "City Council" means the City Council of the City of Portage.

Section 5. The City Council hereby determines that it is necessary for the best interests of the City to halt property value deterioration and increase property tax valuation where possible in the business district of the City, to eliminate the causes of that deterioration and to promote economic growth by establishing a Downtown Development Authority pursuant to Act 197.

Section 6. Creation of Authority. There is hereby created pursuant to Act 197 a Downtown Development Authority for the City. The Authority shall be a public body corporate and shall be known and exercise its powers under the title of "Downtown Development Authority of the City of Portage." The Authority may adopt a seal, may sue and be sued in any court of this state and shall possess all of the powers necessary to carry out the purpose of its incorporation as provided by this Ordinance and Act 197.

ARTICLE II
THE BOARD

Section 1. Board of Directors. The Authority shall be under the supervision and control of the Board of Directors consisting of the chief executive of the City and not less than eight (8) or more than twelve (12) members as determined by the City Council.The members shall be appointed by the chief executive officer of the City, subject to the approval by the City Council. Not less than a majority of the members shall be persons having an interest in property located in the Downtown District. Not less than one of the members shall be a resident of the Downtown District, if the Downtown District has 100 or more persons residing with it. Of the members first appointed, an equal number, as near as is practical, shall be appointed for one year, two years, three years and four years. Members shall hold office until the members' successor is appointed. Thereafter, each member shall serve for a term of four years. An appointment to fill a vacancy shall be made by the chief executive officer of the City for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

Section 2. The President of the Board of Directors shall be elected by the Board of Directors.

Section 3. Before assuming the duties of office, a member shall qualify by taking and subscribing to the Constitutional Oath of Office.

Section 4. The Officers of the Authority shall be as follows:

a. A President
b. A Vice President
c. A Secretary
d. A Treasurer

Section 5. The Board of Directors by resolution adopted by a majority of its members at a regular or special meeting shall elect the officers to terms of office set forth in the Resolution. The Board may elect one or more assistant secretaries and assistant treasurers of the Authority. Officers and members of the Board shall acknowledge their acceptance of the position by filing an acknowledgment thereof with the secretary of the Authority.

Section 6. The offices of Secretary and Treasurer may be vested in one person, if approved by the Board, in which event such person shall be the "Secretary-Treasurer."

ARTICLE III
MEETINGS

Section 1. The Board shall perform and conduct all business public meetings held in compliance with Act 267 of the Public Acts of 1976, being Sections 15.261 to 15.275 of the Michigan Compiled Laws Annotated, which is also known as the Open Meeting Act.

Section 2. The Board shall adopt any rules necessary governing its procedure and the holding of regular meetings subject to the approval of the governing body.

Section 3. Special Meetings may be held when called in the manner provided for in the Rules of the Board, as long as said meetings comply with the Open Meetings Act.

ARTICLE IV
FREEDOM OF INFORMATION ACT, EXPENSES AND FINANCIAL RECORDS

Section 1. All writings, items of records prepared, owned or used, in the possession of or retained by the Board in the performance of their official function shall be made available to the public in compliance with the Freedom of Information Act, Act 442 of the Public Acts of 1976, being Sections 15.231, 15.246 of Michigan Compiled Laws Annotated.

Section 2. All expense items of the authority shall be publicized monthly and the financial records will always be open to the public.

ARTICLE V
POWERS OF THE AUTHORITY

Section 1. The Authority shall have all the powers expressed granted or reasonably implied by Act 197 as presently in effect or as hereafter amended.

ARTICLE VI

No enumeration of the powers granted to the Authority in this Ordinance shall be interpreted as a limitation of the powers granted tc the Authority, it being the intention of this Ordinance to grant to the Authority all powers granted to a downtown development authority by Act 197.

ARTICLE VII
BOUNDARY AREA OF THE DOWNTOWN DISTRICT

The boundary of the Downtown District shall be as set forth in Appendix A.

ARTICLE VIII
BUDGET - FISCAL YEAR

Section 1. The fiscal year of the Authority shall begin on July 1 of each year and end on June 30 of the succeeding year, or such other fiscal year as may hereafter be adopted by the City.

Section 2. The Board of Directors shall annually prepare a budget and shall submit it to the City Council on the same date that the proposed budget for the City is required by law to be submitted to the City Council. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the City Council. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the Ordinance authorizing the revenue bonds.

Section 3. The Authority shall submit financial reports to the City Council at the same time and on the same basis as departments of the City are required to submit reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the Audit report shall be filed with the City Council.

ARTICLE IX
SECTION HEADINGS
SEVERABILITY - REPAIR

Section headings are provided for convenience only and are not intended to be part of this Ordinance. If any portion of this Ordinance shall be held to be unlawful, the remaining portions shall remain in full force and effect. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

ARTICLE X
DISSOLUTION OF AUTHORITY UPON COMPLETION OF PURPOSES; TITLE OF PROPERTY

Section 1. The Authority shall be dissolved by Ordinance of the City Council after it has completed the purposes for which it was organized.

Section 2. The property and assets of Authority remain and after the satisfaction of the Authority shall belong to the City.

ARTICLE XI
PUBLICATION; EFFECTIVE DATE

Section 1. This Ordinance shall be published once after its adoption in full in the Kalamazoo Gazette, a newspaper of general circulation in the City and the City Clerk shall file a certified copy of the Ordinance with the Michigan Secretary of State promptly after its adoption.

Section 2. This Ordinance shall take effect immediately on the date of publication.

INTRODUCED: June 16, 1998

ADOPTED: July 7, 1998

EFFECTIVE: Upon Publication

PUBLISHED: July 11, 1998

ORDINANCE NO. 98-14

CERTIFICATION

The foregoing ordinance is hereby certified to be the authentic record of the ordinance which was duly adopted by the City Council of the City of Portage on the 7th day of July, 1998 and published on the 11th day of July, 1998.

Mayor GARY P. BROWN

Clerk JAMES R. HUDSON

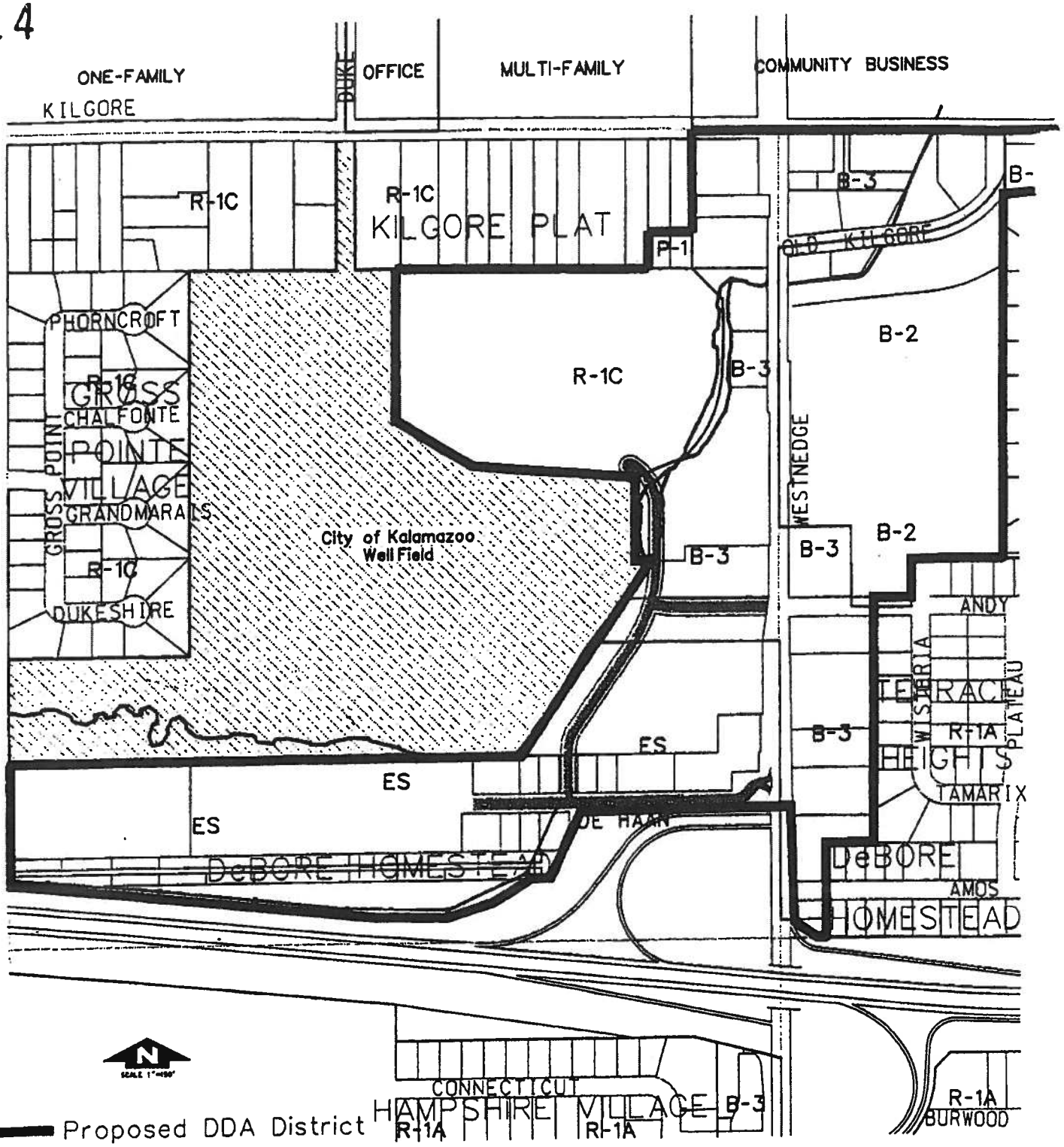
Subscribed and sworn to before me this 7th day of July 1998.

A. Joyce Kuzmitowicz, NOTARY
Kalamazoo County, Michigan
My Commission Expires: 4-17-2000

Min bk 15, p 236
Proof of Pub VOL XXX, p 63

A parcel of land located in the northwest quarter of section three and the northeast quarter of section four, township three south, range eleven west, more particularly described as follows:

Commencing at the west quarter post of said section three; thence east along the east-west quarter line of said section three 131.69 feet to a point 34.31 feet west of the southeast corner of lot 19 of the Assesor's Plat of DeBoer Homestead Acres and the place of beginning; thence northwesterly 100.00 feet to the northwest corner of said lot 19; thence northerly 66.00 feet along the west line of lot 18 of said Assessor's Plat to the northwest corner of said lot 18; thence northerly 66.00 feet along the west line extended of said lot 18 to the southwest corner of lot 17 of said Assessor's Plat; thence continuing northerly 264.00 feet more or less along the west line of lots 14, 15, 16, and 17 of said Assessor's Plat to the northwest corner of said lot 14; thence westerly 80.00 feet more or less to the intersection of the south right-of-way line of DeHaan Drive with the west right-of-way line of South Westnedge Avenue; thence westerly 590.00 feet more or less along the south right-of-way line of DeHaan Drive to the intersection of the south right-of-way line of DeHaan Drive with the east right-of-way line of Clara Drive; thence southwesterly 280.00 feet more or less along the east right-of-way line of Clara Drive; thence westerly 50.00 feet more or less to the southeast corner of lot 108 of said Assessor's Plat; thence westerly 63.40 feet more or less along the south line of said lot 108; thence south 58 degrees 3 minutes 8 seconds west, 119.84 feet; thence south 72 degrees 5 minutes 59 seconds west, 163.48 feet; thence north 89 degrees 2 minutes 44 seconds west, 250.80 feet; thence north 84 degrees 28 minutes 18 seconds west, 1,241.33 feet more or less to the south line of said Assessor's Plat; thence westerly 21.00 feet more or less along the south line of said Assessor's Plat to the southwest corner of lot 98 of said Assesor's Plat; thence north 0 degrees 20 minutes 0 seconds west, 419.30 feet along the north-south quarter line of said section four; thence easterly 1,763.82 feet to the northwest corner of lot 68 of said Assessor's Plat; thence northeasterly 481.00 feet more or less along the center line of the west branch of Portage Creek; thence northeasterly 188.00 feet more or less along said creek; thence northerly along said creek to a point on the east-west eighth line of said section four 458.64 feet west of the east line of said section four; thence westerly 50.00 feet along said east-west eighth line; thence northerly 289.06 feet parallel with the east line of said section four; thence north 85 degrees 16 minutes 20 seconds west, 549.72 feet; thence north 58 degrees 41 minutes 0 seconds west, 317.39 feet to the west line of the east half of the northeast quarter of said section four; thence north 0 degrees 0 minutes 3 seconds west, 527.79 feet along the west line of the east half of the northeast quarter of said section four to a point 480.37 feet south of the north line of said section four, said point also being in the south line of lot 17 of Kilgore Plat; thence east along the south line of Kilgore Plat 869.44 feet to the southwest corner of lot 5 of said plat; thence north along the west line of lot 5, 125.00 feet; thence east 154.00 feet to the east line of lot 4 of said plat; thence north 322.37 feet to the north line of section four; thence easterly 304.00 feet to the northeast corner of said section four, this point also being the northwest corner of said section three; thence continuing easterly 951.78 feet along the north line of the northwest quarter of said section three to the west line extended of lot 121 of Ridgebrook No. 1; thence southerly 50.00 feet along the west line extended of said lot 121 to the northwest corner of said lot 121; thence continuing southerly 157.09 feet along the west line of said lot 121 to the southwest corner of said lot 121; thence southwesterly 173.82 feet along the north line of lot 122 of Ridgebrook No. 1 to the northwest corner of said lot 122 and the easterly right-of-way line of Old Kilgore Road; thence southerly 1,255.74 feet along the westerly line and the westerly line extended of Ridgebrook No. 1 to a point in the north line of lot 64 of Terrace Heights; thence westerly 183.95 feet along the north line of lots 64, 65 and 66 of Terrace Heights to the northwest corner of said lot 66; thence southerly 132.00 feet along the west line of said lot 66 to the southwest corner of said lot 66 and the north right-of-way line of Andy Avenue; thence westerly 264.00 feet along the north right-of-way line of Andy Avenue to the west line of Terrace Heights; thence southerly 858.00 feet along the west line of Terrace Heights to the southwest corner of lot 9 of Terrace Heights and a point in the north line of lot 53 of said Assessor's Plat; thence westerly 165.00 feet along the north line of lots 53, 54 and 55 of said Assessor's Plat to the northwest corner of said lot 55; thence southerly 198.00 feet along the west line and the west line extended of said lot 55 to the northwest corner of lot 20 of said Assessor's Plat; thence continuing southerly 132.00 feet along the west line of said lot 20 to the southwest corner of said lot 20 and the southeast corner of said lot 19; thence westerly 34.31 feet along the east-west quarter line of said section three and along the south line of said lot 19 to the place of beginning.



Proposed DDA District

Sanitary Sewer Relocation

Proposed Street

(Map Shows Existing Zoning Districts)

Map 1: DDA District Map

Appendix 9

COSTS TO BE PAID BY CITY OF PORTAGE TABLE

Improvements	Estimated Time Required	Estimated Cost for Completion
1. SWEPs project improvements: a) The widening of portions of South Westnedge Avenue from north of Market Place to Kilgore Road including related land acquisition, design, and street and utility construction activities. b) Traffic signal upgrades, overhead utility relocation activities, and access management activities along South Westnedge Avenue in the DDA district to facilitate safe and efficient traffic flow.	FY2018/FY2020	$1,250,000
2. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.	FY2011	$191,623
3. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements: a) Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing. The realignment will include curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction. b) West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property. c) The Trade Centre Way and West Fork Crossing intersection will be reconstructed	FY2011	$1,148,377

incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.

d) A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to facilitate left turn-in and right turn-in movements from South Westnedge Avenue to Trade Centre Way and right turn-out movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

CITY OF PORTAGE

At a regular meeting of the City Council of the City of Portage, County of Kalamazoo, held in the Portage City Hall, in Portage, Michigan, on April 26, 2011 at 7:30 p.m. Eastern Daylight Savings Time, there were:

PRESENT: Bailes, Campbell, Randall, Reid, Sackley, Strazdas, Urban

ABSENT: None.

The following ordinance was introduced by Urban and was seconded by Reid:

AN ORDINANCE TO APPROVE A 2011 AMENDED DEVELOPMENT PLAN AND A 2011 AMENDED TAX INCREMENT FINANCING PLAN FOR DEVELOPMENT AREA WITHIN DOWNTOWN DISTRICT OF THE CITY OF PORTAGE

WHEREAS, a 2011 Amended Development Plan and a 2011 Amended Tax Increment Financing Plan for the proposed development area within the downtown district established pursuant to Act No. 197 of the Public Acts of 1975, as amended, has been prepared by the Downtown Development Authority of the City of Portage and submitted to the City Council, a copy thereof is on file with the City Clerk, and

WHEREAS, a public hearing thereon was held before the City Council, on May 24, 2011, at 7:30 p.m. in the Portage City Hall, 7900 South Westnedge Avenue, Portage, Michigan, with notice thereof given in accordance with Section 18 of said Act No. 197, and

WHEREAS, the City Council now determines that the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan constitutes a public purpose, and

WHEREAS, after careful consideration of the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan it appears to the City Council that:

(a) The 2011 Amended Tax Increment Financing Plan meets the requirements set forth in Sections 14 and 15 of said Act 197;

(b) The 2011 Amended Development Plan meets the requirements set forth in Section 17(2) of said Act No. 197;

(c) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing;

(d) The development is reasonable and necessary to carry out the purposes of said Act No. 197;

(e) The 2011 Amended Development Plan is in reasonable accord with the master plan of the City;

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area;

(g) Changes in streets, street levels, intersections and utilities are reasonably necessary for the project and for the City;

NOW, THEREFORE, the City of Portage Ordains:

Section 1. 2011 Amended Development Plan and 2011 Amended Tax Increment Financing Plan Approved. The 2011 Amended Development Plan and 2011 Amended Tax Increment Financing Plan for the development area within the downtown district established pursuant to Act No. 197 of the Public Acts of 1975, as amended, as prepared by the Downtown Development Authority of the City of Portage and submitted to the City Council (a copy of which is on file with the City Clerk), are hereby approved by the City Council.

Section 2. This Ordinance shall be published once after its adoption in full in the Kalamazoo Gazette, a newspaper of general circulation in the City and the City Clerk shall file a certified copy of the Ordinance with the Michigan Secretary of State promptly after its adoption.

Section 3. This Ordinance shall take effect immediately on the date of publication.

INTRODUCED: April 26, 2011

ADOPTED: _____, 2011

EFFECTIVE: _____, 2011

PUBLISHED: _____, 2011

CERTIFICATION

The foregoing ordinance is hereby certified to be the authentic record of the ordinance which was duly introduced by Urban and seconded by Reid at the City Council of the City of Portage on the 26th day of April, 2011;

Peter J Strazdas
Mayor

James R. Hudson
Clerk

las.r7-por188

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 18, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Trade Centre Way Relocation Project #997-R.

ACTION RECOMMENDED: That City Council adopt:

a. Resolution No. 3 for the Trade Centre Way Relocation Project #997-R, directing the preparation of the special assessment roll, and
b. Resolution of Intent to issue bonds and authorize publication of the Notice of Intent.

Attached is Special Assessment Resolution No. 3 for the Trade Centre Way Relocation Project #997-R. Previous City Council action relating to this project include:

- On April 26, 2011, City Council adopted Resolution No. 1 on this project, accepted the City Manager Report dated April 15, 2011, and requested preparation of Resolution No. 2.

- On May 10, 2011, City Council adopted Resolution No. 2 on this project, setting a public hearing of necessity on May 24, 2011.

It is recommended that City Council adopt Resolution No. 3 for the Trade Centre Way Resolution Project #997-R, directing the preparation of the special assessment roll, adopt the Resolution of Intent to issue bonds and authorize publication of the Notice of Intent.

Attachment: Resolution No. 3 for the Trade Centre Way Relocation Project #997-R
Resolution of Intent to issue bonds authorizing publication of Notice of Intent

CITY OF PORTAGE
SPECIAL ASSESSMENT RESOLUTION #3
Trade Centre Way Relocation Project – District #997-R

At a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan, held in Council Chambers in the Portage City Hall in said City on the _____ day of _____, 2011 at 7:30 p.m.

PRESENT:_____

ABSENT: _____

The following resolution was offered by:

Councilmember_____ and seconded by:

Councilmember_____:

WHEREAS, a public hearing on the necessity on the proposed improvement hereinafter described was held in accordance with the provisions of the City's Charter and Special Assessment Ordinance; and

WHEREAS the City Council of the City of Portage has determined to proceed with the public improvements in the City of Portage more particularly hereinafter described in the resolution; and

WHEREAS, the City Manager has secured final construction cost figures for such improvements and the City Council has reviewed said figures;

NOW THEREFORE BE IT RESOLVED THAT:

1. The City Council hereby determines the necessity for and determines further to proceed with the improvements hereinbefore in these proceedings described as the TRADE CENTRE WAY RELOCATION PROJECT, DISTRICT #997-R, more fully described as follows, to wit:

Reconstruct Trade Centre Way from West Fork Crossing to South Westnedge Avenue including the relocation of the Trade Centre Way/West Fork Crossing intersection along with the necessary utility relocations and adjustments.

2. The cost of said public improvement, based on the aforesaid cost figures is estimated to be as follows:

TOTAL COST	SHARE OF DISTRICT	SHARE OF CITY-AT-LARGE
$1,340,000.00	$1,340,000.00	$0.00

It is hereby determined that the Special Assessment District's share is in proportion to the benefits to be derived from the improvements. The Special Assessment District's share will be spread over the Special Assessment District as hereinafter described.

3. Said Special Assessment District shall consist of all the following described lots and parcels of land:

Unplatted Land: Part of the Northeast quarter of section 4, town 3 South, range 11 West, City of Portage, Kalamazoo County, Michigan, described as: Commencing at the East quarter post of said section 4; Thence North 00 degrees 10'32" East on the East line of said section 4 a distance of 650.43 feet to the North line of the assessor's plat of DeBoer Homestead Acres, according to the plat thereof as recorded in liber 14 of plats, page 6, Kalamazoo County records, said North line being previously referred to as the North line of the North half of the South half of the South half of the Northeast quarter of said section 4; Thence North 89 degrees 55' 00" West on said North plat line 759.22 feet to the Northeast corner of lot 67, of said assessor's plat of DeBoer Homestead Acres and the point of beginning of the land herein described: Thence South on the East line of said lot 67 and on said East line extended a distance of 198.00 feet to the South line of De Haan Drive; Thence North 89 degrees 55' 00" West on said South line extended 9.18 feet; Thence South 15 degrees 05' 00" West 74.17 feet; Thence Southwesterly 92.45 feet On a 124.00 foot radius curve to the right whose chord bears south 36 degrees 26' 36" West 90.33 feet; Thence South 57 degrees 48' 12" West 163.83 feet; Thence Southwesterly 243.48 feet on a 424.00 foot radius curve to the right whose chord bears South 74 degrees 15' 16" West 240.15 feet; Thence North 89 degrees 17' 40" West 181.89 feet; Thence North 84 degrees 43' 14" West 688.21 feet; Thence North 05 degrees 51' 51" East 433.28 feet to the Westerly extension of the North line of said DeBoer Homestead Acres; Thence South 89 degrees 55' 00" East on said North line extended 1,274.81 feet to the point of beginning and ending of the above described.

Platted Land: Lots 64 through 65 inclusive as originally recorded in the plat of DeBoer Homestead Acres in liber 14 of plats page 6 Kalamazoo County records.

4. The City Assessor shall prepare a Special Assessment Roll spreading that portion of the cost of the aforesaid public improvement to be borne by the Special Assessment District against said district according to the benefits received, in conformity with the provision of the

Special Assessment Ordinance of the City. As soon as said roll is prepared, the City Assessor shall file the same with the City Clerk for presentation to the City Council.

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

ADOPTED: YEAS: Councilmember:_____

NAYS: Councilmember:_____

ABSENT: Councilmember:_____

_____
James R. Hudson, City Clerk

CERTIFICATION

STATE OF MICHIGAN)
)
COUNTY OF KALAMAZOO)

I, the undersigned, the duly qualified and acting City Clerk of the City of Portage, County of Kalamazoo, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of said city, held on the ____ _____ day of _____ 2011, the original of which is on file in my office.

IN WITNESS THEREOF, I have hereto affixed my official signature this _____ day of _____, 2011.

_____
James R. Hudson, City Clerk

APPROVED AS TO FORM
DATE 5/16/11
CITY ATTORNEY

G:\TRANS&UTIL\RESOLUTIONS\SpecialAssessment#3TradeCentre Way.doc

CITY OF PORTAGE

At a _____ meeting of the City Council of the City of Portage, Kalamazoo County, Michigan, held at the Portage City Hall in the City on _____, 2011, at __:__ _.m., Eastern Daylight Savings Time, there were:

PRESENT: _____

_____

ABSENT _____

The following resolution was offered by Councilperson _____ and seconded by Councilperson _____:

RESOLUTION OF INTENT TO ISSUE BONDS
AUTHORIZING PUBLICATION OF NOTICE OF INTENT

WHEREAS, the City Council is in the process of adopting proceedings authorizing the issuance of bonds described as follows:

City of Portage Special Assessment Bonds, Series 2011 in a principal amount not exceeding $1,340,000 (the "Bonds") for the project described in Exhibit A attached hereto; and

WHEREAS, it shall be necessary to publish a notice of the City's intention to issue these Bonds and to allow a 45-day period for filing of a petition for referendum upon the issuance of the Bonds pursuant to Act No. 279, Public Acts of 1909, as amended.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTAGE, MICHIGAN, that:

1. The Council declares its intention to take proceedings authorizing the issuance of the Bonds and the authorizes the City Clerk to give notice of such intention by publishing and prominently displaying in the *Kalamazoo Gazette* a notice thereof in substantially the form attached to this Resolution of at least 2 columns by 6 inches in size.

2. It is hereby found and declared that the *Kalamazoo Gazette* is a qualified newspaper of general circulation in the City; that publication of the notice in such newspaper is a reasonable and effective method of giving such notice and of informing the electors and taxpayers of the City as to the intention of the City Council to take proceedings authorizing the issuance of the Bonds, as to the nature and extent of the

full faith and credit and limited tax obligations to be assumed by the City for payment of the Bonds, and as to the right to petition for a referendum upon the issuance of Bonds and the consequences of failure to exercise such right; and that, considering all of the circumstances, the requirements that such notice be so published at least 45 days prior to the issuance of such Bonds and that any such petition be signed by not less than 10% of the registered electors in the City and be filed within such period are reasonable and afford the electors and taxpayers of the City a fair and adequate opportunity to secure such signatures and file such petition if they so desire.

3. In the event such petition for a referendum upon the question of the issuance of the Bonds shall be filed as provided by law, then the Bonds shall not be authorized or issued unless such question is submitted at a general or special election in the City and unless a majority of the electors voting on the question shall vote in favor of the issuance of the Bonds.

4. The City Manager is authorized and directed to:

(a) if necessary, apply to the Municipal Finance Division of the Michigan Department of Treasury for prior approval of the sale of the Bonds;

(b) if necessary, file with such application all required supporting material; and

(c) pay fees required in connection therewith.

A vote on the foregoing resolution was taken and was as follows:

YES: _____

NO: _____

ABSENT: _____

ABSTAIN: _____

The Resolution was declared adopted.

Las.r1-por193

CITY CLERK'S CERTIFICATE

The undersigned, being the duly qualified and acting Clerk of the City of Portage, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the City at a _____ meeting held on _____, 2011, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records of the proceedings of the City Council in my office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended); and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

_____
James R. Hudson, City Clerk

[SEAL]

las.r1-por193

CITY OF PORTAGE

KALAMAZOO COUNTY, MICHIGAN

NOTICE OF THE INTENTION OF THE CITY OF PORTAGE TO ISSUE SPECIAL ASSESSMENT BONDS PLEDGING FULL FAITH AND CREDIT AND LIMITED TAXING POWER OF THE CITY AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON

TO ALL QUALIFIED ELECTORS AND
TAXPAYERS OF THE CITY OF PORTAGE:

NOTICE IS HEREBY GIVEN, that the City Council of the City of Portage, Michigan, intends to take proceedings authorizing the issuance of the City of Portage Special Assessment Bonds, Series 2011 (the "Bonds"), in a principal amount of not to exceed $1,340,000, maturing over a period not exceeding 25 years. The Bonds shall bear interest not exceeding 8% per annum. The Bonds are to be issued in anticipation of and to be payable in the first instance (as to both principal and interest) from collections of equal principal amounts of, and interest on, assessments made against lands in certain special assessment district for payment of their respective share of the cost of making storm sewer and drain improvements and road improvements in the City.

FULL FAITH AND CREDIT AND LIMITED
TAXING POWER OF CITY WILL BE PLEDGED

NOTICE IS FURTHER GIVEN, that the City of Portage Special Assessment Bonds, Series 2011 are to be general obligations of the City of Portage, secured by a pledge of its full faith and credit for the payment of the principal of and the interest on the Bonds, which shall include the City's limited tax obligation within applicable constitutional, statutory and charter limits and its general fund. In the event and to the extent that moneys required to pay such principal and interest are not available to the City from the funds from which such principal and interest are payable in the first instance, the City will promptly advance from its general funds sufficient moneys to pay that principal and interest.

RIGHT TO PETITION FOR REFERENDUM

NOTICE IS FURTHER GIVEN to and for the benefit of the electors and taxpayers of the City in order to inform them of the intention of the City to adopt proceedings authorizing the issuance of the Bonds in an amount not to exceed $1,340,000 and also to inform them of their right to petition for a referendum upon the question of the issuance of the Bonds. Such proceedings will be adopted and the Bonds will be issued, without a vote of the electors thereon, but such bond authorizing resolution shall not become effective until 45 days after publication of this notice. If within such 45 day period a petition for referendum requesting an election on such Bond issue, signed by not less than 10% or 15,000, whichever is less, of the registered electors of the City of Portage, has been filed with the City Clerk, the resolution approving the Bond issue shall not become effective and the Bonds shall not be issued unless approved by a majority of the electors of the City of Portage voting thereon at a general or special election.

This notice is given by order of the City Council pursuant to Section 5(g) of Act No. 279, Michigan Public Acts of 1909, as amended. Further information may be secured at the office of the Portage City Clerk, 7900 South Westnedge Avenue, Portage, Michigan 49002; Telephone: (269) 329-4412.

James R. Hudson, City Clerk

Dated: [Date of Publication]

[NEED TO PUT CITY LOGO ON ALL NOTICES FOR PORTAGE]

las.r1-por193

EXHIBIT A

PROJECT DESCRIPTION

1. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.

2. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements:

   A. Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing. The realignment will include curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction.

   B. West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property.

   C. The Trade Centre Way and West Fork Crossing intersection will be reconstructed incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.

   D. A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to facilitate left turn-in and right turn-in movements from South Westnedge

Avenue to Trade Centre Way and right turn-out movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

Las.r1-por193

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 16, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Fiscal Year 2011-2012 Budget Approval

ACTION RECOMMENDED: That City Council approve the Fiscal Year 2011-2012 Budget.

Following the City Council budget review session and the public hearing, adoption of the attached General Appropriations Act and Salary and Wage Resolution will complete the Fiscal Year 2011-2012 Budget and authorize implementation beginning July 1, 2011.

The Fiscal Year 2011-2012 Budget is a conservative financial plan that maintains a high level of excellence in service. The ongoing financial challenges of the state economy continue to affect local governments, bringing uncertainty regarding future revenue, including Act 51 funds and other state and federal awards and entitlements. However, effective financial controls and planning instituted by the City Administration will minimize the affects of future budget challenges.

This 2011-2012 Budget is a sound financial plan for the community that:

- addresses and meets service demands with adjustments to the levy for the Recycling Fund and the Leaf Pickup/Spring Cleanup Fund necessitated by a tax base that continues to decrease, increased cost of service and, in the case of the Leaf Pickup Fund, two storms requiring additional service;
- maintains the Council-prescribed fund balance of 13 percent, which contributes to the excellent bond rating of the city;
- adequately supports economic development efforts through $8.48 million of infrastructure related improvements in the Capital Improvement Program; and
- continues a balanced, efficient, cost-containment approach to service delivery by providing a high level of both municipal and privatized services;

The modest 10.8916 mill levy keeps the city in the position of being in the lowest quarter of all Michigan cities with populations greater than 25,000 in terms of millage level.

The General Appropriations Act Resolution, has been prepared to conform to all requirements of the City Charter and State Statutes. The Salary and Wage Resolution, is provided to establish salary and wage schedules. In accordance with the timeline prescribed by the City Charter, Council adoption of these three resolutions is recommended.

Attachments

GENERAL APPROPRIATIONS ACT
RESOLUTION TO ADOPT THE BUDGET
OF THE CITY OF PORTAGE FOR THE FISCAL YEAR
JULY 1, 2011 TO JUNE 30, 2012
AND TO MAKE APPROPRIATIONS THEREFORE

Moved by
Supported by

WHEREAS, Chapter 7 of the City Charter requires: That the City Manager submit a budget proposal with his recommendation to the City Council; that a public hearing be held on said budget proposal; that the City Council by resolution adopt a budget for the ensuing fiscal year, make an appropriation of the money needed therefore, and designate the sum to be raised by taxation; and

WHEREAS, the Manager has submitted said budget and recommendations and a public hearing has been held thereon;

NOW, THEREFORE, BE IT RESOLVED as provided in Chapter 7 of the City Charter, and in conformity with Public Act 621 of 1978, the Uniform Budgeting and Accounting Act, that the budgets attached hereto and made a part hereof by reference are hereby considered and adopted, to be administered on an activity level, with the exception of the Capital Improvement Fund, which will be administered on a program/project level, as the budgets of the City of Portage to cover the operations and expenditures thereof for the fiscal year July 1, 2011 to June 30, 2012.

BE IT FURTHER RESOLVED that the sum of $21,345,100 be raised by taxation by the levy of 10.8916 mills for operations on the taxable value of all real and personal property in the City as follows:

General Operating Fund	7.5000 mills	$14,698,300
Capital Improvement Fund	2.0000 mills	3,919,600
Curbside Recycling Fund	0.3603 mills	706,100
Leaf Pickup/Spring Cleanup Fund	0.4000 mills	783,900
Municipal Street Fund	0.6313 mills	1,237,200
	10.8916 mills	$21,345,100

BE IT FURTHER RESOLVED that the City Manager be authorized to transfer necessary amounts between activities/ departments within a fund and make any adjustments within or between funds which do not change ending fund balance. The Capital Improvement Funds shall be considered one fund forthe purposes of this provision.

BE IT FURTHER RESOLVED that a copy of this budget resolution be furnished to the City Assessor, who together with the Finance Director shall then proceed to assess and collect the taxes in accordance with the City Charter and State Statutes.

YES:
NO:
ABSENT:

James R. Hudson, City Clerk

CERTIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF KALAMAZOO)

I, the undersigned, the duly qualified and acting City Clerk of the City of Portage, Kalamazoo County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of said City, held on the 24th day of May, 2011 the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 24th day of May, 2011

James R. Hudson, City Clerk

SALARY AND WAGE RESOLUTION
RESOLUTION TO ADOPT THE SALARY AND WAGE SCHEDULES FOR
THE FISCAL YEAR JULY 1, 2011 TO JUNE 30, 2012

Moved by
Supported by

WHEREAS, Section 6.18(a) of the City Charter and Section 248.06 of the City Code require that upon recommendation of the City Manager, the City Council shall establish uniform salary and wage scales for all officers and employees of the City;

NOW, THEREFORE, BE IT RESOLVED that for the period beginning July 1, 2011 and until otherwise directed, salaries and wages shall be established and adjusted as follows:

(1) Personnel of the following bargaining units shall receive compensation effective July 1, 2011 in accordance with applicable collective bargaining agreements:
International Association of Firefighters (IAFF)

(2) Personnel of the following bargaining units shall receive compensation in accordance with bargaining agreements to be negotiated during the fiscal year ending June 30, 2012:
Portage Police Officers Association (PPOA)
Portage Police Command Officers Association (PPCOA)
United Auto Workers (Parks and Streets Department Laborers, Operators and Mechanics)

(3) Department Head and regular full-time Non-Union employees receive salary and benefit adjustments as provided for in the Non-Union Employee Compensation and Classification Plan, as amended by the 2011-2012 Compensation & Benefit Plan Amendment, and as recommended by the City Manager and adopted with the budget on May 24, 2011. In addition, part-time and seasonal employees receive wage increases within each classification and adjusted separately, as approved by the City Manager. Again this year, however, the 2011-2012 recommended budget does not provide for salary adjustments for Department Head, regular full-time Non-Union, part-time, or seasonal employees other than those associated with organizational restructuring and certain attainment adjustments authorized during the fiscal year. All expenses will be covered by the savings associated with the reorganization. Compensation for the City Manager shall be determined by the City council.

YES:
NO:
ABSENT:

_____
James R. Hudson, City Clerk

CERTIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF KALAMAZOO)

I, the undersigned, the duly qualified City Clerk of the City of Portage, Kalamazoo County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of said City, held on the 24th day of May, 2011 the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 24th day of May, 2011.

_____
James R. Hudson, City Clerk

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 18, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Major Street Reconstruction Program

ACTION RECOMMENDED: That City Council support the substitution of the West Centre Avenue (Shaver to Oakland) project for the Romence Parkway (Lovers Lane to Sprinkle) project in the 2011-2012 Major Street Reconstruction Program.

As part of the fiscal year 2011-2012 budget review, questions arose in regard to the planned major street reconstruction project prioritization. More specifically, scheduling of the Romence Parkway, Lovers Lane to Sprinkle Road project in the fiscal year 2011-2012 Major Street Reconstruction Program prior to the West Centre Avenue, Shaver Road to Oakland Drive project was questioned. The following information is provided in response.

The Major Street Reconstruction Program (MSRP) is intended to provide funding for major and collector street reconstruction. Funds for the MSRP come primarily from the Municipal Street Fund millage and Federal Surface Transportation Program (STP) funds. The STP funds are allocated to local agencies through the Kalamazoo Area Transportation Study (KATS) via a four-year Transportation Improvement Program (TIP) approved by the KATS policy committee. Projects selected for inclusion into the current TIP are based on:

- Traffic volume
- Pavement condition
- Project continuity with other nearby projects
- Federal funding eligibility

Projects proposed for federal aid must be balanced between the above listed criteria. One very important criterion is roadway improvement projects only become eligible for federal funding assistance after at least a 10-year design life. For this reason, West Centre Avenue, which was last resurfaced in 2002, would not be eligible for federal funds until 2012.

The current TIP covers years 2010 through 2014 and includes approved federal funding amounts for eligible major street projects. Portage projects included in the current TIP are:

Approved TIP Year	Street	2010* PASER Rating	Prev. Reconst. Date	Est. Construct. Cost
2012	Romence (Constitution – S. Westnedge)	4	1999	$555,000
	Romence (Lovers Ln. – Sprinkle Rd.)	4	2000	$930,000
2013	Forest Dr. (Lovers Ln.- Portage Rd.)	4	1990	$447,000
	Oakland Dr. (Kilgore – I-94)	7-3	1995	$257,000
	Portage Rd. (Byrd Dr. – E. Milham)	4	1997	$515,000
	Mall Dr. (Constitution – S. Westnedge)	3-4	2000	$339,000
2014	Portage Rd. (W. Centre – Lakeview Dr.)	3-5	1999	$1,040,000
	S. Westnedge – (Osterhout to S. Shore)	4	1995	$752,000

**PASER rating is an asset management system adopted by the State of Michigan which rates roads based on 10 = Excellent to 1 = Failed. A "3" rating is considered Poor.*

For comparison purposes, the West Centre Avenue project (Shaver to Oakland) has a PASER rating of 4, was last reconstructed in 2002, has an estimated construction cost of $817,000 and is currently planned for reconstruction in 2018.

The Romence Road Parkway, Lovers Lane to Portage Road project was originally included in the TIP to achieve the greatest length of roadway improvement in relation to available federal funds. The proposed project would also serve to provide for the reconstruction of the majority of the Romence Road corridor, connecting with the previously improved Romence, South Westnedge to Lovers Lane improvement (2007), the completed Romence/Sprinkle intersection improvement (2008) and the planned Romence, Constitution to South Westnedge reconstruction (2012).

Although the Romence (Lovers Lane to Sprinkle) and West Centre (Shaver to Oakland) projects contain similar PASER ratings, changing pavement and/or traffic conditions are important considerations in development of the final budgeted roadway projects. While city staff was awaiting completion of the 2011 PASER survey ratings prior to initiating a proposed TIP change, clearly the rate of deterioration on West Centre has accelerated, due in primary part to the longitudinal joint deterioration, the location of manholes in the travel lanes and higher traffic volume than is experienced on Romence (Lovers Lane to Sprinkle). As a result, subsequent to Council approval city staff will work with KATS to amend the TIP to exchange the Romence (Lovers Lane to Sprinkle) project with the West Centre (Shaver to Oakland) project. Acceptance of this plan modification will enable the West Centre (Shaver to Oakland) project to be included for funding assistance in Federal fiscal year 2012, with funds then being obligated in October 2011 for construction in 2012.

Council support of the substitution of the West Centre Avenue (Shaver to Oakland) project for the Romence Parkway (Lovers Lane to Sprinkle) project in the 2011-2012 Major Street Reconstruction Program is recommended.

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 19, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Director of Public Safety – Police/Fire Chief

ACTION RECOMMENDED: That City Council confirm the appointment of Richard White as the City of Portage Director of Public Safety – Police/Fire Chief.

In accordance with the City Charter and Code of Ordinances, the City Manager is charged with coordinating the work of all city departments and effecting the reorganization of departments deemed necessary for proper and efficient administration. Furthermore, the City Manager is responsible for the appointment of all administrative officers of the city, with the exception of the City Attorney, subject to the confirmation of Council.

With continuing budgetary restrictions facing the City of Portage, efforts to further reduce the cost of departmental operations must be maintained. Of note, property tax revenue to the city in 2011 will decrease by an additional approximate 3 percent. Furthermore, Governor Snyder's 2011-2012 budget proposal calls for elimination of statutory revenue sharing, representing approximately $335,000 to the city in fiscal year 2010-2011.

Additional budget reductions will be necessary as city revenues continue to decline. As one further step toward facilitating necessary reductions, operational efficiencies are being implemented. In the case of police and fire, the retirement of Fire Chief Lawton presents an opportunity to promote additional efficiencies, strengthen administrative coordination, facilitate operating consistency among the police and fire departments and reduce future operating costs. An administrative consolidation of the Police and Fire Departments into the Department of Public Safety is, therefore, being implemented.

The administrative consolidation of the Police and Fire Departments into the Department of Public Safety will facilitate establishment of a single management function between the two departments that is expected to lead to future cost reductions. The Department of Public Safety will maintain separate police and fire operating divisions and a shared administrative services division. Accordingly, I have appointed Richard White as Public Safety Director – Police/Fire Chief, subject to the confirmation of City Council. Public Safety Director – Police/Fire Chief White will be in charge of the overall management of the Police and Fire Departments, reporting directly to the Deputy City Manager.

Council confirmation of Richard White as the City of Portage Public Safety Director – Police/Fire Chief is recommended.

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 13, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Michigan State Housing Development Authority – Home Buyer Purchase Rehabilitation Grant Application

ACTION RECOMMENDED: That City Council approve the $35,000 grant amendment to the Michigan State Housing Development Authority for the Nortn Portage Home Buyer Purchase-Rehabilitation Program and authorize the Mayor and City Manager to execute all documents related to the amendment in the event the request is awarded.

The Michigan State Housing Development Authority (MSHDA) provides grant funds to facilitate affordable housing opportunities. To take advantage of this funding, assist residents and improve the housing stock in Portage neighborhoods, the city submitted a grant application in 2010 and was awarded a $135,000 Home Buyer Purchase-Rehabilitation (HPR) grant. The MSHDA-funded North Portage Home Buyer Purchase-Rehabilitation Program provides up to $25,000 in assistance for the purchase and rehabilitation of single-family houses in select areas. This program complements successful housing rehabilitation activities through the City of Portage Community Development Block Grant (CDBG) Program.

It was anticipated that five housing projects would be completed with the two-year (HPR) grant award. Subsequent to the release of the MSHDA funds in January 2011, program marketing has been very successful and three projects are currently underway, with approximately $95,000 in grant funds encumbered. Three additional home buyers have made purchase offers on homes in eligible neighborhoods. In order to formally initiate and complete these additional projects, an estimated $35,000 in additional funding from MSHDA will be needed. MSHDA has indicated that an amendment for the additional funding should be requested and would be considered in the current funding period.

It is recommended that City Council approve the grant amendment, and authorize the Mayor and City Manager to execute all documents related to the application.

Attachment: 2010 MSHDA Program Grant
North Portage Home Buyer Purchase-Rehabilitation Neighborhood Strategy Area Map

c: Jeffrey M. Erickson, Director of Community Development

Grant Number: M-2009-0329

HOME INVESTMENT PARTNERSHIP (HOME)

GRANT AGREEMENT BETWEEN

THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY AND CITY OF PORTAGE

I. GRANT OFFER

The Executive Director, Michigan State Housing Development Authority (the "Authority"), acting pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended (the "Act"), hereby offers to City of Portage (hereinafter the "Grantee"), grant assistance subject to the availability of federal HOME funds, terms, conditions, and limitations as set forth herein.

The maximum amount of grant assistance hereby offered is $ $135,000.

The term of work performance by the Grantee under this grant agreement will be from 12/1/2010 to 12/31/2012. Funds will be made available for the Grantee's eligible expenses in accordance with the attached Conditions.

Dated this 1 day of Dec, 2010.

Gary Heidel, ~~Interim~~ Executive Director
Michigan State Housing Development Authority

The foregoing Grant Offer is hereby accepted and it is agreed that the funds made available will be used only as set forth in the Grant Agreement.

Dated this 15th day of December, 2010

WITNESSED BY:

Barbara Janicke
Witness Signature

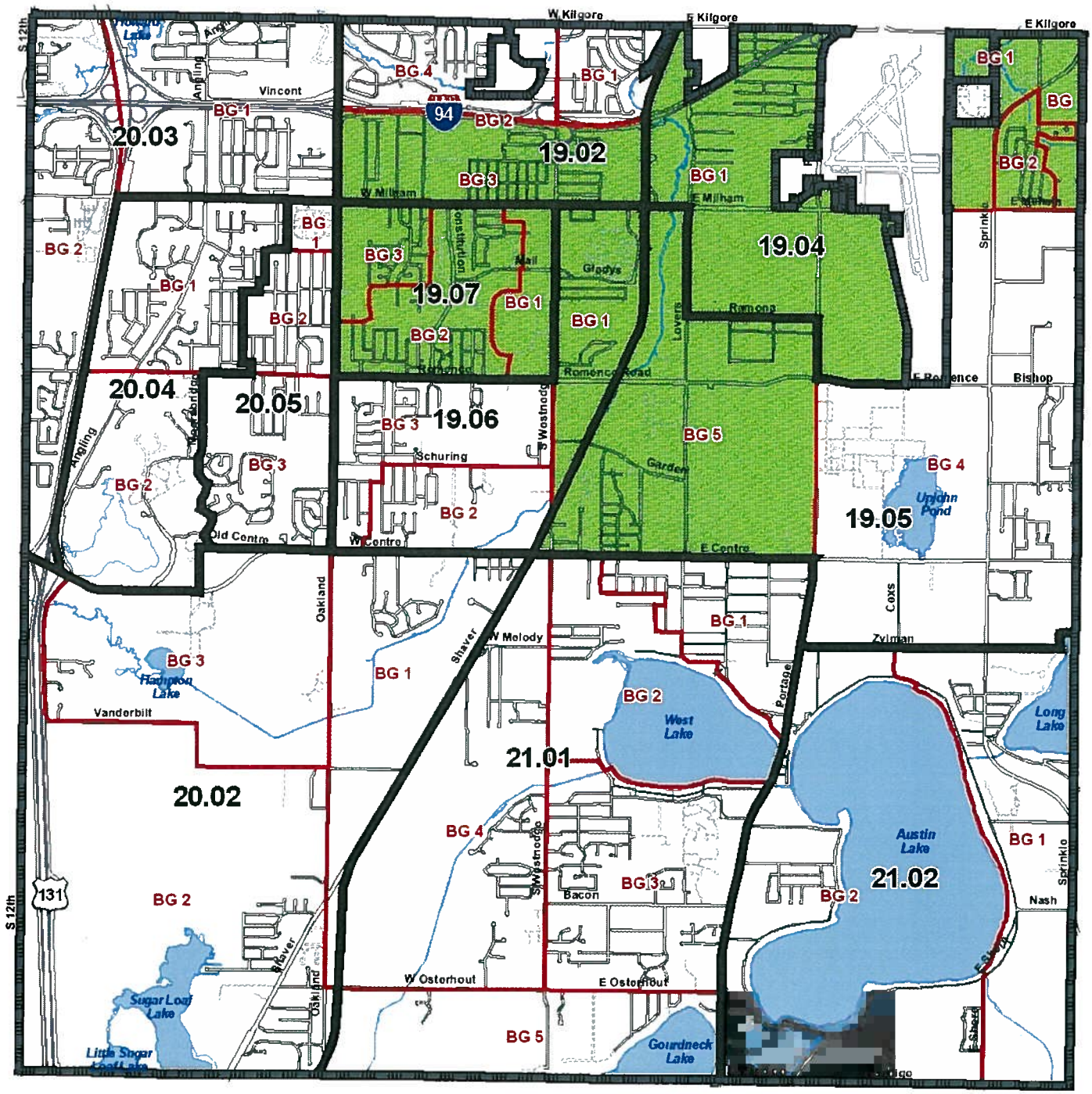
Barbara Janicke
Typed Name of Witness

City of Portage
Agency Name

Peter J. Strazdas
Authorized Official Signature

PETER J. STRAZDAS, MAYOR
Typed Name and Title of Authorized Official

North Portage Home Buyer Purchase-Rehabilitation Neighborhood Strategy Area Map



CITY OF PORTAGE
A Place for Opportunities to Grow

CENSUS TRACT BOUNDARY
BLOCK GROUP BOUNDARY
NSA NEIGHBORHOOD

N

0 2,125 4,250 8,500 Feet

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 20, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Membership of Youth Involvement Programs

ACTION RECOMMENDED: That City Council adopt a Resolution amending the Program Guidelines for the Youth Advisory Committee and Appointments of Youth Participants to City Boards and Commissions.

In March 2009, City Council adopted the Resolution to Continue the Youth Advisory Committee (YAC) and the Appointment of Youth Participants to City Boards and Commissions. This resolution established membership requirements for the YAC and the Youth Participants. Recognizing the number of youths who had shown an interest in participating in city government, City Council increased membership of the YAC from fifteen (15) to twenty-one (21) by resolution on June 9, 2009.

At the Special Meeting of May 10, 2011, City Council again expressed a desire to increase the membership of the Youth Advisory Committee. City Council also expressed a desire to appoint Youth Participants to the Environmental Board, Historic District Commission, Human Services Board, Park Board and Senior Citizen Advisory Committee from the overall membership of the YAC.

The proposed resolution increases membership of the YAC to thirty (30) and provides that Youth Participants to various boards and commissions are also members of the Youth Advisory Committee.

Attachments: Proposed Resolution to Amend the Youth Advisory Committee
June 9, 2009 Resolution to Amend the Youth Advisory Committee
March 24, 2009 Resolution to Continue the Youth Advisory Committee

c: James Hudson, City Clerk
Adam Herringa, Deputy Clerk and Staff Liaison to the Youth Advisory Committee

CITY OF PORTAGE

SECOND AMENDMENT TO RESOLUTION TO CONTINUE THE YOUTH ADVISORY COMMITTEE AND THE APPOINTMENT OF YOUTH PARTICIPANTS TO CITY BOARDS AND COMMISSIONS

Minutes of a regular meeting of the City Council for the City of Portage, Michigan held on May 24, 2011 at 7:30 p.m. local time at the City Hall in the City of Portage, Michigan.

PRESENT: _____

ABSENT: _____

The following resolution was offered by:

Councilmember: _____, and supported by:

Councilmember: _____.

WHEREAS, on March 24, 2009, City Council passed a "Resolution to Continue the Youth Advisory Committee and the Appointment of Youth Participants to City Boards and Commissions" (hereinafter "Resolution"):

WHEREAS, on June 9, 2009, City Council passed a "Resolution to Amend the Youth Advisory Committee and the Appointment of Youth Participants to City Boards and Commissions";

WHEREAS, given the number of youth who have shown their interest in participating in city government, City Council desires to increase the number of members of the Youth Advisory Committee;

WHEREAS, City Council desires to allow for youth participants to serve as both a non-voting member of selected City Boards or Commissions as well as a voting member of the Youth Advisory Committee;

NOW THEREFORE BE IT RESOLVED that the following amendments to the Resolution are adopted:

1. Paragraph 4 of Section A, Youth Advisory Committee, of the Resolution, as amended, is hereby amended to read as follows:

A.

YOUTH ADVISORY COMMITTEE

4. The Committee shall consist of up to thirty (30) members to be appointed by the Mayor subject to the approval of Council.

2. Paragraph 10 of Section B, Youth Participants, of the Resolution, as amended, is hereby amended to read as follows:

B.

YOUTH PARTICIPANTS

10. The Mayor, subject to approval of City Council, may appoint one (1) member of the Youth Advisory Committee to also serve as the Youth Participant to each of the following: Environmental Board, Historic District Commission; Human Services Board, Park Board and Senior Citizens Advisory Board (collectively referred to as "Board").

All resolutions or parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

AYES: Councilmember _____

NAYS: Councilmember _____

ABSENT: Councilmember_____

EFFECTIVE DATE: _____, 2011.

_____
James R. Hudson City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of this resolution adopted at a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan held on _____, 2011, the original of which is in the official proceedings of the City Council.

_____
James R. Hudson, City Clerk

Approved as to Form:

Date 5/13/11

_____
City Attorney

Z:\Jody\PORTAGE\RES\Youth Advisory Membership Resolution.051211.doc

CITY OF PORTAGE

RESOLUTION TO AMEND THE YOUTH ADVISORY COMMITTEE AND THE APPOINTMENT OF YOUTH PARTICIPANTS TO CITY BOARDS AND COMMISSIONS

Minutes of a regular meeting of the City Council for the City of Portage, Michigan held on June 9, 2009 at 7:30 p.m. local time at the City Hall in the City of Portage, Michigan.

PRESENT: Campbell, O'Brien, Urban, Vliek, Strazdas

ABSENT: Reid, Sackley

The following resolution was offered by:

Councilmember: O'Brien, and supported by:

Councilmember: Campbell.

WHEREAS, on March 24, 2009, City Council passed a "Resolution to Continue the Youth Advisory Committee and the Appointment of Youth Participants to City Boards and Commissions";

WHEREAS, given the number of youth who have shown their interest in becoming involved and participating in city government, Council desires to increase the number of members of the Youth Advisory Committee;

NOW, THEREFORE, BE IT RESOLVED that paragraph 4 of Section A, **Youth Advisory Committee**, of the Resolution to Continue the Youth Advisory Committee and the Appointment of Youth Participants to City Boards and Commissions is hereby amended to read as follows:

A.
YOUTH ADVISORY COMMITTEE

4. The Committee shall consist of up to twenty-one (21) members to be appointed by the Mayor subject to the approval of Council.

All resolutions or parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

AYES: Councilmember Campbell, O'Brien, Urban, Vliek, Strazdas

NAYS: Councilmember None.

ABSENT: Councilmember Reid, Sackley

EFFECTIVE DATE: June 9, 2009.

James R. Hudson City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of this resolution adopted at a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan held on June 9, 2009, the original of which is in the official proceedings of the City Council.

James R. Hudson, City Clerk

Z:\jody\PORTAGE\RES\Youth Advisory Comm.061609.wpd

APPROVED AS TO FORM
DATE 6/16/09
CITY ATTORNEY

CITY OF PORTAGE

RESOLUTION TO CONTINUE THE YOUTH ADVISORY COMMITTEE AND THE APPOINTMENT OF YOUTH PARTICIPANTS TO CITY BOARDS AND COMMISSIONS

Minutes of a regular meeting of the City Council for the City of Portage, Michigan held on March 24, 2009 at 7:30 p.m. local time at the City Hall in the City of Portage, Michigan.

PRESENT: Campbell, O'Brien, Reid, Sackley, Strazdas, Urban, Vliek

ABSENT: None.

The following resolution was offered by:

Councilmember: O'Brien, and supported by:

Councilmember: Campbell.

WHEREAS, on May 13, 2008, City Council passed a Resolution Establishing a Youth Advisory Committee and Authorizing the Appointment of Youth Participants to City Boards and Commissions. This Resolution provided that the establishment of a youth advisory committee and the appointment of youth participants to City boards and commissions be reviewed after one year to determine whether these programs would be continued;

WHEREAS, the involvement and participation of youthful members of our community in city government is beneficial to both youth and the community as a whole and the programs contained in this Resolution are to be continued;

WHEREAS the establishment of a Youth Advisory Committee consisting of members who meet the eligibility requirements as set forth herein can provide insight and perspective on numerous issues relating to city government as well as issues important to the community at large:

WHEREAS, the appointment of persons meeting the eligibility requirements below to become non-voting guests of several City boards and commissions will enable those persons to take part in the operations of government through the particular board and commission and, further, will provide the board and commission with insight and perspective not otherwise available;

WHEREAS, it is important that youthful members of our City gain knowledge and understanding of how their elected government functions and, with that understanding, become active and involved citizens in the community as adults;

NOW, THEREFORE, BE IT RESOLVED:

A.
YOUTH ADVISORY COMMITTEE

1. There is hereby established a Youth Advisory Committee ("Committee") whose mission is to serve in an advisory capacity to City Council and the City Administration and other City Officials.

2. The Committee shall identify issues and concerns of the community's youth and make recommendations for projects and programs to address them for the betterment of the community.

3. The Committee shall also provide input to the City Council, City Administration and other City Officials regarding programs, services, projects and issues which are assigned to it for review.

4. The Committee shall consist of up to fifteen (15) members to be appointed by the Mayor subject to the approval of Council.

5. All members of the Committee shall be full-time residents of the City of Portage and be a full-time student. Members shall not be less than 13 years of age and be no more than 18 years of age at the start of his or her term. A member of the Committee may complete his or her term even if the member turns 18 during the term.

6. The term of office of the members of the Committee shall be one year.

7. So as to not unduly interfere with the studies and extra-curricular activities of members, a majority of members of the Committee shall not be necessary to discuss and vote on matters brought before the Committee. However, a quorum of the Committee, which is a majority

of the members appointed, shall be needed to vote on recommendations to City staff or City Council.

8. The Committee shall have the power to adopt by-laws subject to the approval of the Council and shall hold such regular meetings as it deems advisable. However, it shall generally hold at least once meeting per month which dates and times to be determined by the Committee.

9. The Committee may file a report with the Council which shall consist of a concise statement of the activities of the Committee and a list of suggested topics of study for the upcoming year. The Council or City staff, upon receipt of the annual report of the Committee, or at any other time, may determine principal tasks, topics of study and priorities of the Committee for the upcoming year.

B.
YOUTH PARTICIPANTS

10. The Mayor, subject to the approval of City Council, may appoint one (1) Youth Participant to each of the following: Environmental Board; Historic District Commission; Human Services Board, Parks Board and Senior Citizens Advisory Board (collectively referred to as "Board").

11. The Youth Participant shall be a nonvoting guest of the Board and his or her responsibility shall be limited to attending and participating at public meetings of the Board.

12. The Youth Participant's term shall be a period of one (1) year or until his or her successor is appointed.

13. All Youth Participants shall be full-time residents of the City of Portage and be a full-time student. Members shall not be less than 13 years of age and be no more than 18 years of age at the start of his or her term. A Youth Participant may complete his or her term even if the Youth Participant turns 18 during the term.

14. Any charter provision, law, ordinance or rule which applies to the regular members of the Board shall not be applicable to the Youth Participant.

15. The Youth Participant may be removed by the Chairperson of the Board after consultation with the City Manager and Mayor, with or without cause.

16. The Youth Participant's degree of participation at any public meeting is subject to the discretion of the chairperson.

17. The Youth Participant shall not be given any documents or materials in relation to the Youth Participant's activities at the public meeting which, as determined by the City Administration and/or the chairperson, contains confidential or sensitive information even if such document and/or materials may be available to the public upon request.

18. Any member of the public interested in any matter before a board in which a Youth Participant is involved may request that the chairperson direct that the Youth Participant not participate in any manner or that the Youth Participant's involvement be limited. Such request shall be granted by the chairperson.

C.
GENERAL

19. The Council may remove any member of the Committee and any Youth Participant with or without cause.

20. The City Manager, without Council approval, may remove a member of the committee for incurring three (3) or more unexcused absences within that member's term. All excused absences shall be submitted to the staff liaison in writing before the meeting date.

21. No member of the Committee, nor any Youth Participant shall be considered, for any purpose, a city administrative or appointive officer or employee of the City as a result of his or her appointment to the Committee or as a Youth Participant.

22. Members of the Committee and Youth Participants shall serve without compensation and are volunteers.

All resolutions or parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

AYES: Councilmember Campbell, Reid, Sackley, Strazdas, Urban, Vliek, O'Brien

NAYS: Councilmember None.

ABSENT: Councilmember None.

EFFECTIVE DATE: May 14, 2009.

James R. Hudson City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of this resolution adopted at a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan held on March 24, 2009, the original of which is in the official proceedings of the City Council.

James R. Hudson, City Clerk

Z:\Jody\PORTAGE\RES\Youth Advisory Comm.031709.wpd

APPROVED AS TO FORM
DATE 3/12/09
CITY ATTORNEY

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 16, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Downtown Development Authority – Reappointment and Confirmation of Terms

ACTION RECOMMENDED: That City Council confirm the reappointments of the City Manager to the Portage Downtown Development Authority Board of Directors.

City Council established the City of Portage Downtown Development Authority in July 1998 to halt property value deterioration, increase property tax valuation, to eliminate the causes of deterioration and promote economic growth in the portion of South Westnedge Avenue north of I-94. The DDA Board of Directors was subsequently appointed as required by the Downtown Development Authority Act, Public Act 197 of 1975.

As specified in the Act, the nine-member Board of Directors serve initial staggered terms between one to four years and terms of four years thereafter. The members continue to serve until reappointment or a new member is appointed. The Act requires that not less than a majority of the members must be persons having an interest in property located in the DDA district. Section 4 of the Act specifies that the appointments to the Board, which include the City Manager and the eight members appointed by the City Manager, are subject to the approval of the City Council. Pursuant to the Act, Mr. Terry Patterson, Mr. Matt Milks, Mr. Ron Dunlap and Mr. Jeff Chrystal are being reappointed by the City Manager. The terms for Mr. Patterson and Mr. Milks will expire on July 1, 2014 and the terms for Mr. Dunlap and Mr. Chrystal will expire on July 1, 2015. A complete listing of the Board of Directors and their respective terms of office are shown in the accompanying Board Member Roster.

It is recommended that the reappointment of the four members be confirmed by City Council.

Attachment: Board Member Roster

c: Jeffrey M. Erickson, Director of Community Development

DOWNTOWN DEVELOPMENT AUTHORITY BOARD MEMBER ROSTER

BOARD MEMBER	ADDRESS	HOME PHONE	WORK PHONE	FAX	E-MAIL	TERM
Walter Hansen	3027 Woodhams	323-1985	323-3315 599-4212(cell)	1-866-384-8548	wwrhansen@aol.com	07/01/12
James Huberty, Treasurer	5347 Azalea	349-1408	217-1940		pm.jwhub@yahoo.com	07/01/12
Benjamin Boyer, Vice President	3524 East Shore Dr	329-2467			gusphupa@hotmail.com	07/01/13
Rich MacDonald	750 Trade Centre Way		342-8600		richm@hinmancompany.com	07/01/13
Terryl Patterson, President	7950 Moorsbridge Rd.	217-1684	329-1808	323-8705	tpatterson@treystar.com	07/01/14
Matt Milks, Secretary	5124 Mapleridge	383-8481	323-2441 217-1907(cell)		mmilks@mcweiner.com	07/01/14
Ron Dunlap	7826 Kilburnie Ct	324-2514	567-0533 (cell)		rcdunlap@aol.com	07/01/15
Jeff Chrystal	1231 Cobblestone Lane	343-6928	207-5431 (cell)		jchrystal@signatureassociates.com	07/01/15
Maurice Evans	7900 S. Westnedge Ave		329-4400	329-4506	evansm@portagemi.gov	N/A
Jeffrey Erickson, ex-officio	7900 S. Westnedge Ave		329-4477	329-4506	ericksoj@portagemi.gov	N/A

* Note: Board members serve until reappointed or another person is appointed.

s:\2010-2011 department files\board files\dda board\2010 dda board member roster.doc

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 18, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Response to comments of Mr. David McGavin – Information Only

During the May 10, 2011 public hearing regarding the fiscal year 2011-2012 proposed budget, Mr. David McGavin presented several comments related to his review of the budget document. A transcript of Mr. McGavin's comments has been presented below, with responses from the City Administration to various statements highlighted in *italics.*

May 10, 2011
Item D.1 - Public Hearing on the Proposed Fiscal Year 2011-2012 Budget
Comments of David McGavin

Request by Mayor for additional comments on the proposed budget. (33:05)

I'm David McGavin, 611 South Shore Drive. I'd like to also echo the congratulations to the Council and the City Manager for putting together a great start to the cost savings. I think the reduction in staff is excellent, I think the consolidation of departments is a wonderful idea and the elimination of certain of the expenditures regarding plantings and certain events is terrific, but **I would say it is just a start. There are a lot of things in the budget, I read the whole 262 pages, it's a great document full of lots of useful information, but there are lots of things in there that we do not need to spend in the upcoming budget year. New information system, $137,000. Cable TV funding goes up 33%. $200,000 extra for Cable Access. A bikeway and park trails - additional expenditure of $100,000.**

Response: *The fiscal year 2011-2012 proposed city budget represents more than just a start to cost savings. Rather, the proposed budget is more accurately described as reflective of the continued implementation of cost control and cost elimination strategies initiated in 2005-2006.*

In specific regard to the cost items noted above, the city continues to budget funds to maintain its technology and park infrastructure such that the community remains a vibrant and desirable place to live and work. To this end, the Parks and Recreation portion of the Capital Improvement Program (CIP) budget contains approximately $100,000 to "maintain" various park

infrastructure including playground improvements ($50,000) and necessary trail repairs for user safety ($50,000). The Public Facilities portion of the CIP budget also contains $137,000 for core technology infrastructure (Information System Improvements) which primarily represents payments for leased computer equipment and funding for necessary computer disaster recovery systems upgrades. There is no funding for a "new" information system.

Cable TV funding has increased 6% from last year's adopted budget. Cable TV budget revenue is generated from cable television permit holder fees. Expenditures are consistent with the local cooperative partnership agreement with PMN (Public Media Network), including funds for both operational and capital improvements. In addition, $200,000 is being transferred from the Cable TV fund balance, which currently has a projected 2010-2011 ending fund balance of approximately 41%, to support a Windows operating system upgrade and the future replacement of the city HTE system (the city financial management software). Total expense associated with the future replacement of the HTE system is estimated at approximately $800,000. The planned accumulation/reservation of revenue in anticipation of this major capital replacement need will assist in minimizing/eliminating future debt-related expense normally associated with this type of purchase, lowering total equipment replacement cost to the city.

The other things if you look around the city, every weekend **there are nine city vehicles sitting in the parking lot here and you have paid for those - 30% of the time they are going unused. There must be opportunities to save money in the fleet of cars that this city runs and yet tonight you've just endorsed buying another car. I think that's something you should be looking at is if you need all the vehicles that you have.**

Response: *The city has properly managed the municipal vehicle fleet to minimize expense. Routine maintenance is regularly scheduled to ensure maximum vehicle life, mileage standards have been extended to keep vehicles in the fleet for the maximum time prior to replacement and the vehicle fleet has been reduced by approximately 11% over the past 5 years.*

The city employs a diversified vehicle fleet supporting a broad range of functions and 24 hour by 7 day a week operation. Fire apparatus and police vehicles are continually available and in use. Specialized support vehicles are also utilized around the clock in maintaining the city's broad infrastructure of roads, utilities, buildings and properties. Further, a limited number of staff vehicles are shared among departments and utilized to carry out remaining city functions throughout the day, primarily during weekday hours.

In regard to the referenced nine city vehicles parked in the city hall parking lot over the weekends, that is an accurate statement. However, city personnel are not allowed to take any of the nine vehicles home as they are assigned to various departments and are used for city business only Monday through Friday.

City staff vehicles utilized by inspectors (building, electrical, mechanical, zoning and property maintenance) as well as park and assessing personnel most generally during weekday hours are typically lower cost, of significant average age (10 years), and fully depreciated, providing life cycle cost benefit to the city. City staff vehicles are typically procured through the State of

Michigan's cooperative purchasing program, MIDEAL, affording great savings to the city. As an example, the vehicle included for purchase on the May 10, 2011 Council agenda represented a replacement for an 11-year old (model year 2000) Chevrolet Cavalier destroyed in an accident. The replacement vehicle is being acquired through MIDEAL at a price of approximately $13,000. Given the cost efficiencies generated through fleet management practices and volume purchasing discounts available to the city through MIDEAL, past review of alternative approaches such as vehicle leasing and/or employee vehicle stipends have not proven to be viable lower-cost options for managing vehicle fleet expense.

The other thing is ***the City Assessor's Office has five Michigan assessors. Five. And yet the city sees fit to employ a contractor or consultant for over a quarter million dollar expenditure. That seems wasteful to me. Indeed the proposed increases in taxes, and I call them taxes you call them millage, but they are taxes, will only raise $315,000. Those things I've just mentioned, if you were to cut back on those, we'll save more than the tax increase we're going to levy***. You do not need to increase taxes.

Response: *The Office of the City Assessor contains a diversified staff consisting of an administrative secretary, two appraisers, a Deputy Assessor and a City Assessor. The level of training and certification with each employee varies in the Assessing Department. City Assessor James Bush is a Level 4, which is required by the State of Michigan for a municipality with a State Equalized Value greater than or equal to $2 billion. Other personnel in the Department are encouraged to obtain the various certifications they have obtained as we have attempted to create a positive environment for professional growth throughout the organization which will allow for succession planning, when applicable. The total fiscal year 2011-2012 proposed budget for the Office of the City Assessor is approximately $605,000. This budget contains a total of $10,000 for assessing-related consultant services.*

As the Council is aware, reductions in city property valuations over the past two years have generated a corresponding reduction in revenue raised through city millage levies. While expenditure reductions have been used to address the decrease in revenue in the General Fund, Capital Improvement Fund and Municipal Street Fund, service levels have been maintained in the Curbside Recycling and the Fall Leaf Pickup/Spring Cleanup programs. Accordingly, millage levels within these funds must be increased. The tax increases referenced by Mr. McGavin are solely contained within the voter approved millage levies for Curbside Recycling and the Fall Leaf/Brush Pickup/Spring Cleanup.

The combined total increase between the Curbside Recycling and Fall Leaf Pickup/Spring Cleanup funds results in an additional annual tax assessment of approximately $9 to the average value city family residence for 2011. Nevertheless, even at the proposed 2011 higher total city millage level, when adjusted for inflation, the total city-related tax assessment to the average value residential property is actually lower in 2011 than 2010.

I joined this city in 2003. Since 2003 the city has increased its revenues from taxes and fees for services by 30%. The population of the City of Portage over 10 years since the census in 2000 and 2010 grew by 5%. So what that tells me is that 30%

is coming from the citizens, not from new people coming to this city. The other thing it tells me is if the population grows by just 5%, the need for services hasn't been growing any faster so where is that 30% increase in revenues gone? I figure it's gone by saying in good times we could afford a lot of these things and now we're in tight times you need to cut back on them.

While I accept, and *I know we're going to talk about the utilities an 11% increase for water and sewerage, and for the reasons I've mentioned I think there are other options for that. I do think there is an alternative to increasing the taxes for people in this community by 1.5%.*

Response: *The Water and Sewer utility is a separate and stand alone business enterprise fund. It is properly supported by revenues generated specifically from the customers utilizing municipal water and sewer services. The city has, more recently, invested heavily in its utility infrastructure including an unfunded federally mandated arsenic removal facility and other such plant and equipment. The increase in rates is necessary to continue to support the funds' required infrastructure and corresponding debt service. Such infrastructure and corresponding costs are appropriately borne by the users of utility services.*

The other fact that I didn't mention and I think you should take into heart is in this city in the 10 years or 7 years that I've been here unemployment has doubled. We are now running at 8% of people in this City unemployed. So you're looking for an increase in your revenues from some people who don't even have a revenue. Do not have an income. So you think it's tough for you? Think of the people who haven't had an increase. **And *that's seven years and a 30% increase in taxes and fees? I wish I had a 30% increase in my salary and I'm sure most of you would love to have had a 30% increase as well.***

Response: *The city's "overall" governmental revenue has decreased since 2003 in real (constant) dollar terms by approximately 3.5%. To adjust, the city has aggressively reduced expenses and kept its investments safe. As a point of reference, when adjusted for inflation the city's overall governmental expenditure levels have been strategically reduced by over $9 million since 2003.*

Specific to the "limited" category of governmental revenue from "taxes and fees for services", the 30% figure is not an accurate representation. Mr. McGavin's figure is not adjusted for inflation and does not discount revenue added via the voter approved millage for municipal street improvements that occurred during this period (2006). Given the aforementioned, the percentage increase associated with taxes and fees since 2003 is more accurately 3.5%. Additionally, no employee has been the recipient of a 30% increase in salary during this period as may be implied by Mr. McGavin's statement. As the Council is well aware, most unionized employees in the City of Portage have gone without wage increases during the past one or two years, while non-union employees will be entering the third consecutive year of no wage adjustments. Furthermore, since 2003 total full-time employment at the City of Portage has been reduced by 35 positions, or approximately 16%.

So I think you have to look at the people in this city that you are serving and say that we do not want to increase our taxes. We're looking to you to make some of the savings that you've made, which is excellent. There's a whole bunch of other savings that should be made and can clearly offset.

The final point is in 1985 this Council or the people sitting in your chairs approved *the 13% general fund unreserved amount. That's not obligated, you guys could pass a resolution tonight if you wanted to reduce that back to 10%. That 3 percentage point difference is millions of dollars.* You would more than cover the tax increase. You would more than cover all of the increases you are looking for and not have to tax the people of this city.

Response: *Reducing the General Fund reserve by 3% would provide approximately $700,000 in the fiscal year 2011-2012 proposed budget. Nevertheless, the city has a policy to maintain a minimum reserve of 13% within its General Fund. The city established this reserve policy to safeguard against various unanticipated losses and expenditures and to positively influence the city bond rating. Additionally, a minimum 13% General Fund reserve is one of nine indicators utilized by the State of Michigan Treasury Department in rating a city's financial condition. Reducing the 13% fund reserve will negatively impact upon this rating as well as potentially negatively influence the city bond rating.*

The full preservation of the General Fund 13% reserve is particularly prudent now, given the elevated financial risk associated with the very challenging economy.

Thank you.

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 20, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Lexington Green Drainage Channel/Ditch Response – Information Only

During the May 10, 2011 regular City Council meeting, a resident of the Lexington Green neighborhood presented concerns regarding the drainage channel/ditch located within the vicinity and the current level of maintenance. The following report from Transportation and Utilities Director Barnes provides a history and summary of the channel and work performed in the area in response to those concerns.

CITY OF PORTAGE **COMMUNICATION**

TO: Maurice S. Evans, City Manager **DATE:** May 20, 2011

FROM: W. Christopher Barnes, Director of Transportation & Utilities

SUBJECT: Lexington Green Drainage Channel/Ditch Chronology

As requested at the May 10, 2011 City Council meeting, this memo serves as the history of the subject drainage channel as well as a summary of the channel maintenance performed in 2009.

History

The subject drainage channel was originally a field ditch when the area was farmed. In 1959 the Lexington Green area was platted, with the ditch being located at the back of the lots along Pittsford Avenue, Lexington Green Avenue and Meredith Street. At the time the Lexington Green plat was developed, a drainage easement 80 feet in width (40 feet from each property adjacent to the ditch) was established. The ditch begins south of East Milham Avenue in Pavilion Township and drains into Davis Creek near the intersection of Sprinkle Road and Meredith Street.

The Lexington Green drainage channel is not under the jurisdiction of the Kalamazoo County Drain Commission. The drainage easement provides the city the right to maintain the ditch as part of the storm drainage system as certain drainage structures within the Lexington Green plat discharge into this ditch. However, as the channel is not owned by the city or Kalamazoo County, the city does not have maintenance responsibility for the ditch. Responsibility for regular maintenance of the ditch lies with adjacent property owners.

For a number of years, city staff received complaints about debris, vegetation, etc., obstructing the drainage channel. Complaints increased in 2007, and were mostly due to standing stagnant water. As a result, a drainage study was performed for the city by Kingscott & Associates to determine causes and solutions to the increased water levels in the channel. The study, completed in June 2008, found that the culvert under Meredith Street was nearly blocked with silt, sediment and debris. The blockage caused the upstream water surface to become nearly 30 feet in width. The study also found that sediment and man-made debris had filled the channel downstream of the Meredith Street culvert. This debris had raised the channel elevation such that the channel was higher than the upstream culvert at Meredith Street causing additional flooding concerns.

As noted in the Kingscott & Associates drainage study, the channel was in extremely poor condition. Property owners and others had deposited fill material, stones, concrete blocks, tires,

etc., in an attempt to redirect the ditch water flow. Fences, tool sheds, garages and an in-ground pool had been constructed in the drainage easement area which created obstructions to the water flow. As shown in the attached photos, the encroachments in the drainage easement made available working areas extremely limited/difficult.

On September 14 – 16, 2008, the Kalamazoo area experienced a 7.8" rainfall event classified as a 100 year flood event. The rainfall and subsequent flooding caused water from the channel to back up into the basement of property immediately upstream of Meredith Street on Pittsford Avenue. A claim was made to the Michigan Municipal Risk Management Authority (MMRMA) and a claim of $5,490 was paid to the property owner at the Pittsford Avenue residence.

As noted previously, certain drainage structures within the Lexington Green Plat discharge into the channel, therefore some measure of liability existed. To avoid future residential property flooding concerns, the city took action to immediately address the clogged culvert and downstream channel issues. City staff had Kingscott & Associates prepare a drawing to show the extent of sediment removal necessary to resolve future flooding problems. Bids were then received on December 22, 2008 to dredge the bottom of the channel and clean the Meredith Street culvert. On January 13, 2009, City Council awarded a contract to JMB Demolition to perform the work in the amount of $14,464. The project was funded through available money in the 2008 Creek Connection Elimination Project.

Maintenance Work

The contractor, JMB Demolition began work on February 23, 2009, at the north end (downstream) limit of the Lexington Green plat. The work plan required the contractor to dredge the bottom of the existing channel to the proper grade and place the dredged material upland of the channel to dry. Existing fences were removed from the easement to allow access to the drainage easement. As shown on the enclosed photos, the sediment dredging was extremely wet and messy. Once the excavation process was underway, 50 years of debris began to surface. Items such as barrels, concrete, tires, blocks and household debris were all removed from the excavated channel. Once the contractor cleaned the Meredith Street culvert, the water surface upstream lowered approximately 2 feet. The contractor returned to the project site on May 23, 2009 to begin the restoration work.

The specifications for the project were written based upon prior experience of city staff and a previous project in the 1980's on Schuring Road. The specifications called for the contractor to remove debris and vegetation blockage in the channel. The existing conditions encountered in the channel were much worse than anticipated. The contractor disposed of approximately 72 cubic yard of debris, tires, concrete blocks and rubbish to a local landfill. To remain within the financial constraints of the project, the decision was made to leave some sediment material in place. Some items that were excavated from the channel such as railroad ties and rocks, were used along the channel for stream bank protection. The 72 cubic yards of material removed was completed by the contractor at no additional cost to the city.

In June 2009, the spoil areas were seeded and erosion control blankets were used where required. The seeded areas germinated and a good vegetation growth was achieved. A recent review of the area shows that some stones and debris have surfaced through the sediment spoil areas and most if not all of the adjacent property owners, have chosen not to re-landscape or mow the spoil areas.

Summary

The existing Lexington Green drainage channel had been filled by natural erosion and man-made debris. Sediment and silt in the channel clogged the existing Meredith Street culvert and downstream channel. In 2008, heavy rains caused localized flooding along the clogged channel. The channel is in an 80 foot total width easement described on the original plat. The easement provides the city the right to maintain the drainage channel as part of the storm drain and culvert system. However, as the channel is not owned by the City of Portage or Kalamazoo County, the responsibility for regular maintenance of the channel lies with the adjacent property owners. The work undertaken in 2009 met the objective of re-establishing flow through the channel and the Meredith Street culvert. The sediment spoil piles were restored by the contractor to an acceptable level considering the amount of existing debris.

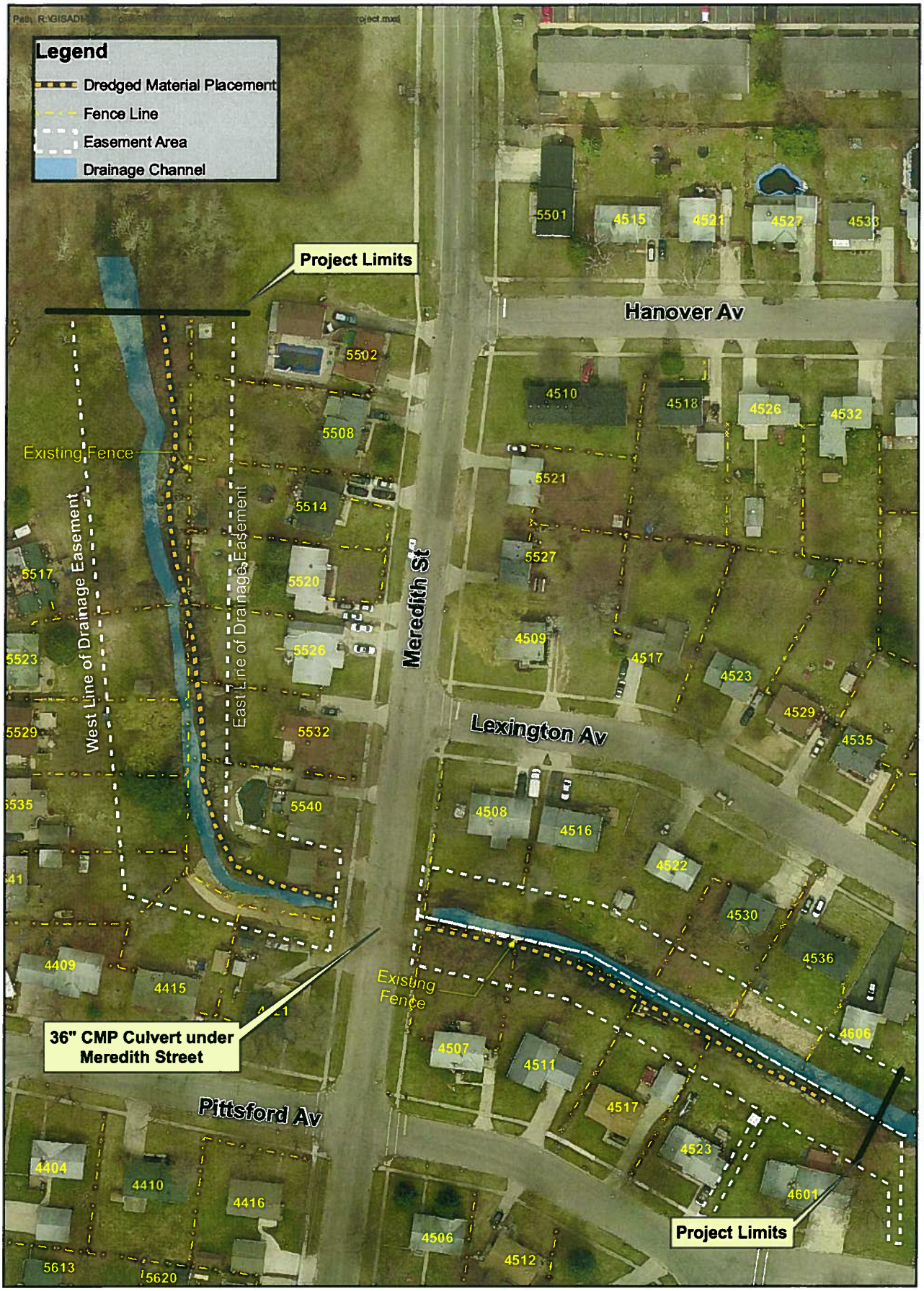
If this project would have been performed by the Kalamazoo County Drain Commission's office, and a similar construction process was completed, the adjacent property owners would have been special assessed for repairs to the channel. Although a Capital Improvement Project has been budgeted in 2015-16 to complete the dredging of the channel to the east of Lexington Green Park, city staff will be exploring the option of assigning future responsibility for drain maintenance to the County Drain Commissioner.

In reviewing the before and after photos of the dredging project, several items are clear. The large stagnant water pools were eliminated, water flow in the channel was restored and flooding risk has been greatly reduced. While some residents will have different opinions, the project was successful in meeting its goals.

If you should have any questions, please let me know.

Attachments

c: Brian J. Bowling, Deputy City Manager



CITY OF PORTAGE
A Place for Opportunities to Grow

Lexington Creek Drainage Channel Sediment Removal Project Area

1 inch = 70 feet

Date of Imagery: March 2009

September 2008 - Flooding upstream at Meredith Street

February 2008- Pre existing Extent of standing/pooled water upstream from Meredith Street

April 2009 –Typical debris encountered during dredging.

April 2009 - Typical debris encountered during dredging.

March 2009 – Pre-existing channel conditions upstream of Meredith Street near Lexington Green Park.

May 2011 - Current Channel conditions looking upstream form Meredith Street.

February 2008 – Pre-existing channel condition downstream of Meredith Street.

May 2011- Current channel conditions downstream of Meredith Street.

February 2008 - Pre-existing channel conditions downstream of Meredith Street.

May 2011 - Current channel conditions downstream of Meredith Street.

April 2009 – Pre-existing channel conditions upstream of Meredith Street near Lexington Green Park.

May 2011 - Current channel conditions upstream of Meridth Street near Lexington Green Park.

February 2008 – Pre existing channel condition at Lexington Green Park.

May 2011 - Current channel condition at Lexington Green Park.

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 18, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: April 2011 Summary Environmental Activity Report – Information Only

Attached please find the April 2011 Summary Environmental Activity Report from the Department of Transportation & Utilities Director, W. Christopher Barnes. New material, or material of specific interest to City Council is presented in italics.

These items serve to update the Council on environmental affairs.

c: W. Christopher Barnes, Director of Transportation & Utilities
Planning Commission
Portage Environmental Board

CITY OF PORTAGE **COMMUNICATION**

TO: Maurice S. Evans, City Manager **DATE:** May 13, 2011

RECEIVED
MAY 13 2011
CITY MANAGER'S OFFICE
PORTAGE, MI

FROM: W. Christopher Barnes, Director of Transportation & Utilities

SUBJECT: April 2011 Environmental Activity Report – Information Only

In keeping with goals and objectives adopted by the Council emphasizing the need to enhance environmental quality and protect natural resources, the following information is intended to keep the Council, Planning Commission and Environmental Board apprised of current environmental issues.

Important environmental issues being monitored and coordinated by the Administration are attached. The Summary Environmental Activity Report will continue to be provided on a monthly basis to the Council, Planning Commission and Environmental Board.

Attachment

SUMMARY ENVIRONMENTAL ACTIVITY REPORT
April 2011 (*updates in italics*)

Project/Activity	**Description**	**Status**
Portage City Landfill	Ongoing groundwater monitoring of former municipal landfill.	-City Council awarded a 3 year contract to American Hydrogeologic Corporation on February 23, 2010 to perform annual groundwater sampling. The site groundwater data will continue to be monitored to confirm continuation of the natural attenuation process. Sampling shows continued improvement in groundwater quality. Sampling completed in April 2010. Annual report submitted to MDNRE in June 2010. General groundwater quality continues to improve, but site will require monitoring for the foreseeable future. 2011 sampling completed in March. Sample analysis underway.
Site Inspection/Development Project Review	Review of existing business & industries and review of proposed business and industrial development projects for environmental protection purposes and/or building plans completed.	-Coordination with property owners and City or State agencies ongoing. *-Review of 3 site/building plans and/or plats completed in April 2011.*
Sewer Connection Program	Groundwater protection program requiring residential/business hookup to the sanitary sewer where available.	*-Sanitary sewer hookup permits issued in March 2011*: 1 *commercial and 2 residential. Three properties have court appearances scheduled in response to non-compliance.*
West Lake Management Program	Special assessment district designed to maintain/improve lake conditions.	-Five Year Lake Management Assessment District process was approved by City Council on March 23, 2010. Construction began on the Austin Dam reconstruction in December 2006 and new structure completed in March 2007. Filtration system construction was substantially completed in July 2008 . On July 8, 2008, City Council awarded contracts to Aquatic Services, Inc. for the 2008 Weed Treatment Program and awarded a contract to ASI Environmental to perform watershed and vegetation survey. The 2009/2010 lake treatments are complete. The 2011 lake survey and treatment preparations are under way.
Retention Basin Sampling Program	Investigation regarding potential impact of retention basins on groundwater levels.	-Historical monitoring continues to show minor impacts at most basins. From 1993 through 2009 the monitoring program showed stable groundwater impacts due to stormwater infiltration. Alternative road salt practices continue to be considered and evaluated. On March 23, 2010, City Council awarded a four-year contract to Wightman Environmental. Program will focus primarily on groundwater level information. Sampling of retention basins was completed on June 25, 2010. The 2010 year report received in January 2011. The 2010 results

		show declining groundwater levels throughout the city. Declining levels range from 6" to 3' – 0". Surface storm water outfall sampling shows stable results. Next monitoring will occur in June 2011.
Wellhead Protection Program (WHPP)	Development of program to protect City well fields and surrounding area from contamination resulting from improper land use.	-Wellhead Protection Grant award received from MDEQ on August 30, 1999 and Council accepted the grant on October 5, 1999. Council also awarded contract to Earth Tech to complete WHPP. Earth Tech completed the final wellhead protection plan and MDEQ submittal was made on October 14, 2000. Plan was reviewed by MDEQ with written approval received in March, 2001. Staff has met internally to discuss the future needs to update the plan. Plan implementation is ongoing.
Leaf Compost Monitoring Program	Monitoring and analysis of groundwater at the new Oakland Drive Leaf Compost site.	-City Council awarded contract on August 21, 2001 to Soil & Materials Engineers for monitoring and analysis of groundwater impact of the new compost operation. Drilling was completed in October 2001 and first sampling cycle was completed in February 2002. Semi annual sampling was performed from 2002 to 2009 in June and January. Sampling and analysis results continue to show no groundwater impacts from the leaf composting. Sampling schedule was reduced to annual sampling in 2009 with results showing continued minor impact on groundwater quality. The 2010 report was received with results showing minimal impact on groundwater. Next sampling scheduled for July 2011.
National Pollution Discharge Elimination System (NPDES) permit implementation	Five year plan to implement the current NPDES stormwater permit.	-Received NPDES general permit on August 15, 2001. Renewal Application submission was made to MDEQ on March 7, 2003. New permit received in 2004 mandates involvement in several county watershed groups. City staff completed the submission of a Stormwater Pollution Prevention Initiative (SWIPPI) as required by NPDES permit. SWIPPI submitted on October 21, 2005. New certificate of coverage permit was issued by MDEQ on September 30, 2009. New permit covers a 5 year time frame with first work item (updating the Public Participation Plan) due December 11, 2009. Plan update completed with other local governments and submitted November 24, 2009. Staff completed an updated SWIPPI submittal to MDNRE. SWIPPI was submitted for MDNRE approval on June 25, 2010. Permit implementation is ongoing. Received a notice MDNRE rescinding the 2008 permit due to a recent court case ruling. MDNRE reinstated the 2003 permit for implementation. Information on new permit requirement was received February 2011. MDNRE expected to issue new permit in 2012. City staff presented public information with other local agencies at the 2011 Home Expo on March 9 – 12, 2011. Implementation is ongoing.
National Pollution Discharge Elimination System (NPDES) permit implementation	Kalamazoo River Mainstem Watershed Management Plan	-First meeting was held September 17, 2004. Proposals for completing the watershed plan were received by Kalamazoo County on September 15, 2005 and a contract awarded to Kieser & Associates in November 2005. Draft watershed

		plan submitted to MDEQ on December 30, 2005. Review comments received from MDEQ and revised watershed plan due in December 2006. A letter not to revise the Watershed Plan was submitted to the MDEQ on March 17, 2008. Public participation plan update submitted to MDEQ on November 24, 2009. Kalamazoo River Water Festival was held on August 14, 2010 with City of Portage participation. Preliminary grant request submitted September 16, 2010 for West Fork of Portage Creek storm water enhancements. Complete grant application was submitted on October 25, 2010. No update on application status.
	Portage River Watershed Management Plan	-Public participation plan submitted June 28, 2004. Proposals for a Watershed Management Plan were received by the Kalamazoo County Road Commission and a contract awarded to the Kalamazoo County Conservation Service in November 2005. Draft watershed plan submitted to MDEQ on December 30, 2005. Follow-up meetings are held monthly to facilitate an implementation schedule. Portage River Watershed public meeting held in Vicksburg on April 11, 2006. Review comments received from MDEQ and revised watershed plan due November 2006. Revised Watershed Plan submitted November 30, 2006, follow up meetings to be held as necessary. A letter not to revise the Watershed Plan was submitted to the MDEQ on March 17, 2008. Public participation plan update submitted to MDEQ on November 24, 2009. Based upon MDEQ comments, the plan was revised and resubmitted on December 21, 2009. Interest has been raised by local conservation groups to update the current Watershed Plan using grant funds. *Meeting scheduled for May 9, 2011 among stakeholders.*
	Plan to implement and maintain an Illicit Discharge Elimination Program (IDEP).	-On October 21, 2001, City Council awarded a contract to Fishbeck, Thompson, Carr and Huber for the Portage Creek element of the IDEP, which was completed in July 2002. On February 19, 2002, City Council approved a new ordinance as required by the NPDES permit titled "Storm Water Illicit Discharges and Connections". On April 28, 2004, City Council accepted a grant from the State of Michigan in the amount of $152,264 and awarded a contract to Fishbeck, Thompson, Carr and Huber in the amount of $184,264 for the remainder of the IDEP for the entire city. Program implementation is ongoing as funding allows. Continued outfall sampling is required by permit and will be budgeted accordingly. IDEP program was updated for submittal to MDNRE on June 25, 2010, and part of the SWIPPI.
Garden Lane Arsenic Removal Facility	Construction of a water treatment facility at the Garden Lane Wellfield to remove arsenic, iron and manganese from the groundwater.	-City Council approved an agreement with Fishbeck, Thompson, Carr & Huber, Inc. on January 10, 2006 to prepare a feasibility study to meet new USEPA arsenic standards for drinking water. Feasibility study completed in August 2006. Engineering proposals for the project were received August 14, 2007. Project engineering awarded to Earth Tech by City Council on

		September 11, 2007. Project design to include Leadership in Energy and Environmental Design (LEED) criteria. Project construction bids were bids received on November 25, 2008. Contract awarded by City Council on December16, 2008 to Adams Building Contractors, Inc., Jackson, Michigan. Preconstruction meeting was held January 29, 2009. Start up activities began in May 2010. Facility is in operation with ribbon cutting held August 2, 2010. City staff gave a presentation on August 9, 2010 to the Michigan Chapter of the American Water Works Association about the arsenic removal of the facility. The facility is producing approximately one million gallons of water per day. *Staff conducted a tour of the facility on April 27, 2011 to the local Chapter of the National Society of Professional Engineers.*
Environmental Incident/Spill Clean Up Notification	Environmental Protection Program to assist Portage Police/Fire Departments with spill containment and spill cleanup.	*-The number of environmental incident/spill investigations performed in April 2011 – 0. No investigations and none requiring emergency cleanup.* Emergency spill response contract for 2011-13 with Terra Contracting is in place.
Localized Groundwater Table Investigation	Hydrogeologic study of the Portage area, especially in the Sprinkle Woods plat area, to determine causes of increase in groundwater elevation.	-On April 29, 2008, City Council awarded a contract to American Hydrogeology Corporation to investigate the reason and extent of seasonally high groundwater elevation. Special emphasis will be placed on the Black Forest plat area to suggest possible solutions to the basement leaking problems experienced in the area. Study was transmitted to City Council on July 22, 2008. Work was completed on October 31, 2008. City staff continues to investigate other remedies for local groundwater table issues. Work complete on compiling a history of local groundwater table elevations at 19 city-owned retention basins with data from 1994 to 2009. Data from the analysis shows a general upward trend through the Portage area from 2005 to present. Five monitoring wells were installed in the Jamaica Lane area as a result of a number of citizen concerns. Analysis of the Jamaica Lane wells shows that seasonal groundwater table levels have dropped approximately 24" from spring 2009 levels and level has stabilized through December 2010. Current sampling continued to show a slight decline in the groundwater table. *Sampling will continue through the spring/summer months as staff time permits.*
Hampton Wetland Area Water Level	Assistance with the Inverness Condominium Association to Review Surface Water Levels	-Ongoing assistance with the Condominium Association to develop appropriate measures to regulate the rising water level in Hampton Wetlands Area located on the north side of West Centre Avenue and east of Angling Road. Met with MDNRE staff to determine feasible method to lower water levels. Association currently working with MDNRE permit staff on February 26, 2010 to clarify permit requirements. Lower groundwater table

		elevation has reduced the concerns from the Condominium Association. Conference call with MDNRE held on December 8, 2010 to discuss permit submission updates. Condo Association discussing project with other property owners for support. Association submitted a letter to City Administration asking that the city consider the Wetland Water Level Regulation a municipal project. *On March 22, 2011, city staff response recommending the Association consider governmental lake board.*
Southwest Michigan Regional Sustainability Covenant	Collaborative effort with local government, academic, and other stakeholders to lead toward environmental, economic and social sustainability.	-On May 12, 2009, City Council approved the Southwest Michigan Regional Sustainability Covenant. A sustainability work session was held April 14, 2010, to review elements of the covenant in cooperation with the City of Kalamazoo and the City of Battle Creek. A grant application was made to MDNRE for a greenhouse gas inventory study of the area. Notice received July 15, 2010 that the grant application was not successful. City staff attended a September 10, 2010 meeting in Grand Rapids to discuss sustainable economic, environment, and society programs.

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 13, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Street Paving Reconstruction/Repairs – Recommendation

ACTION RECOMMENDED: That City Council approve:

a. a contract with Michigan Paving & Materials Company to provide reconstruction to selected local streets and asphalt surface repairs to isolated sections of major streets in the not-to-exceed amount of $638,707.09;

b. the added expenditure of $156,279.79 for additional street repairs at unit pricing within this contract; and

authorize the City Manager to execute all documents related to this contract on behalf of the city.

The 2011-2012 Capital Improvement Program budget includes funding for the reconstruction of selected local streets. In addition, and the 2011-2012 Major & Local Street budget provides funding for repairs to isolated sections of major and local streets where surface asphalt is in poor condition. Bids were received on April 7, 2011 to perform the work outlined with the low bid being submitted by Michigan Paving & Materials Company of Kalamazoo, Michigan in the not to exceed amount of $638,707.09. A bid tabulation is attached for the review of City Council. Prices came in much lower than estimated, with a total of $156,279.79 ($70,282.55 local street repair and $85,997.24 major/local street repair) in surplus funds available to support additional work. The low bidder, Michigan Paving & Materials Company, has agreed to extend the unit pricing in the bid document for additional local street reconstruction and major/local street mill and fill repairs.

Additional local streets requiring reconstruction and additional major/local street mill and fill areas have been identified based on street conditions, as identified by current Pavement Surface Evaluation and Rating (PASER). If approved by City Council, this additional paving will be included as work to be accomplished under the proposed contract. It is recommended that a contract be awarded to Michigan Paving & Materials Company in the total amount not to exceed $638,707.09 to perform reconstruction to selected local streets and mill and fill surface asphalt repairs to isolated areas of major/local streets. It is further recommended that an additional $156,279.79 for street repairs at unit pricing within this contract be approved and that the City Manager be authorized to execute all documents related to this contract on behalf of the city. Funds are budgeted and available for this work in the 2011-2012 Capital Improvement Program budget and the 2011-2012 Major & Local Street budget.

Attachment

Bid Tabulation
Street Paving

	Michigan Paving & Materials 2300 Glendenning Rd. Kalamazoo, MI 49001	Rieth-Riley Construction Co. 911 Hatfield St. Kalamazoo, MI 49001
Local Street Paving Program		
Dakota (Milham to W. Van Hoesen)	$16,301.45	$15,196.45
Bender (Portage to west end)	$20,037.00	$19,987.65
Byrd (Portage to west end)	$57,063.50	$57,000.00
Chamberlin (Byrd to Eckener)	$4,682.00	$4,646.40
Eckener (Chamberlin to west end)	$33,365.00	$33,929.45
Bennett (Eckener to Byrd)	$4,810.00	$4,842.30
Newells (Centre to Forest)	$61,245.80	$59,113.60
Arborcrest (Schuring to north end)	$22,283.80	$22,433.19
Redstock (Arborcrest to Rockford)	$33,896.70	$34,011.10
Marfield (Redstock to Woodland)	$42,545.15	$42,842.20
Eagle Harbor (New Haven to Old Mission)	$43,186.70	$46,391.55
W. Heverly (Eagle Harbor to Tradewind)	$25,546.20	$28,120.00
Tradewind (W. Heverly to Beacon Harbor)	$7,744.20	$8,428.60
Beacon Harbor (Tradewind to Old Mission)	$9,806.50	$10,577.30
Old Mision (Milham to Beacon Harbor)	$45,690.75	$48,565.00
Total Local Street Paving Program	$428,204.75	$436,084.79
Streets – Mill & Fill	$209,002.34	$210,686.52
Traffic Control and Construction Signage	$1,500.00	$20,000.00
Grand Total Local Street Paving and Streets-Mill & Fill	$638,707.0900	$666,771.3100

Bids Opened 4/14/11

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 12, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: Leaf Compost Site Management and Processing – Recommendation

ACTION RECOMMENDED: That City Council approve a three-year contract with Renewed Earth, Incorporated, to provide yard waste recycling services in a total amount not to exceed $309,000 and authorize the City Manager to execute all documents related to this contract and subsequent renewals on behalf of the city.

Changes in the recycling compost market have impacted upon the long-term relationship between the city and Renewed Earth, Inc., a local landscape company that for years has removed/reutilized leaf and brush waste from the city compost site. As was discussed with Council during the budget work session, oversupply of compost material and increasing transport cost make it no longer economical for Renewed Earth, Inc. to remove yard and brush waste without cost to the city. As a result, alternatives for removal of the recycled product from the city compost site have been investigated.

Yard/brush waste materials are precluded from being deposited in landfills, so the city must have an option for addressing the material generated from the leaf pickup and brush collection programs. In this regard, a Request for Proposals (RFP) was developed for annual removal of these materials from the compost site. A three-year contract was requested with three one-year annual renewal options to ensure a long-term commitment to this process. Two companies responded to this RFP, both offering similar proposals related to services offered. The low bid was submitted by Renewed Earth, Incorporated, of Kalamazoo, Michigan in the annual amounts not to exceed $119,000 for Fiscal Year 2011-2012, $95,000 for Fiscal Year 2012-2013 and $95,000 for Fiscal Year 2013-2014, for a total three-year amount not to exceed $309,000. A bid tabulation is attached for City Council review.

In accordance with the contract proposal, the city will no longer have any responsibility for material processing or maintenance at the city compost site. The city will simply continue to deposit leaves, bagged leaves and all brush at the site with the contractor providing all compost processing, screening and brush grinding, and then removing the product for the site annually. Elimination of city responsibility at the compost site will result in a savings of approximately $59,000 annually, which can be used to partially offset the cost of the new contract.

Renewed Earth, Incorporated will utilize the city's yard waste compost materials as a blended ingredient in producing bulk growing media for greenhouse and nursery growers located in Michigan, Indiana, and Ohio. These growers utilize the media for container-grown perennial plants, thus, completing the full cycle in the recycling process. The processing, initiatlly performed at the city's compost site, will ensure the total annual volume of yard waste collected and deposited at the site by the city will be removed for continuing recycling process, which is mandated by the regulations.

It is recommended that a three-year contract with three one-year options for renewal be awarded to Renewed Earth, Incorporated, to provide compost site management, processing and recycling of yard waste materials from the City of Portage compost site in the amount not to exceed $119,000 for Fiscal Year 2011-2012, $95,000 for Fiscal Year 2012-2013, and $95,000 for Fiscal Year 2013-2014 and authorize the City Manager to execute all documents related to this contract and subsequent renewals on behalf of the city. Funds are budgeted and available for these services in the Fiscal Year 2011-2012 Fund 226 Budget and will be budgeted in subsequent years as required.

Attachment

TABULATION OF PROPOSALS
LEAF AND BRUSH DISPOSAL

	Renewed Earth, Inc. 5111 S. 9th Street Kalamazoo, MI 49009	Spurt Industries 5204 Adams Street Zeeland, MI 49464
Year 1	$119,000.00	$99,587.00
Year 2	$95,000.00	$104,566.00
Year 3	$95,000.00	$109,794.00
Total 3 Years	$309,000.00	$313,947.00

Proposals Opened 4/21/2011

CITY OF PORTAGE **COMMUNICATION**

TO: Honorable Mayor and City Council **DATE:** May 19, 2011

FROM: Maurice S. Evans, City Manager

SUBJECT: 2011 Storm Drainage Improvements Program

ACTION RECOMMENDED: That City Council award a contract to the low bidder, Peters Construction Company, for the construction of the 2011 Storm Drainage Improvements in the not to exceed amount of $134,257.17 and authorize the City Manager to execute all documents on behalf of the city.

As part of the 2010-11 Capital Improvement Program, funds were budgeted to investigate and correct storm drainage problem areas indentified during the September 2008 storm event. The September 14, 15 and 16, 2008 storm event deposited between 7.5 and 9 inches of rain in the Portage area and exposed several storm drainage deficient locations. The storm event caused serious flooding throughout the Kalamazoo County area and was classified as a "100-year" storm event, meaning that a rain event of this magnitude has a one-percent chance of occurring in any given year.

Fluctuating groundwater levels, especially on the east side of Portage, impacted the storm water capacity of several areas. Two areas specifically have been budgeted to be addressed in the 2010-11 Capital Improvement Program: the Tiffany Avenue/Harvest Lane intersection and the Burt Drive/Austin Court intersection. These areas have been targeted for improvements which will involve enhancing the capacity of the existing infiltration systems through expansion of the underground storm water system.

On November 16, 2010, City Council awarded an engineering design services contract to Hurley & Stewart, LLC, to design storm drainage improvements at the Tiffany Avenue/Harvest Lane intersection and the Burt Drive/Austin Court intersection. On May 12, 2011 three construction bids were received for the project, with the low bid being submitted by Peters Construction Company. Peters Construction Company has successfully completed many similar type projects for the city and is very capable of completing this project.

Also included in the 2010-11 Capital Improvement Program is the rehabilitation of the sanitary sewer along Barberry Avenue. The sanitary sewer on Barberry Avenue has shown potential for leaking into the storm sewer outfall on West Lake located at the intersection of Barberry Avenue and East Melody Avenue. Investigation and testing of the sanitary sewer and storm sewer of the area have shown no leakage or potential contamination. Testing and investigation will continue

through the spring and summer. If a leakage source is located and can be repaired, a change order to this project will be prepared for City Council consideration.

It is recommended that City Council award a contract to the low bidder Peters Construction Company, Incorporated, for construction of the 2011 Storm Drainage Improvements in the not to exceed amount of $134,257.17 and authorize the City Manager to execute all documents related to these contracts on behalf of the city. Sufficient funds are budgeted in the Fiscal Year 2010-2011 Capital Improvement Program for these projects. A bid tabulation is attached for the information of Council.

Attachment

Bid Tabulation

2011 Storm Drainage Improvements Program

Bidders	**Total Bid**
Peters Construction Co. 3325 East Kilgore Road Kalamazoo, Michigan 49001	$134,257.17
Rivertown Contractors, Inc. 608 Quincy St. SW Grandville, Michigan 49418	$165,140.50
Balkema Excavating, Inc. 1500 River Road Kalamazoo, Michigan 49048	$171,361.00

CITY OF
PORTAGE
A Place for Opportunities to Grow

MATERIALS TRANSMITTED

Friday, May 6, 2011

1. Communication from the City Manager regarding the April 2011 Citizen Comment Card Summary –Information Only.

2. Communication from the City Manager regarding United Water and the Utility Workers Union of America (UWUA).

Maurice S. Evans

Maurice S. Evans, City Manager

cc: Brian J. Bowling, Deputy City Manager

CITY OF
PORTAGE
A Place for Opportunities to Grow

MATERIALS TRANSMITTED

Tuesday, May 10, 2011

1. Communication from the City Manager regarding the Analysis of the 2010 Decennial Census Data report – Information Only.

Maurice S. Evans

Maurice S. Evans, City Manager

cc: Brian J. Bowling, Deputy City Manager