

Council Chamber
Hillsdale City Hall
97 N. Broad Street
Hillsdale, MI 49242

March 3, 2014
7:00 p.m.
(517)437-6441
www.cityofhillsdale.org

CITY COUNCIL AGENDA

CITY OF HILLSDALE
REGULAR MEETING

- 1. Call to Order and Pledge of Allegiance**
- 2. Roll Call**
- 3. Approval of Agenda**
- 4. Public Comments on Agenda Items**
- 5. Consent Agenda**
 - A. Approval of Bills from claims of February 13, 2014 Claims of \$130,402.87 Payroll of \$96,552.21
 - B. Committee Reports (Pending Approval):
 1. Planning Commission Minutes of December 17, 2013
 2. EDC Minutes of December 19, 2013
 3. Public Services Minutes of January 16, 2014
 - C. Council Minutes of February 17, 2014
- 6. Communications/Petitions**
 - A.
- 7. Introduction and Adoption of Ordinance/Public Hearing**
 - A.
- 8. Unfinished Business**
 - A. Local Streets Maintenance
 - B. Code Enforcement
- 9. Old Business**
 - A.
- 10. New Business**
 - A. Rental Rehab
 - B. Millpond Pond
 - C. City Manager Contract
- 11. Miscellaneous**
 - A. Appointments: Sam Nutter- Board of Special Assessors, term ending November 2014
- 12. General Public Comment**
- 13. Adjournment**

INVOICE APPROVAL LIST BY FUND
 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 1

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: GENERAL FUND							
Dept:							
101-000.000-214.000		DUE TO OTH	JERICO KELLEY	72000		02/13/2014	13.21
			ACH FROM 1-16-14 PAYROLL RTRND				
101-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	412		02/13/2014	68,994.48
			PAYROLL/FICA 02-13-14				
101-000.000-228.003		DUE TO MME	M.E.R.S.	411		02/13/2014	9,128.92
			JANUARY 2014 CONTRIBUTIONS		30732-11		

					Total		78,136.61
Dept: CITY MANAGER							
101-172.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	681.58
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-172.000-801.000		CONTRACTUA	SPRINT	72018		02/13/2014	25.80
			CELL PHONE SERVICE		548517219-076		
101-172.000-810.000		DUES AND S	VISA	72024		02/13/2014	110.00
			VISA PURCHASES		0000 2651		

					Total CITY MANAGER		817.38
Dept: ECONOMIC DEVELOPMENT							
101-174.000-801.000		CONTRACTUA	HILLSDALE POLICY GROUP, LTD.	71994		02/13/2014	4,127.91
			JAN 2014 ECONOMIC DEVEOPMENT				

					Total ECONOMIC DEVELOPMENT		4,127.91
Dept: ADMINISTRATIVE SERVICES							
101-175.000-806.000		LEGAL SERV	CLARK HILL	71978		02/13/2014	40.00
			LEGAL SERVICES - GATEWAY MEDIA		520016		
101-175.000-806.000		LEGAL SERV	LOREN & SHIRK	72004		02/13/2014	2,916.66
			LEGAL SERVICES JAN 2014				
101-175.000-806.000		LEGAL SERV	POTTER, PC	72013		02/13/2014	1,171.00
			LEGAL - POLICE PROFESSIONAL		21408		
101-175.000-806.002		LEGAL -TAX	KREIS, ENDERLE HUDGINS &	72001		02/13/2014	150.00
			TAX APPEASL - GATEHOUSE MEDIA		230448		
101-175.000-806.002		LEGAL -TAX	KREIS, ENDERLE HUDGINS &	72001		02/13/2014	150.00
			TAX APPEAL - AUTOZONE STORES		230449		
101-175.000-806.002		LEGAL -TAX	KREIS, ENDERLE HUDGINS &	72001		02/13/2014	600.00
			TAX APPEAL - TOLEDO PROPERT		230450		
101-175.000-806.002		LEGAL -TAX	KREIS, ENDERLE HUDGINS &	72001		02/13/2014	150.00
			TAX APPEAL - HILLSDALE CAPITOL		230451		
101-175.000-807.000		ENGINEERIN	MT ENGINEERING, LLC	72008		02/13/2014	164.00
			ENG - STORM SEWER/MISS DIG		1401-1		
101-175.000-807.000		ENGINEERIN	MT ENGINEERING, LLC	72008		02/13/2014	328.00
			ENG-STATE ST FINAL CLOSE OUT		1209-12		
101-175.000-955.101		MISC. - DO	DOMESTIC HARMONY	71982		02/13/2014	5,500.00
			AGREEMENT 1/21/13				

					Total ADMINISTRATIVE SERVICES		11,169.66
Dept: ASSESSING DEPARTMENT							
101-209.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	665.30
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-209.000-726.000		SUPPLIES	ARROW SWIFT PRINTING	71972		02/13/2014	152.00
			WINDOW ENVELOPES		130669		

					Total ASSESSING DEPARTMENT		817.30
Dept: CITY CLERK DEPARTMENT							
101-215.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	161.47
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-215.000-734.000		POSTAGE	CITY OF HILLSDALE	71977		02/13/2014	58.32
			PETTY CASH				

					Total CITY CLERK DEPARTMENT		219.79
Dept: FINANCE DEPARTMENT							
101-219.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	305.25
			JANUARY 2014 CONTRIBUTIONS		30732-11		

					Total FINANCE DEPARTMENT		305.25
Dept: CITY TREASURER							
101-253.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	45.97
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-253.000-964.000		REFUNDS AN	FAYETTE TOWNSHIP TREASURER	71985		02/13/2014	23,446.72
			425 AGREEMENT				
101-253.000-964.000		REFUNDS AN	HILLSDALE COUNTY TREASURER*	71992		02/13/2014	1,308.68
			BILL BACKS - #006-426-301-02		006-426-301-02		

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 Time: 10:15am
 Page: 2

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Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: GENERAL FUND							
Dept: CITY TREASURER							
101-253.000-964.000	REFUNDS AN		HILLSDALE TOWNSHIP TRESURER 425 HILLSDALE TOWNSHIP	71995		02/13/2014	8,313.99

Total CITY TREASURER							33,115.36
Dept: BUILDING AND GROUNDS							
101-265.000-726.000	SUPPLIES		HEFFERNAN SOFT WATER SERVICE WATER	71990	57065	02/13/2014	24.50
101-265.000-726.000	SUPPLIES		HEFFERNAN SOFT WATER SERVICE WATER	71990	57241	02/13/2014	24.75
101-265.000-801.000	CONTRACTUA		CINTAS CORPORATION RUGS FOR CITY HALL	71976	351662900	02/13/2014	29.75
101-265.000-801.000	CONTRACTUA		CINTAS CORPORATION MATS & RUGS AT CITY HALL	71976	351662301	02/13/2014	20.00
101-265.000-801.000	CONTRACTUA		EAST 2 WEST ENTERPRISES, INC. DISPATCH OFFICE WAX FLOOR	71983	5252	02/13/2014	90.00
101-265.000-801.000	CONTRACTUA		CAROL HAWKES CLEANING CITY HALL	71989	1219	02/13/2014	633.00
101-265.000-801.000	CONTRACTUA		SCHINDLER ELEVATOR CORPORATION ELEVATOR MAINTENANCE	72016	8103668712	02/13/2014	512.01
101-265.000-925.000	TELEPHONE		BOARD OF PUBLIC UTILITIES TELEPHONE SERVICES	71974		02/13/2014	3,085.62
101-265.000-930.000	REPAIRS &		MR. ROOTER PLUMBING SEWER GAS - MEN'S RESTROOM	72007	9100	02/13/2014	146.43

Total BUILDING AND GROUNDS							4,566.06
Dept: CEMETERIES							
101-276.000-801.000	CONTRACTUA		ABS RENTAL SERVICES, LLC. PORTABLE RESTROOM RENTAL-O.G.	71968	6007	02/13/2014	95.00

Total CEMETERIES							95.00
Dept: AIRPORT							
101-295.000-726.000	SUPPLIES		HEFFERNAN SOFT WATER SERVICE WATER	71990	57065	02/13/2014	15.00
101-295.000-801.000	CONTRACTUA		HILLSDALE AERO, INC. GROUNDS/EQUIP MAINT	71991	47127	02/13/2014	3,924.00
101-295.000-801.000	CONTRACTUA		REPUBLIC SERVICES OF KALAMAZOO DUMPSTER @ AIRPORT	72015	0249-004090358	02/13/2014	101.10
101-295.000-850.000	INSURANCE		AEROSPACE RISK MANAGEMENT LIABILITY INS JAN - MARCH 2014	71969		02/13/2014	1,093.74
101-295.000-920.000	UTILITIES		BRINER OIL CO., INC. FUEL FOR AIRPORT TRACTOR	71975	73165	02/13/2014	617.30
101-295.000-920.000	UTILITIES		SPRATT'S PROPANE - HEATING FUEL	72017	30278	02/13/2014	905.65
101-295.000-930.000	REPAIRS &		GODFREY BROTHERS, INC. TRACTOR REPAIR/PARTS	71988	12008	02/13/2014	382.09
101-295.000-930.000	REPAIRS &		GODFREY BROTHERS, INC. AIR FILTER/ELEMENT	71988	75897	02/13/2014	59.63

Total AIRPORT							7,098.51
Dept: POLICE DEPARTMENT							
101-301.000-716.000	RETIREMENT		M.E.R.S. JANUARY 2014 CONTRIBUTIONS	411	30732-11	02/13/2014	14,902.93
101-301.000-726.000	SUPPLIES		CURRENT OFFICE SOLUTIONS LASER PRINT PAPER	71980	511041	02/13/2014	75.90
101-301.000-742.000	CLOTHING /		SUD-Z DRY CLEANERS DRY CLEANING	72021	SU1747 2/2014	02/13/2014	89.10
101-301.000-810.000	DUES AND S		MICHIGAN FTO ANNUAL MEMBERSHIP RENEWAL FEE	72005		02/13/2014	150.00
101-301.000-860.000	TRANSPORTA		CITY OF HILLSDALE PETTY CASH	71977		02/13/2014	96.88
101-301.000-861.000	TRAINING &		HUMAN FACTOR RESEARCH GROUP MANUALS/CERTIFICATES	71997	6176	02/13/2014	86.00
101-301.000-861.005	STATE TRAI		VISA CHIEF'S CONF REGISTRATION	72024	GUTOWSKI	02/13/2014	285.00
101-301.000-862.000	LODGING AN		CITY OF HILLSDALE PETTY CASH	71977		02/13/2014	23.52
101-301.000-925.000	TELEPHONE		SPRINT CELL PHONE SERVICE	72018	548517219-076	02/13/2014	66.78

Total POLICE DEPARTMENT							15,776.11
Dept: FIRE DEPARTMENT							

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 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 3

Hillsdale City Offices

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Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: GENERAL FUND							
Dept: FIRE DEPARTMENT							
101-336.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	2,928.64
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-336.000-726.000		SUPPLIES	CITY OF HILLSDALE	71977		02/13/2014	5.80
			PETTY CASH				
101-336.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	0.48
			STOVE BOLTS/CAP SCREW		1089151		
101-336.000-740.000		FUEL AND L	WATKINS OIL COMPANY	72025		02/13/2014	336.77
			JAN 2014 FLEET FUEL				
101-336.000-742.000		CLOTHING /	GALL'S, INC.	71986		02/13/2014	322.93
			CARBON FIREHOODS		1537750		
101-336.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	13.40
			CONTRACTUAL LINEN SERVICE		351660210		
101-336.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	5.71
			CONTRACTUAL LINEN SERVICE		351662303		
101-336.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	13.40
			CONTRACTUAL LINEN SERVICE		351662901		
Total FIRE DEPARTMENT							3,627.13
Dept: PLANNING DEPARTMENT							
101-400.000-860.000		TRANSPORTA	CITY OF HILLSDALE	71977		02/13/2014	38.42
			PETTY CASH				
Total PLANNING DEPARTMENT							38.42
Dept: PUBLIC SERVICES DEPARTMENT							
101-441.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	476.32
			JANUARY 2014 CONTRIBUTIONS		30732-11		
101-441.000-726.000		SUPPLIES	CURRENT OFFICE SOLUTIONS	71980		02/13/2014	60.14
			FOLDERS/PAPER/STAPLES		510987		
101-441.000-726.000		SUPPLIES	HEFFERNAN SOFT WATER SERVICE	71990		02/13/2014	10.25
			WATER		57065		
101-441.000-726.000		SUPPLIES	HEFFERNAN SOFT WATER SERVICE	71990		02/13/2014	5.75
			WATER		57241		
101-441.000-742.000		CLOTHING /	CINTAS CORPORATION	71976		02/13/2014	44.34
			RUGS/UNIFORMS - DPS		351662296		
101-441.000-742.000		CLOTHING /	CINTAS CORPORATION	71976		02/13/2014	44.34
			RUGS/UNIFORMS - DPS		351662895		
101-441.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	44.37
			RUGS/UNIFORMS - DPS		351662296		
101-441.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	38.86
			RUGS/UNIFORMS - DPS		351662895		
101-441.000-801.000		CONTRACTUA	REPUBLIC SERVICES OF KALAMAZOO	72015		02/13/2014	119.80
			4 YRD DUMPSTER RENTAL - DPS		0249-004090411		
101-441.000-801.000		CONTRACTUA	USA MOBILITY WIRELESS, INC.	72023		02/13/2014	18.69
			PAGER RENTAL - DPS		X7385433B		
101-441.000-801.000		CONTRACTUA	SPRINT	72018		02/13/2014	33.85
			CELL PHONE SERVICE		548517219-076		
101-441.000-810.000		DUES AND S	APWA-S.W. MI BRANCH	71971		02/13/2014	40.00
			2014 BRANCH MEMBERSHIP		RICHARD/PAYNE		
101-441.000-955.441		MISCELLANE	CITY OF HILLSDALE	71977		02/13/2014	45.55
			PETTY CASH				
101-441.000-955.517		MISC - SOL	HILLSDALE TRANSFER STATION	71996		02/13/2014	250.00
			TRASH COUPON (TAXES)		3113		
Total PUBLIC SERVICES DEPARTMENT							1,232.26
Fund Total							161,142.75
Fund: MAJOR ST./TRUNKLINE FUND							
Dept:							
202-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	412		02/13/2014	7,488.28
			PAYROLL/FICA 02-13-14				
Total							7,488.28
Dept: R.O.W. MAINTENANCE							
202-460.000-801.000		CONTRACTUA	BOARD OF PUBLIC UTILITIES	71974		02/13/2014	593.81
			STREET LIGHT MAINTENANCE		10472		
202-460.000-801.000		CONTRACTUA	HILLSDALE DAILY NEWS	71993		02/13/2014	64.87
			CHRISTMAS TREE RECYCLING AD				
Total R.O.W. MAINTENANCE							658.68
Dept: TRUNKLINE R.O.W. MAINTENANCE							

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 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 4

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: MAJOR ST./TRUNKLINE FUND							
Dept: TRUNKLINE R.O.W. MAINTENANCE							
202-460.500-801.000		CONTRACTUA	BOARD OF PUBLIC UTILITIES STREET LIGHT MAINTENANCE	71974	10472	02/13/2014	94.29

					Total TRUNKLINE R.O.W. MAINTENANCE		94.29
						Fund Total	8,241.25
Fund: LOCAL ST. FUND							
Dept:							
203-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT PAYROLL/FICA 02-13-14	412		02/13/2014	3,151.33

					Total		3,151.33
Dept: R.O.W. MAINTENANCE							
203-460.000-801.000		CONTRACTUA	BOARD OF PUBLIC UTILITIES STREET LIGHT MAINTENANCE	71974	10472	02/13/2014	122.61
203-460.000-801.000		CONTRACTUA	HILLSDALE DAILY NEWS CHRISTMAS TREE RECYCLING AD	71993		02/13/2014	64.88

					Total R.O.W. MAINTENANCE		187.49
						Fund Total	3,338.82
Fund: RECREATION FUND							
Dept:							
208-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT PAYROLL/FICA 02-13-14	412		02/13/2014	3,124.08

					Total		3,124.08
Dept: RECREATION DEPARTMENT							
208-751.000-716.000		RETIREMENT	M.E.R.S. JANUARY 2014 CONTRIBUTIONS	411	30732-11	02/13/2014	247.16
208-751.000-925.000		TELEPHONE	BOARD OF PUBLIC UTILITIES TELEPHONE SERVICES	71974		02/13/2014	123.77

					Total RECREATION DEPARTMENT		370.93
						Fund Total	3,495.01
Fund: ECONOMIC DEVELOPMENT CORP FUND							
Dept: ECONOMIC DEVELOPMENT							
244-174.000-801.000		CONTRACTUA	HILLSDALE DAILY NEWS THREE MEADOWS ADS	71993		02/13/2014	28.94

					Total ECONOMIC DEVELOPMENT		28.94
						Fund Total	28.94
Fund: LIBRARY FUND							
Dept:							
271-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT PAYROLL/FICA 02-13-14	412		02/13/2014	4,635.59

					Total		4,635.59
Dept: LIBRARY							
271-790.000-716.000		RETIREMENT	M.E.R.S. JANUARY 2014 CONTRIBUTIONS	411	30732-11	02/13/2014	335.28
271-790.000-726.000		SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	71990	57065	02/13/2014	10.25
271-790.000-726.000		SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	71990	57241	02/13/2014	15.25
271-790.000-726.000		SUPPLIES	VISA LIBRARY SUPPLIES	72024	0000 5167	02/13/2014	32.78
271-790.000-734.000		POSTAGE	CITY OF HILLSDALE PETTY CASH	71977		02/13/2014	6.15
271-790.000-801.000		CONTRACTUA	CINTAS CORPORATION Library Floor Mats	71976	351662302	02/13/2014	28.66
271-790.000-801.000		CONTRACTUA	COMPUTRAIN License Renewal 2014	71979	22550	02/13/2014	600.00
271-790.000-801.000		CONTRACTUA	NONIK TECHNOLOGIES, INC. Monthly Avalon Monitoring	72009	5540	02/13/2014	100.00

INVOICE APPROVAL LIST BY FUND
 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 5

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: LIBRARY FUND							
Dept: LIBRARY							
271-790.000-801.000	CONTRACTUA		UNIQUE MANAGEMENT SRVS., INC.	72022		02/13/2014	50.00
			UMS Monthly Placement		251362		
271-790.000-860.000	TRANSPORTA		CITY OF HILLSDALE	71977		02/13/2014	33.90
			PETTY CASH				
271-790.000-925.000	TELEPHONE		BOARD OF PUBLIC UTILITIES	71974		02/13/2014	646.96
			TELEPHONE SERVICES				
271-790.000-930.000	REPAIRS &		AMERICAN COPPER AND BRASS, LLC	71970		02/13/2014	-58.12
			CREDIT - INVOICE PD TWICE		1395687-A		
271-790.000-982.000	BOOKS		BAKER & TAYLOR COMPANY	71973		02/13/2014	101.73
			January Adult Book Order		2029017848		
271-790.000-982.000	BOOKS		BAKER & TAYLOR COMPANY	71973		02/13/2014	15.80
			December Adult Book Order		2029017847		
271-790.000-982.001	BOOKS - FR		PLAYAWAY	72012		02/13/2014	219.97
			Playaway Order Babcock		117379		

					Total LIBRARY		2,138.61
Dept: LIBRARY - CHILDREN'S AREA							
271-792.000-982.000	BOOKS		BAKER & TAYLOR COMPANY	71973		02/13/2014	45.52
			January Children's Book Order		2029017849		
271-792.000-982.000	BOOKS		BAKER & TAYLOR COMPANY	71973		02/13/2014	30.17
			DECEMBER MEMORIAL Book Order		2029017874		

					Total LIBRARY - CHILDREN'S AREA		75.69

					Fund Total		6,849.89
Fund: CAPITAL IMPROVEMENT FUND							
Dept: CAPITAL OUTLAY							
401-900.000-975.040	COMPREHENS		NONIK TECHNOLOGIES, INC.	72009		02/13/2014	109.99
			SOFTWARE-PUBLISHER		5557		

					Total CAPITAL OUTLAY		109.99

					Fund Total		109.99
Fund: AIRPORT IMPROVEMENT FUND							
Dept: CAPITAL OUTLAY							
481-900.000-801.481	CONTR-AWOS		STATE OF MICHIGAN>>>	72019		02/13/2014	423.56
			AWOS/WSI 4TH QTR 2013 MAINT		WA363230		

					Total CAPITAL OUTLAY		423.56

					Fund Total		423.56
Fund: DIAL-A-RIDE FUND							
Dept:							
588-000.000-214.750	DUE TO IMP		PAYROLL ACCOUNT	412		02/13/2014	6,487.14
			PAYROLL/FICA 02-13-14				

					Total		6,487.14
Dept: DIAL-A-RIDE							
588-588.000-716.000	RETIREMENT		M.E.R.S.	411		02/13/2014	191.75
			JANUARY 2014 CONTRIBUTIONS		30732-11		
588-588.000-726.000	SUPPLIES		HEFFERNAN SOFT WATER SERVICE	71990		02/13/2014	4.75
			WATER		57077		
588-588.000-730.000	VEH./EQUIP		PERFORMANCE AUTOMOTIVE	72011		02/13/2014	107.06
			BEEELTS FOR #60		1088871		
588-588.000-730.000	VEH./EQUIP		PERFORMANCE AUTOMOTIVE	72011		02/13/2014	263.78
			CALIPERS/HITCH PIN		1088483		
588-588.000-730.000	VEH./EQUIP		PERFORMANCE AUTOMOTIVE	72011		02/13/2014	-130.00
			RETURNED CALIPERS		1088532		
588-588.000-730.000	VEH./EQUIP		PERFORMANCE AUTOMOTIVE	72011		02/13/2014	20.66
			PIN KIT FOR #60		1088416		
588-588.000-730.000	VEH./EQUIP		PERFORMANCE AUTOMOTIVE	72011		02/13/2014	210.54
			TENSIONERS FOR #60,		1088971		
588-588.000-740.000	FUEL AND L		WATKINS OIL COMPANY	72025		02/13/2014	2,156.86
			JAN 2014 FLEET FUEL				
588-588.000-801.000	CONTRACTUA		STILLWELL FORD MERCURY, INC	72020		02/13/2014	308.69
			DART BUS MAINTENANCE		544909		

					Total DIAL-A-RIDE		3,134.09

INVOICE APPROVAL LIST BY FUND
 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 6

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: DIAL-A-RIDE FUND							
						Fund Total	9,621.23
Fund: PUBLIC SERVICES INV. FUND							
Dept:							
633-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	412		02/13/2014	377.72
			PAYROLL/FICA 02-13-14				
						Total	377.72
Dept: PUBLIC SERVICES INVENTORY							
633-233.000-726.000		SUPPLIES	DETROIT SALT CO.	71981		02/13/2014	3,902.34
			ROAD SALT		39179		
633-233.000-726.000		SUPPLIES	DETROIT SALT CO.	71981		02/13/2014	3,863.73
			ROAD SALT		39469		
633-233.000-726.000		SUPPLIES	DETROIT SALT CO.	71981		02/13/2014	2,003.04
			ROAD SALT		39331		
633-233.000-726.000		SUPPLIES	DETROIT SALT CO.	71981		02/13/2014	2,272.14
			ROAD SALT		39332		
633-233.000-726.000		SUPPLIES	KSS ENTERPRISES	72002		02/13/2014	1,380.87
			ICE MELT - PRO LINK		858263		
						Total PUBLIC SERVICES INVENTORY	13,422.12
						Fund Total	13,799.84
Fund: REVOLVING MOBILE EQUIP. FUND							
Dept:							
640-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	412		02/13/2014	1,429.40
			PAYROLL/FICA 02-13-14				
						Total	1,429.40
Dept: MOBILE EQUIPMENT MAINTENANCE							
640-444.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	196.52
			JANUARY 2014 CONTRIBUTIONS		30732-11		
640-444.000-730.000		VEH./EQUIP	AMERICAN COPPER AND BRASS, LLC	71970		02/13/2014	10.17
			HYD FITTINGS FOR TRUCKS		1405486		
640-444.000-730.000		VEH./EQUIP	AMERICAN COPPER AND BRASS, LLC	71970		02/13/2014	58.45
			ELECTRONIC WRAPAROUND		1399310		
640-444.000-730.000		VEH./EQUIP	ELECTRICAL TERMINAL INC.	71984		02/13/2014	68.61
			BOLTS		132564		
640-444.000-730.000		VEH./EQUIP	ELECTRICAL TERMINAL INC.	71984		02/13/2014	38.25
			BOLTS		132519		
640-444.000-730.000		VEH./EQUIP	GELZER & SON INC.	71987		02/13/2014	17.22
			BOLTS & NUTS		A49810		
640-444.000-730.000		VEH./EQUIP	JACKSON TRUCK SERVICE INC.	71998		02/13/2014	169.54
			FUEL/OIL FILTER		PC01248053:001		
640-444.000-730.000		VEH./EQUIP	MICHIGAN CAT	72006		02/13/2014	224.77
			KIT-SEAL-H.C		PD3803630		
640-444.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	5.58
			LENS FOR #15		1088358		
640-444.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	49.59
			SEAL KIT FOR #9.2		1088723		
640-444.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	6.49
			JB WELD FOR #43		1088876		
640-444.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	6.19
			CALIPERS/HITCH PIN		1088483		
640-444.000-730.000		VEH./EQUIP	PERFORMANCE AUTOMOTIVE	72011		02/13/2014	8.90
			O RINGS		1089255		
640-444.000-730.000		VEH./EQUIP	STILLWELL FORD MERCURY, INC	72020		02/13/2014	13.66
			WINDSHIELD WASHER KIT		158626		
640-444.000-740.000		FUEL AND L	WATKINS OIL COMPANY	72025		02/13/2014	10,629.64
			JAN 2014 FLEET FUEL				
640-444.000-740.301		FUEL AND L	WATKINS OIL COMPANY	72025		02/13/2014	3,490.96
			JAN 2014 FLEET FUEL				
640-444.000-742.000		CLOTHING /	CINTAS CORPORATION	71976		02/13/2014	14.85
			RUGS/UNIFORMS - DPS		351662296		
640-444.000-742.000		CLOTHING /	CINTAS CORPORATION	71976		02/13/2014	14.85
			RUGS/UNIFORMS - DPS		351662895		
640-444.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	22.87
			RUGS/UNIFORMS - DPS		351662296		
640-444.000-801.000		CONTRACTUA	CINTAS CORPORATION	71976		02/13/2014	22.87
			RUGS/UNIFORMS - DPS		351662895		

INVOICE APPROVAL LIST BY FUND
 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:15am
 Page: 7

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: REVOLVING MOBILE EQUIP. FUND							
Dept: MOBILE EQUIPMENT MAINTENANCE							
640-444.000-801.000		CONTRACTUA	LEUTHEUSER	72003		02/13/2014	300.03
			RPL RT FRNT WINDOW REG. #1		76230		
640-444.000-801.000		CONTRACTUA	PURITY CYLINDER GASES, INC.	72014		02/13/2014	33.48
			CYLINDER RENTAL		516634		
640-444.000-801.301		POLICE VEH	JIM KNOX CHRYSLER DODGE JEEP	71999		02/13/2014	701.11
			SERVICE REPAIRS UNIT 2-2		15300		
640-444.000-801.301		POLICE VEH	PARNEY'S CAR CARE	72010		02/13/2014	363.19
			SERVICE REPAIRS 2-1		55194		
640-444.000-801.301		POLICE VEH	PARNEY'S CAR CARE	72010		02/13/2014	836.83
			SERVICE REPAIRS 2-2		55255		
640-444.000-801.301		POLICE VEH	PARNEY'S CAR CARE	72010		02/13/2014	20.80
			ANCO WINTER WIPER FOR 2-9		12052		

					Total MOBILE EQUIPMENT MAINTENANCE		17,325.42

					Fund Total		18,754.82
Fund: DPS LEAVE AND BENEFITS FUND							
Dept:							
699-000.000-214.750		DUE TO IMP	CITY OF HILLSDALE	71977		02/13/2014	101.66
			PETTY CASH				
699-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	412		02/13/2014	864.19
			PAYROLL/FICA 02-13-14				

					Total		965.85
Dept: PUBLIC SERVICES DEPARTMENT							
699-441.000-716.000		RETIREMENT	M.E.R.S.	411		02/13/2014	183.13
			JANUARY 2014 CONTRIBUTIONS		30732-11		

					Total PUBLIC SERVICES DEPARTMENT		183.13

					Fund Total		1,148.98

					Grand Total		226,955.08

VENDOR APPROVAL SUMMARY REPORT
 FEBRUARY 13, 2014

Date: 02/14/2014
 Time: 10:06am
 Page: 1

Hillsdale City Offices

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
ABS RENTAL SERVICES, LLC.	2866	PORTABLE RESTROOM RENTAL-O.G.	95.00	0.00
AEROSPACE RISK MANAGEMENT	1535	LIABILITY INS JAN - MARCH 2014	1,093.74	0.00
AMERICAN COPPER AND BRASS, LLC	2432	CREDIT - INVOICE PD TWICE	10.50	0.00
APWA-S.W. MI BRANCH	3950	2014 BRANCH MEMBERSHIP	40.00	0.00
ARROW SWIFT PRINTING	0008	WINDOW ENVELOPES	152.00	0.00
BAKER & TAYLOR COMPANY	0011	DECEMBER MEMORIAL Book Order	193.22	0.00
BOARD OF PUBLIC UTILITIES	0013	STREET LIGHT MAINTENANCE	4,667.06	0.00
BRINER OIL CO., INC.	1110	FUEL FOR AIRPORT TRACTOR	617.30	0.00
CINTAS CORPORATION	0020	RUGS/UNIFORMS - DPS	358.27	0.00
CITY OF HILLSDALE	0015	PETTY CASH	410.20	0.00
CLARK HILL	2029	LEGAL SERVICES - GATEWAY MEDIA	40.00	0.00
COMPUTRAIN	2149	License Renewal 2014	600.00	0.00
CURRENT OFFICE SOLUTIONS	0035	FOLDERS/PAPER/STAPLES	136.04	0.00
DETROIT SALT CO.	4088	ROAD SALT	12,041.25	0.00
DOMESTIC HARMONY	0401	AGREEMENT 1/21/13	5,500.00	0.00
EAST 2 WEST ENTERPRISES, INC.	1299	DISPATCH OFFICE WAX FLOOR	90.00	0.00
ELECTRICAL TERMINAL INC.	3097	BOLTS	106.86	0.00
FAYETTE TOWNSHIP TREASURER	0965	425 AGREEMENT	23,446.72	0.00
GALL'S, INC.	2158	CARBON FIREHOODS	322.93	0.00
GELZER & SON INC.	0027	BOLTS & NUTS	17.22	0.00
GODFREY BROTHERS, INC.	2132	AIR FILTER/ELEMENT	441.72	0.00
CAROL HAWKES	1288	CLEANING CITY HALL	633.00	0.00
HEFFERNAN SOFT WATER SERVICE	3248	WATER	110.50	0.00
HILLSDALE AERO, INC.	0236	GROUNDS/EQUIP MAINT	3,924.00	0.00
HILLSDALE COUNTY TREASURER*	0676	BILL BACKS - #006-426-301-02	1,308.68	0.00
HILLSDALE DAILY NEWS	0034	CHRISTMAS TREE RECYCLING AD	158.69	0.00
HILLSDALE POLICY GROUP, LTD.	1968	JAN 2014 ECONOMIC DEVELOPMENT	4,127.91	0.00
HILLSDALE TOWNSHIP TRESURER	4019	425 HILLSDALE TOWNSHIP	8,313.99	0.00
HILLSDALE TRANSFER STATION	1768	TRASH COUPON (TAXES)	250.00	0.00
HUMAN FACTOR RESEARCH GROUP	2231	MANUALS/CERTIFICATES	86.00	0.00
JACKSON TRUCK SERVICE INC.	0086	FUEL/OIL FILTER	169.54	0.00
JIM KNOX CHRYSLER DODGE JEEP	2085	SERVICE REPAIRS UNIT 2-2	701.11	0.00
JERICO KELLEY	2150	ACH FROM 1-16-14 PAYROLL RTRND	13.21	0.00
KREIS, ENDERLE HUDGINS &	1077	TAX APPEAL - HILLSDALE CAPITOL	1,050.00	0.00
KSS ENTERPRISES	0255	ICE MELT - PRO LINK	1,380.87	0.00
LEUTHEUSER	0912	RPL RT FRNT WINDOW REG. #1	300.03	0.00
LOREN & SHIRK	0043	LEGAL SERVICES JAN 2014	2,916.66	0.00
M.E.R.S.	2359	JANUARY 2014 CONTRIBUTIONS	0.00	30,450.22
MICHIGAN FTO	2675	ANNUAL MEMBERSHIP RENEWAL FEE	150.00	0.00
MICHIGAN CAT	0051	KIT-SEAL-H.C	224.77	0.00
MR. ROOTER PLUMBING	6082	SEWER GAS - MEN'S RESTROOM	146.43	0.00
MT ENGINEERING, LLC	1690	ENG-STATE ST FINAL CLOSE OUT	492.00	0.00
NONIK TECHNOLOGIES, INC.	1392	SOFTWARE-PUBLISHER	209.99	0.00
PARNEY'S CAR CARE	2412	ANCO WINTER WIPER FOR 2-9	1,220.82	0.00
PAYROLL ACCOUNT	0242	PAYROLL/FICA 02-13-14	0.00	96,552.21
PERFORMANCE AUTOMOTIVE	0961	O RINGS	549.27	0.00
PLAYAWAY	1799	Playaway Order Babcock	219.97	0.00
POTTER, PC	6069	LEGAL - POLICE PROFESSIONAL	1,171.00	0.00
PURITY CYLINDER GASES, INC.	1136	CYLINDER RENTAL	33.48	0.00
REPUBLIC SERVICES OF KALAMAZOO	1428	DUMPSTER @ AIRPORT	220.90	0.00
SCHINDLER ELEVATOR CORPORATION	0061	ELEVATOR MAINTENANCE	512.01	0.00
SPRATT'S	0088	PROPANE - HEATING FUEL	905.65	0.00
SPRINT	1137	CELL PHONE SERVICE	126.43	0.00
STATE OF MICHIGAN>>>	3571	AWOS/WSI 4TH QTR 2013 MAINT	423.56	0.00
STILLWELL FORD MERCURY, INC	2065	DART BUS MAINTENANCE	322.35	0.00
SUD-Z DRY CLEANERS	1067	DRY CLEANING	89.10	0.00
UNIQUE MANAGEMENT SRVS., INC.	2095	UMS Monthly Placement	50.00	0.00
USA MOBILITY WIRELESS, INC.	0845	PAGER RENTAL - DPS	18.69	0.00
VISA	1154	VISA PURCHASES	427.78	0.00
WATKINS OIL COMPANY	2278	JAN 2014 FLEET FUEL	16,614.23	0.00
Grand Total:			99,952.65	127,002.43



PLANNING COMMISSION MINUTES
REGULAR MEETING
CITY HALL, 97 N. BROAD ST. 2ND FLOOR
December 17, 2013 at 5:30 PM

I. Call to Order 5:30

- A. Pledge
- B. Members present: Dave Williams, Laura Smith, Amber Yoder, Scott Sessions, Kerry Laycock
- C. Others present: Mary Wolfram (EDC liaison), Alan Beeker (Staff)
- D. Members absent: Steve Vear

II. Consent Items/Communications

- A. Mayor Sessions moved to accept the Agenda as presented, Laura Smith supported, motion passed.
- B. Regular meeting minutes from November 19, 2013 meeting were reviewed. Mayor Sessions moved to accept the minutes, Amber Yoder supported, passed by unanimous vote.

III. Public Comment

No public comment

IV. Old Business

- A. The adopted Planning Commission By-laws were distributed.
- B. Ms. Smith and Mr. Beeker gave a brief update regarding the Sign Ordinance. Work is progressing on the ordinance. The City Attorney is reviewing it and the Commission will have sections to review in January. The goal is to have it ready for adoption by the February meeting.
- C. Mr. Beeker informed the Commission that Grant Bauman from the Region 2 Planning Commission was given approval to proceed with the Economic Development portion of the Master Plan. Once that is accomplished, the master plan will be ready for review and adoption.
- D. Mr. Beeker updated the Commission on the Hillsdale College Expansion progress. The surveyor submitted the legal description for the area of the right-of-way to be licensed. Mr. Loren, City Attorney has that

information as well as the information from Ms. Brown, City Manager and Mr. Pewe of Hillsdale College. The architect plans to submit drawings for site plan review at the February meeting.

E. The November permit list was reviewed.

V. New Business

A. Representatives from Kroger and Project Collaborative presented the proposed Fuel Center project to be located in front of the existing Kroger store on M-99. Operating hours will be from 30 min. prior to store opening to 30 min. after store closing. If Kroger ever relocates, the fuel center site will be returned to conditions prior to construction including removal of tanks. The plan is to break ground in May with completion occurring by September 2014. Ms. Smith made the motion to approve site plan conditional on approval by Chris Gutowski, Director of Public Safety. Mr. Laycock supported, motion passed by unanimous vote.

B. Elections for Chairman and Vice Chairman of the Planning Commission were held. Nominations were accepted for Chair. Dave Williams and Laura Smith were nominated. Amber motioned to close nominations, supported by Mayor Sessions. Voting commenced as follows:

- Laura Smith voted for Laura Smith
- Amber Yoder voted for Laura Smith
- Scott Sessions voted for David Williams
- David Williams voted for Laura Smith
- Kerry Laycock voted for Laura Smith

C. Vice Chair nominations were accepted. Mr. Williams was nominated, Ms. Yoder moved to close nominations. Mayor Sessions supported. Ms. Smith moved to accept Mr. Williams as Vice Chair. Mayor Sessions supported, motion passed.

D. Mr. Beeker summarized the need for the zoning amendments. The goal is to review the amendments and start the process in January to adopt them into the code of ordinances. The following are the amendments that need to be addressed:

1. Section 36-32 Zoning Administrator Duties
2. Section 36-5 Zoning Compliance Permit Requirements
3. Section 6-121 Fence Requirements
4. Division 4. RM-1 Multiple-Family Residential District
5. Division 15. C-1 College District

Copies are attached in the record files.

E. Mr. Beeker updated the Commission on the current activities regarding the R2PC

VI. Public Comment

No public comment

VII. Adjournment at 6:55 pm

Economic Development Corporation
City of Hillsdale 2nd Floor Conference Room, City Hall
December 19, 2013 7:30 AM
Minutes

Meeting was called to order at 7:38 am.

Members present were as follows: David Foulke, David Loader, Anne Fike, Dean Affholter, Ed Sumnar, Matt Granata, Barry Hill, J.J. Hodshire, Amanda Janes, Victoria Berern, Gary Wolfram (arrived late).

Others Present: Mayor Scott Sessions, Mary Wolfram, Kelly LoPresto, Terry Vear (arrived late)

I. Consent Agenda: Approval of Minutes.

The minutes from the meeting held on October 17, 2013 were reviewed. Ed Sumnar moved to approve the consent agenda, Dean Affholter, supported. The motion was approved by unanimous vote.

II. Public Comment on Agenda

No public comment

III. New Business

A. New Board Member

i. Board Introductions – J.J. Hodshire, Director of Organizational Development from Hillsdale Community Health Center and Amanda Janes, Academic Advisor/Center Coordinator from Jackson College, Clyde LeTarte, Hillsdale campus were introduced.

B. Meeting Schedule for 2014

The meeting schedule for 2014 was reviewed. Dean Affholter moved to approve the 2014 meeting schedule, Gary Wolfram, supported. The motion was approved by unanimous vote.

C. Three Meadows - the future

1. Expanded, un-platted parcels

EDC owns most of Three Meadows, however, the City owns some. There was an offer and then it was withdrawn.

The committee asked Mary to look for a resolution of how much property someone can purchase. The question was asked – what is the overall objective of Three Meadows? It's a way to offer people the opportunity to locate in the City of Hillsdale.

The committee should review the Rights and Restrictions for Three Meadows. The committee will meet which are Anne, Mary, Gary and Dean.

2. ISD student building program

It was suggested to try and get a copy of the specs used to build the homes for the EDC committee to review. Also, see how much the ISD paid for the lots on Student Lane.

3. Perennial Park senior living development

Terry Vear discussed the Perennial Park Affordable Housing Project and that Perennial Park may be interested in a portion of Three Meadows property. Perennial Park is looking at some people who would buy into the project and some would like to pay rent monthly. This all is still in the preliminary stages and a committee continues to meet. The committee was thinking of two phases, however, now are thinking just one phase with 36 units.

IV. Old Business

A. Manufacturing & Technology Park

1. New marketing ideas: Does EDC want a plan to market the Industrial Park? Barry Hill will meet with Mary and look at budget for EDC and bring back to next meeting. Does the committee want to develop a more detailed marketing plan?

2. "Industrial Park" Certification: Currently, the Manufacturing Park is not certified however, could see if it is worth doing.

3. Site Selection specialist: Mary will forward an email that she received

B. Tax Abatements – advertising abatement availability

Mary passed out information. The committee advised Mary to check and see what Lenawee and Coldwater use. Mr. Sumnar questioned whether the Rubric equation process should be re-evaluated. He would like to know the process that Lenawee and Branch Counties use when considering IFT exemptions.

C. OPRA Map

V. Economic Development Update

Ms. Wolfram presented a brief update to the EDC regarding vacant buildings within city.

Ed Sumnar made a motion to adjourn, Dean Affholter supported, the motion passed by unanimous vote.

The meeting adjourned at 9:00 am.

Next Meeting: 7:30 am, February 20, 2014

Public Services Committee Meeting
January 16, 2014 @ 5:40 p.m.

Members present: City Manager Linda Brown, Public Services Director Keith Richards, Councilpersons Patrick Flannery, Emily Stack-Davis, and Adam Stockford.

Community present: Scott Sessions

Councilperson Emily Stack-Davis motioned to appoint Adam Stockford Committee Chairman. Vote Count: 3-0, motion approved.

Adam presented statements from State Senator Bruce Caswell and State Rep. Ken Kutz

- If a bunch of zero's are removed from state budget, and a hypothetical number of 50,000 is used, the state budget's surplus is 1,000 dollars.
- That 1,000 would be spread out over 3 years, resulting in about 333 dollars a year.
- Things being discussed for use of that money are tax credits, revenue sharing, K-12 education, and roads.
- If used on roads, Caswell favors placing the money in the transportation fund, so all could draw out equally, instead of using for individual projects

BPU has its own board and cemeteries have their own as well

Patrick asked if TIFA would be interested in coming to council for an educational presentation.

Keith Richards says eventually the city parking lot will have to be sealed and sidewalks downtown replaced.

Feb 12th- Millpond Dam Removal Meeting- Keith Richards says:

- If this happens, stream will find natural course
- Options are to line with 18 inch pipe through existing pipe or remove pipes and replace them.
- DEQ is saying 18 inch pipes won't work
- Estimated cost to remove dam- Half a million dollars
- Keith believes DEQ will want them to remove and rebuild

Cemeteries and Fees- Discussion

- Looked at every other year
- Been increased twice
- Prices increased for Sat. burial

Emily asked about leaf pickup, and if it would benefit to place leaves in clear bags
Keith says more efficient and quicker with bags, and leaves don't deposit in storm sewers

Compost Site- Discussion

- Possible reduction of hours
- Possibly get rid of compost site altogether
- Someone should call Republic and ask if they would be interested in subcontracting leaf pickup
- Adam says they'll take them as long as you put them in the blue buckets

Chairman Adam Stockford makes a motion to adjourn meeting. Vote Count: 3-0
Meeting adjourned at 8:00 p.m.

Adam L. Stockford

Council Chambers
Hillsdale City Hall
97 N. Broad St.
Hillsdale, MI 49242

February 17, 2014
7:00 p.m.
(517)437-6441
www.cityofhillsdale.org

CITY COUNCIL MINUTES

City of Hillsdale
Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Scott Sessions opened the meeting with the pledge of allegiance.

Motion by Councilperson Stack Davis, supported by Councilperson Watkins, to excuse the absence of Councilperson Flannery from the February 17, 2014 Council Meeting.

All Ayes.

Motion carried.

Roll Call

Mayor Scott Sessions called the meeting to order with the following Council members present: Council members Brian Watkins and Adam Stockford representing Ward One; Councilmember Sally Kinney representing Ward Two; Councilmember Emily Stack Davis representing Ward Three; and Councilmember Mary Beth Bail representing Ward Four.

Also present were City Manager Linda Brown, City Attorney Lewis Loren, Michelle Loren, Kim Thomas (Assessor), Bonnie Tew (City Finance), Kay Freese (HR), Keith Richard (DPS), Rick Rose (BPU), Nate Rusk (BPU), Matt Durr (Hillsdale Daily News), Ruth Brown, Judy Buzo (Dial-A-Ride), Cheryl Cox (Dial-A-Ride), Mary Wolfram (ED), Samuel Nutter, Taylor Knopf, Brad Benzing.

Approval of Agenda

City Manager Linda Brown requested *Item A. Deputy Clerk* under Communications be added to the agenda as well as the addition of *Property Nuisance Claim* under Code Enforcement.

Councilperson Watkins requested the removal of *Public Services Committee Minutes of January 16, 2014* from the Consent Agenda until corrections have been made.

Motion by Councilperson Watkins, supported by Councilperson Stack Davis, to remove the Public Services Committee Minutes of January 16, 2014 until revised. All Ayes. Motion carried.

All ayes.

Motion carried.

Approval of Agenda:

All ayes

Public Comment

Ruth Brown, 45 Apple Run, addressed Council regarding local streets maintenance; let the idea of income tax go, street maintenance plan/funding, maintenance plan for Charles Street. Ms. Brown commended City Manager Linda Brown for her ability to listen to residents and respond with the development of a street plan. Ms. Brown offered suggestions for funding and how Council could go about accomplishing the street maintenance issue.

Consent Agenda

- A. Approval of Bills from January 30, 2014: Claims of \$247,741.30 Payroll of \$93,636.43
- B. Committee Reports:
 1. Cemetery Minutes of February 5, 2014
- C. Council Minutes of February 3, 2014
- D. Depository memo & Resolution #3164

E. January, 2014 Financial Reports

Roll call: Councilpersons Stack Davis – yes; Kinney – yes; Stockford – yes; Watkins – yes; mayor Sessions – yes; Bail – yes.

Approved 6-0.

Motion carried.

Communications and Petitions

- A. Confirmation of Deputy Clerk. Mayor Sessions read an email message he and City Manager Linda Brown received from City Clerk Robilyn Swisher on Friday, February 14, 2014 requesting the appointment of Michelle Loren as Deputy Clerk. City Manager Brown stated that while Michelle Loren meets the criteria, she is a department head within the City and her busy season is coming soon. Ms. Brown suggested the duties to be performed under deputy status be limited and under emergencies only. These duties would include taking minutes at council meetings and signing documents and would not include those duties that are performed as regular maintenance of the clerk's office.

Motion by Councilperson Watkins, supported by Councilperson Kinney, to accept the appointment of Michelle Loren as Deputy Clerk for the purpose of signing documents and taking minutes in emergency situations. Roll Call: Councilpersons Kinney – yes; Stockford – yes; Watkins – yes; Mayor Sessions – yes; Councilpersons Bail – yes; Stack Davis – yes.

Approved 6-0.

Motion carried.

Introduction and Adoption of Ordinances/Public Hearings

None

Unfinished Business

- A. Local Streets Maintenance. City Manager Brown reported that, possibly due indirectly to the reconstruction of Buena Vista, a water main froze. When Buena Vista was rebuilt, some of the groundcover had been removed. This, coupled with the extreme cold, could have been the cause. City Manager Brown reported the BPU acted quickly and resolved the matter.
- B. Code Enforcement - Property Nuisance Claim. City Manager Linda Brown reported there had been an ongoing code enforcement issue with a residence at 22 Morry St. Ms. Brown stated the condition had potential to cause a threat to the health and safety of those residing in the area. Acting Code Official Kim Thomas gave a history of the claim. Ms. Thomas concurred with City Manager Brown's recommendation that Council declare the property a nuisance and require the property owner to have the premises cleaned up within 24 hours. If the owner does not comply, the City will do the necessary clean up at a cost to the property owner.

Motion by Councilperson Watkins, supported by Councilperson Stack Davis, to declare the property a nuisance. All ayes.

Approved.

Motion carried.

Motion by Councilperson Stack Davis, supported by Councilperson Stockford, to: declare 22 Morry St. a danger to the health and safety of the inhabitants of the City; issue an order to the resident of 22 Morry St. stating premises shall be cleaned within 48 hours; if premises is not cleaned within the 48 hours, the City shall order clean-up, the cost of which shall be placed on the tax roll. All Ayes

Approved.

Motion carried.

Old Business

- A. Deputy Treasurer. City Manager Linda Brown stated that since the confirmation of the appointment of the Deputy Treasurer she learned that Ms. Price was not a resident of the City and asked the opinion of the City Attorney regarding her eligibility to serve in that capacity. Council members received a copy of the opinion. City Manager Brown recommended Council rescind the prior confirmation of Ms. Price as Deputy Treasurer for the reasons stated in the opinion and follow the suggested method proposed for the collection of taxes.

Council discussed the matter at length with the City Attorney. If the confirmation were rescinded, Ms. Price would still be able to carry out the same duties (time/date stamp receipt of payment except cash) as originally specified but without title and without the expense of a bond. If Council chose to disregard the opinion, the deputy title would remain in place, payments (except cash) would be accepted and time/date stamped, and a bond issued.

Motion by Councilperson Watkins, supported by Councilperson Kinney, to rescind the confirmation of the Deputy Treasurer and follow the City Attorney's proposed method for the collection of taxes. Roll call: Councilperson Watkins – yes; Mayor Sessions – no; Councilpersons Bail – no; Stack Davis – no; Kinney – yes; Stockford – no.

Disapproved 2-4.

Motion Failed.

Motion by Councilperson Watkins, supported by Councilperson Stack Davis, to refer the matter of policy review of offices of elected officials to the Operations and Governance.

All ayes.

Motion carried.

New Business

- A. Dial-A-Ride Funding (Resolution #3165). City Manager Linda Brown stated each year the City must submit an application to MDOT to fund DART operations for the coming year. By passing the Resolution, the City indicates intent to provide public transportation services, apply for state financial assistance, and appoint the City Manager as the Transportation Coordinator.

Motion by Councilperson Watkins, supported by Councilperson Bail, to adopt Resolution #3165 for Dial-A-Ride funding. Roll Call: Mayor Sessions – yes; Councilpersons Bail – yes; Stack Davis – yes; Stockford – yes; Watkins – yes.

Approved 6-0.

Motion carried.

Miscellaneous

None

General Public Comment

Ruth Brown, 45 Apple Run, addressed Council regarding the need to obtain audit services locally. Ms. Brown also stated she really likes Granicus and the transparency it provides. Finally, Ms. Brown both sympathized with and commended Council for the job they do.

Judy Buzo, Dial-A-Ride, thanked Council for their support of Dial-A-Ride by securing funding for the upcoming year. Ms. Buzo gave an overview of the changes within Dial-A-Ride over the last 40 years and explained that all those at Dial-A-Ride strive to provide a good service at minimal cost to the City.

Samuel Nutter, 194 Spring St., Calvary Baptist Church., wanted to publicly thank and express gratitude to the BPU for their outstanding work and having gone above and beyond in order to restore water to the church over the past weekend.

Michelle Loren, Recreation Director, addressed Council regarding the appointments of City staff to deputy positions.

Council Comment

Councilperson Watkins wanted to make it clear that as Council is discussing the different elected officials in regard to the various policies or conduct, they are not necessarily referring to the individual who holds office but to the office itself; present and future.

Adjournment

Motion by Councilmember Kinney, seconded by Councilmember Bail, to adjourn.

Motion carried.

8:28 p.m.

Scott M. Sessions, Mayor

Michelle Loren, Deputy City Clerk

City of Hillsdale

Agenda Item Summary

Meeting Date: **March 3, 2014**

Agenda Item #10: **New Business A – Rental Rehab**

BACKGROUND:

On May 29, 2013 Council awarded a contract to Revitalize, LLC to act as third party administrator for the MSHDA Rental Rehab program. As part of this process, Revitalize has initiated the program to potential applicants through an informational meeting for building owners and subsequent building inspections to determine building qualifications.

The rental rehabilitation program is designed to provide assistance with renovation of vacant areas of second and third stories of downtown commercial businesses in the rental rehab district, a map of which is attached. It appears that there are currently three to four potential properties.

The next step is to adopt policies which will enable the City to apply to MSHDA for the funding. To be eligible the City must adopt policies which comply with MSHDA's Community Development Block Grant Rental Rehabilitation Program as well as Section 3 of the HUD Act of 1968, as amended and Fair Housing Policy. Copies of all documents are attached for your review and consideration.

RECOMMENDATION:

I recommend that Council adopt the required policies to move this project forward. This matter will be brought to Council again for review of the application for the funds.

**CITY OF HILLSDALE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
RENTAL REHABILITATION PROGRAM**

PROGRAM GUIDELINES

February 2014

Prepared by

City of Hillsdale
97 N. Broad Street
Hillsdale, MI 49242
(517) 437-6479



I. GENERAL PROVISIONS

These PROGRAM GUIDELINES (Guidelines) intend to set forth the policies and identify the priorities of the **City of Hillsdale's Community Development Block Grant (CDBG) Rental Rehabilitation Program (Program)**. These Guidelines set forth the format that will cover general policies of the Program. However, the **Program Administrator (Administrator)**, with the approval of The **City of Hillsdale (City) and the Michigan State Development Authority (MSHDA)**, may waive or modify the requirements in individual cases based upon unforeseen circumstances. The City may also revise any of the parameters in this document to further the intent of the Housing and Community Development Act of 1977 as amended. Federal legislation and implementation regulations have been developed and have been integrated into this Program to protect the integrity of such policies.

A. GOALS

The primary emphasis of this Program is to provide safe, decent, sanitary, and affordable rental housing to lower income residents of the City of Hillsdale within the targeted Downtown Development Area. Financial Assistance will be provided to eligible landlords to upgrade existing rental units or rehabilitate vacant space into rental units by improving energy efficiency, repairing health and safety deficiencies, and improving basic livability standards.

B. SOURCES OF FUNDS

1. MSHDA FUNDS

MSHDA has supplied CDBG funding that will help facilitate rehabilitation of rental units and second story vacant spaces into rental units in the target area. These funds will be loaned to eligible landlords at 0% interest for 5 years and then forgiven if landlords comply with all MSHDA and City requirements. Maximum MSHDA funding for each dwelling unit being rehabilitated is \$40,000. Apartments which have been rented in the past five (5) years may only receive up to \$25,000.

2. PROPERTY OWNER

All property owners are required to provide a minimum of 25% of total project cost.

C. PROPERTY OWNER AND RENTAL UNIT REQUIREMENTS

1. PROPERTY OWNER QUALIFICATIONS/INFORMATION

- a. MSHDA funded this program for a downtown targeted area only. Any unit to be considered must lie in designated targeted downtown area.
- b. Proof of Deed or land contract in property owners name (if land contract, a letter from holder that they will sign the mortgage/lien agreement).

- c. Documentation showing that all property taxes on property to be rehabilitated are current and paid in full.
- d. Documentation showing that appropriate (MSHDA approved) levels of property insurance are current and paid.
- e. Documentation of most recent three (3) months owner paid utilities for units to be rehabilitated (if applicable).
- f. Prior to signing mortgage, property owner must submit required matching funds to The City to be utilized on approved project.
- g. Any other documents required by the City, or MSHDA

2. NUMBER OF UNITS ELIGIBLE

All units rehabbed will be identified with proof of owner match prior to grant submittal and/or request for grant amendment due to increased interest.

3. LEVEL OF IMPROVEMENT

Upon completion of the rehabilitation, the dwelling units shall meet local building codes along with Federal Housing Quality Standards (HQS) and MSHDA Moderate Rehabilitation Standards. This includes plumbing, heating, electrical and structural components, all of which must be completed by licensed and insured contractors. **There is no property owner labor or work allowed in rehabilitation process.** All materials, equipment, fixtures, and building supplies utilized in the program will be moderately priced but durable in quality. Rehabbed units will be re-inspected after three years of completion to assure conditions are being maintained to previously mentioned codes.

4. FINANCIAL FEASIBILITY

Following rehabilitation the dwelling units must be able to financially support themselves. In addition all debt service, property taxes, insurance and utilities (those paid by property owner) must be current prior to the CDBG Rental Rehabilitation Program mortgage being signed and the rehabilitation commenced.

D. APPLICATION PROCESS

1. PROPERTY OWNER PARTICIPATION

- a. Full application completed.
- b. Notice sent to tenant (s) that Federal funds have been applied for
- c. Application reviewed and approved by Administrator
- d. Initial inspection by Administrator that could include City inspector.
- e. Preparation of bid specifications and cost estimates
- f. All Lead Based Paint Assessments and Asbestos Surveys will be paid for up front by owner of property. Funds for LBP Assessments will be applied to owner's matching funds.
- g. Meeting between Administrator and property owner to finalize project

2. RESIDENT PARTICIPATION

Residents are the central aspect of this Program and their participation is required in completing the application process. Consequently, residents (18 years and older) occupying dwelling units under consideration for this Program will be required to submit a confidential form and written evidence (payroll evidence, etc.) as part of the Program application. Residents with income in excess of the MSHDA guidelines may result in disqualification of the dwelling unit from the Program. Resident income will be verified for the initial occupant of units completed. Property owner is responsible for notifying the City when a rehabilitated unit becomes vacant.

3. RESIDENT NOTIFICATION

Program regulations require notifications be sent to all residents in selected units regarding lead based paint hazards and displacement. It is the intent of this Program that no resident be required to re-locate (displaced) to another dwelling unit during the rehabilitation of their unit, and that such event may result in the disqualification of the unit from the Program. However if all parties involved agree that displacement is necessary, all associated costs shall be in accordance with the Federal Uniform Relocation Act and shall be the sole responsibility of the property owner.

NOTE: Property owners cannot elect not to renew a lease or evict a resident due to upcoming rehabilitation work. This would constitute displacement and resident would be entitled to relocation benefits.

4. RESIDENT APPLICATION

The property owner of rehabilitated units will have application packets for distribution. Completed application packets must be given to the property owner and the property owner will then forward all documents to the Third Party Administrator for verification and approval. Once approved, the Third Party Administrator will notify the property owner who will then notify the potential tenant. Applicants will be chosen on a first come, first qualified basis.

E. MORTGAGE REQUIREMENTS

1. LEINS ON PROPERTY

MSHDA requires a lien be placed on any property approved for rehabilitation. A 0% interest mortgage will be signed and if property owner keeps apartments affordable and complies with all other MSHDA and City requirements, the loan will be forgiven after 5 years. If property is sold during the 5 year term, the new property owner may either pay back the *entire* amount of the loan removing the rent restrictions; or, may continue the affordability requirements for the remaining period of time and not repay the assistance.

F. AFFORDABILITY REQUIREMENTS

1. PERIOD OF AFFORDABILITY

For a period of five (5) years following the signing of the mortgage and completion of the rehabilitation project, 51% of all units rehabilitated (1 of 1, 1 of 2, 2 of 3 etc.) must be occupied by residents whose income is at or below 80% of the area median income and rents shall be regulated in accordance with MSHDA and City requirements.

2. RESIDENT INCOME LIMITS

The maximum household income for families residing in rental units prior to the unit being rehabilitated or upon vacancy and re-renting shall not exceed the following as determined by MSHDA (limits subject to annual review and adjustment):

Current Income Limits by Household Size

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
30,100	34,400	38,700	42,950

3. RENTAL RATES

Property Owners may not increase the rent on units in the Program from the pre-rehabilitation rent for a minimum of one year after the rehabilitation has been completed. After one year has passed a maximum 10% per year rental increase is allowed during the affordability period if increase does not cause rental charge to exceed Fair Market Rent for Hillsdale County.

Current Rent Affordability “Guideline”

<u>Number Of Bedrooms</u>	<u>Fair Market Rent (including utilities)</u>
Efficiency	\$409
1	\$512
2	\$669
3	\$918

NOTE: These rates are estimates only. In the event the tenant is responsible for payment of a portion or all of the utilities these rental rates will be lowered in accordance with MSHDA guidelines. The Administrator will accurately calculate rents for each project individually.

4. TERM OF LEASE

To be fair to both landlord and resident, a lease that guarantees the monthly rental charge for 1 year and only calls for eviction in cases of just cause is required. NOTE: Just causes are generally, failure to pay rent, cause excessive disturbance to other residents, damage, etc. Month to month leases are allowed if monthly rental charge is guaranteed for 1 year term.

G. CONTRACTORS

1. CONTRACTOR REQUIREMENTS

All contractors interested in participating in the Rental Rehabilitation Program must be determined eligible by the City/Administrator. Required items include, current State of Michigan contractor's license, active property/liability/workman's compensation insurance, proper lead abatement certification if applicable and list of current references (similar jobs completed within past 12 months preferably). Proof of insurance must be submitted to the Administrator/City for validation. *Contractors are also responsible for obtaining all necessary permits on any project they are selected for.*

2. INSURANCE

Contractors will be required to carry the following insurance coverage:

- a. **Workers Compensation** equivalent to Compensation Law of the State of Michigan.
- b. **Comprehensive General Liability Insurance** for contracts under \$35,000 a minimum of \$500,000 per occurrence Combined Single Limits (Bodily Injury/Property Damage), and for contracts over \$35,000 a minimum limit of \$1,000,000 Combined Single Limits (Bodily Injury/Property Damage).
- c. **Comprehensive Automobile Liability Insurance** for contracts under \$35,000 a minimum of \$300,000 per occurrence Combined Single Limits (Bodily Injury/Property Damage, and for contracts over \$35,000 a minimum limit of \$1,000,000 Combined Single Limits (Bodily Injury/Property Damage).
- d. Contractor shall furnish a Certificate of Insurance to the City prior to commencing construction. Such Certificate shall include a thirty (30) day notification of cancellation or material change in the policy.

Contractors shall provide the City with a certificate naming the City as an additional insured party.

3. CONTRACTOR LIST

The Administrator shall solicit contractors as to their qualifications and interest in participating in the Program. The City will maintain a listing of interested contractors, which shall be available for review.

4. CONTRACTOR SELECTION

The Administrator shall make available qualified contractor listing for property owner review. Property owners may solicit bid from a contractor not on qualified listing as long as contractor will qualify with the Administrator/City before bid walk thru takes place. Property Owner is required to solicit a minimum of three (3) bids from qualified contractors. With City approval two (2) bids may be allowed if unforeseen circumstances exist (lack of participation by qualified contractors, etc.).

5. BID PROCESS

Bid documents and specifications shall be prepared by the Administrator and approved by property owner. Bids will be taken on specified date usually 14-21 days after contractors participate in project walk thru. All Bids must be sealed, date and time recorded. Bids will be opened publicly and recorded.

The property owner shall select the contractor. In the event the property owner awards the contract other than to the lowest responsible bidder (as determined by the Administrator), the property owner must pay the difference between the selected bidder and the low bidder.

The property owner and the contractor shall execute a Rental Rehabilitation Program Contract acceptable to the Administrator and furnish a signed copy to the Administrator. No CDBG funds will be expended on a project until a signed contract has been furnished to the Administrator.

All Bidders will be notified of the results of the bid by letter indicating whether their bid was accepted or not accepted. If the contractor's bid was not accepted, the letter will indicate which bidder received the award.

6. PRE-CONSTRUCTION MEETING

A pre-construction meeting shall be held between the contractor, property owner, and Administrator staff prior to commencement of construction. At this meeting, the parties shall review specifications to be completed, construction procedures, expected construction standards, and concerns of any party.

7. NOTICE TO PROCEED

Upon completion of all necessary documentation and all construction issues have been addressed, the Administrator and property owner shall issue a "Notice to Proceed" to the contractor. No work on the project shall commence until the "Notice to Proceed" has been issued.

8. WORK PERFORMANCE

The selected contractor shall begin work within thirty (30) days after signing the contract. The contractor and/or the Property Owner shall notify the Administrator of any difficulties during the performance of the work; however **the contract is between the property owner and the contractor and they are responsible for resolving any issues to the satisfaction of the Administrator in accordance with MSHDA regulations prior to any payment.** Once work on a project begins the contractor is expected to work on project until all work is completed as scheduled with Property Owner and City. Projects should be completed within 90-120 days, unless otherwise specified.

9. PAYMENTS TO CONTRACTORS

The following payment schedule shall apply to all program projects.

- 25% initial payment upon signing contract (funding provided by Property Owner)
- Payment equal to 50% of the total contract upon completion of 50% of the work as determined by Administrator and Property Owner.
- Payment equal to 75% of the total contract upon completion of 75% of the work as determined by Administrator and Property Owner.
- 25% balance upon completion of work, final inspections completed and Certificate of Occupancy issued by the Building Official.
 - ✓ Property Owner must sign Final Acceptance Form
 - ✓ Contractor must provide a signed Final Invoice, Release of Liens, Permits, Occupancy Notice, Subcontractor information form and Warranty for final payment.
- All work shall be guaranteed for minimum of 24 months.

10. CHANGE ORDERS

Any and all change orders to the approved bid specifications shall be signed by the Property Owner, contractor, and Administrator prior to implementation.

NOTE: No work other than those specified in bid specifications shall take place in rental units being rehabilitated during term of contract between Property Owner and contractor.

H. OTHER TERMS AND CONDITIONS

1. CONFLICT OF INTEREST

No elected City Official or immediate family member, or employee directly involved in administering the CDBG program, or immediate family member, is eligible to benefit directly from CDBG funds. Applicants who are employed by the City or who are related to a member of the City staff or the City Council shall disclose their relationship on their application, and the applications shall be submitted to MSHDA for final approval. No CDBG funds will be advanced without prior MSHDA approval of the application.

2. NON – DISCRIMINATION

No person shall be denied assistance based upon race, color, creed, religion, national origin, sex, marital status, reliance on public assistance, age, disability, or familial status.

3. CONFIDENTIALITY

The Program shall comply with MSHDA confidentiality practices in its transactions with all applicants and their residents.

4. FILES

The Administrator shall be responsible for establishing a permanent file for all approved applications and insuring that all necessary documents are included in the applicant's permanent file. All files will then be given to the City. A permanent file may be destroyed three (3) years after the loan closeout date from MSHDA. Applications which are declined or canceled shall be destroyed after three (3) years.

5. DECLINED APPLICATIONS

The Administrator shall notify in writing any applicant who submits a written application for CDBG rental rehabilitation funds and is declined, and advise the applicant of the reason for the decision.

6. LEAD BASED PAINT

All areas of a building/apartment that are being considered for funding in this Program will be inspected for lead based paint as required by MSHDA. All expenses incurred will be added to the cost of the rehabilitation.

7. ASBESTOS

Any structure which contains friable asbestos materials shall only be eligible to receive CDBG funds after an inspection and cost estimate for abatement performed by a licensed asbestos abatement contractor is provided to the Administrator. The cost of the inspection and estimate shall not be paid from CDBG funds.

8. HISTORICAL PROPERTY

The State Historic Preservation Office (SHPO) shall be notified of all potential projects in which the structure is 50 years of age or older. This is to assure compliance with all Federal and State regulations concerning rehabilitation of historic properties.

9. CHECKLISTS

The Administrator shall be responsible for preparation of an **Environmental Checklist, Local Building Code Inspection Form, Historical Significance Response Sheet** (if necessary), **Lead Based Paint Certification Form, Noise Attenuation Checklist**, and

any other checklist required by MSHDA, and shall be placed in the applicant's permanent file.

10. BID PROPOSAL

The Administrator shall be responsible for preparation of the Bid Proposal and advising the property owner of contractors who have expressed an interest in bidding on the project. The property owner may solicit a licensed contractor who meets Program requirements and ask them to bid once they are approved by Administrator.

11. DISABLED, FEMALE, AND MINORITY CONTRACTORS

The Program shall actively solicit participation of disabled, female and minority contractors. The Program shall annually obtain a list of contractors in these categories doing business in the immediate area and invite them by letter to participate in the Program. Advertising will encourage their participation and give notice that the City of Hillsdale is an Equal Opportunity Employer.

12. CONTRACTOR PERFORMANCE

If documented complaints are filed against a contractor, the City may use discretion in removing the contractor from the list of eligible contractors. Repeated sub-standard performance of work by a contractor which is documented by the Administrator, Building Inspectors, Bureau of Occupational and Professional Regulation, or Michigan Department of Licensing and Regulatory Affairs may result in the contractor's ineligibility to participate in the Program. The Administrator shall notify the contractor of this action in writing after Council approval.

12a. CONTRACTOR RE-INSTATEMENT

If a contractor is determined to be ineligible to participate in the program, he/she will have the right to request re-instatement by providing proof to the Administrator that the issues of performance that lead to becoming ineligible have been corrected. Along with this documentation of proof, said contractor must provide three (3) references from clients/customers that they have performed contractor duties with since the determination of ineligibility for the Administrator to review and provide to Council for final determination.

13. SECTION 3

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low income persons. The contractor awarded the project will be expected to follow Section 3 compliance and will be provided documentation pertaining to Section

3 upon contract signing.

I. COMPLAINT RESOLUTION

The Program shall comply with MSHDA approved methods for resolution of complaints and problems.

1. REVIEW COMMITTEE

The City shall appoint a Complaint Review Committee consisting of no less than three (3) members. One member must have building/construction expertise; one member must be a homeowner; one member must be a representative of the City. Committee members shall be appointed for a period of no less than one year and shall receive no compensation from the Program. The Administrator or Administrator staff shall not be appointed to the Committee.

2. COMPLAINT RESOLUTION PROCEDURE

The following Complaint Resolution Procedure shall be adopted to resolve all complaints by applicants or between parties participating in the Program. The Administrator shall notify the contractor and property owner of the procedure prior to the commencement of the project should the contractor or owner not be able to resolve a problem.

- a. Any party applying for or participating in a rehabilitation project administered by the Program may file a written complaint to the City giving a detailed description of the complaint. The City shall provide a copy of the complaint to the party against which the complaint is written. If the complaint is against the City, the City shall convene a meeting of the Complaint Review Committee at the earliest date convenient to all parties.
- b. The City shall investigate the complaint and respond in writing within fifteen (15) working days to both parties of the recommended resolution of the problem.
- c. Each party shall review the recommendation and respond in writing within fifteen (15) working days to the City of their decision on the resolution recommended. The City will attempt to mediate any unresolved issues between the parties.
- d. If the issue cannot be resolved between the parties and City, the City shall convene a meeting of the Complaint Review Committee at the earliest date convenient to all parties.
- e. The Complaint Review Committee, consisting of no less than three members in attendance, shall review all written documents and hear verbal arguments by the parties. The complaint Review Committee will make a decision during the meeting on

the resolution of the complaint unless it is determined that additional information is required and it is necessary to reconvene the Committee for final decision at a later date. The City shall advise the parties in writing of the Committee's decision.

- f. If the parties do not accept the decision of the Complaint Review Committee, the City shall advise the parties in writing that they shall be required to participate in a Dispute/Resolution Program. The costs of participation in the Dispute/Resolution Program shall be at the expense of the parties in the dispute.
- g. If mediation is unsuccessful and all of the above procedures have been adhered to and properly documented, the issue may be referred to the MSHDA Community Development Division staff for final decision.

3. DISCRIMINATION

A person claiming discrimination based upon race, color, creed, religion, national origin, sex, marital status, reliance on public assistance, age, disability, or familial status by the Program may file a complaint with the City of Hillsdale's Complaint Review Committee, the Michigan Civil Rights Commission, or the local Fair Housing Center or HUD.

J. PROGRAM ADMINISTRATION

1. THIRD PARTY ADMINISTRATOR

The Program will be administered by a MSHDA approved Third Party Administrator with oversight provided by the City of Hillsdale. The City through the City Council is responsible to oversee the implementation and administration of the Program. Long term objectives include assuring City compliance with service to disadvantaged populations, assisting with outreach to groups for disadvantaged citizens, and advocating on behalf of these groups.

2. APPROVAL AUTHORITY

Sole approval of a rehabilitation project using CDBG funds shall rest with the City taking into account a recommendation of the Third Party Administrator. The Administrator or City may consult with MSHDA and/or City and State Building Inspectors as needed before approval is granted.

3. GRANT AGREEMENT

The Program shall comply with all requirements and conditions contained in the Grant Agreement between the City and State of Michigan. If a violation of the Agreement occurs, the Administrator shall immediately notify the City Manager of Hillsdale, and the MSHDA Community Development Division.

4. MSHDA HOME/CDBG COMPLIANCE GUIDE

The Program shall comply with the procedures and requirements contained in the

MSHDA-HOME/CDBG GUIDE (MSHDA Guide) and any subsequent revision received by the Program. The provisions contained in the MSHDA Guide shall be incorporated in the Program Guidelines.

5. MSHDA POLICY BULLETINS

The Program will comply with MSHDA Policy Bulletins. Also, any subsequent policies hereafter implemented by MSHDA.

6. MSHDA ENVIRONMENTAL REVIEW PROCEDURAL GUIDE

The Program shall comply with MSHDA Environmental Review Procedural Guide. Any subsequent revisions hereafter implemented by MSHDA, shall be adopted as required.

**City of Hillsdale
FAIR HOUSING POLICY**



The City of Hillsdale is committed to fair housing and will work aggressively to ensure that the City of Hillsdale's housing developments comply fully with all state, federal, and local fair housing laws. The City has appointed Mary Wolfram as their fair housing contact person. Mary has an understanding of the Fair Housing Laws and will attend applicable training to remain informed.

The City of Hillsdale has established a Fair Housing Log. The Fair Housing Log will be maintained by the City of Hillsdale and will disclose information regarding any and all fair housing concerns and their outcomes. Fair housing issues identified in the community, such as in the newspaper, will be recorded in the log. Persons wishing to file a housing related complaint or concern will be referred to the Michigan Department of Civil Rights, HUD, and their local Fair Housing Center. Persons wishing to file a complaint or concern that is employment related will be referred to the Equal Employment Opportunity Commission and the Michigan Department of Civil Rights. Mary Wolfram will notify MSHDA if a complaint or concern is filed.

The City office is accessible and barrier free. The City of Hillsdale will make every attempt to reasonably accommodate all of its customers.

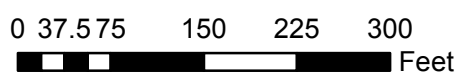
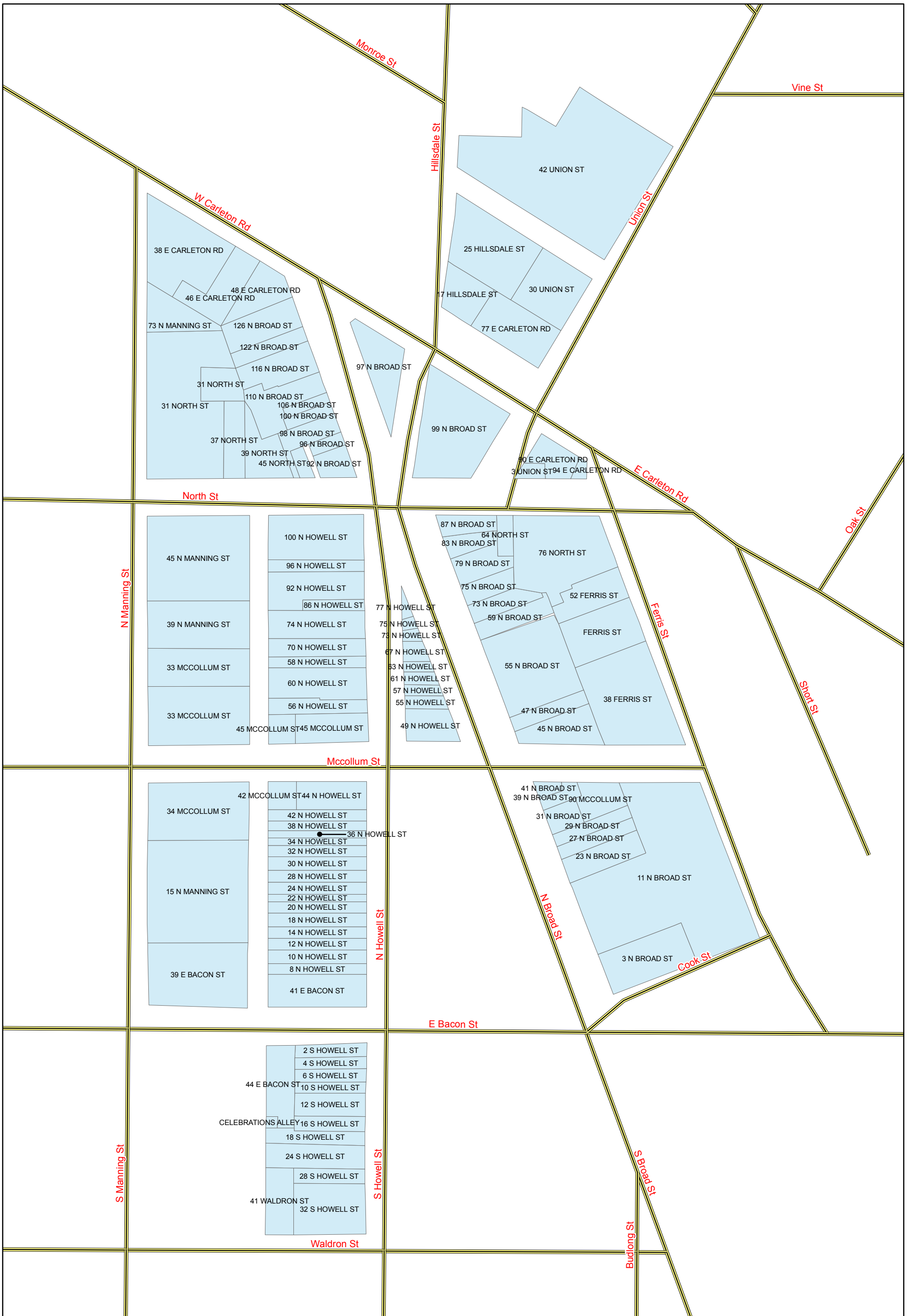
The City of Hillsdale will include the Fair Housing Logo on all of its documents and advertisements. The City will post a Fair Housing poster in a visible place to the public. The City will secure and distribute Fair Housing material provided by MSHDA and various other Fair Housing agencies and organizations. "Fair Housing, It's Your Right" brochures will be distributed to all applicants.

The City of Hillsdale will consider all applicants and contractors based on qualifications. No applicant or contractor will be denied housing or a contract based on their race, color, national origin, religion, age, sex, marital status, familial status and handicap. Persons raising concerns regarding discrimination will not be retaliated against. The City of Hillsdale will request that both minority and women apply for assistance through the single-family and emergency assistance programs.

The City of Hillsdale is committed to affirmative marketing and will identify their fair housing needs and barriers. The City of Hillsdale will address these needs and barriers by establishing a plan to resolve and meet fair housing needs.

The City of Hillsdale is committed to providing safe, affordable, decent, and sanitary housing located in areas where people choose to live.

Approved on _____, 2013



City of Hillsdale
Rental Rehab District 2014

Not a Survey.
For informational use only.



City of Hillsdale

Section 3 Policy and Handbook

(Adopted)

Table of Contents

Subject	Page
I. Introduction	3
II. Policy Statement	3
III. Definitions	4
IV. Defined Terms of Policy & Handbook	4-6
• Section 3	4
• Section 3 Business Concern(s)	4
• Section 3 Contractor	4
• Section 3 Coordinator	4
• Section 3 Covered Assistance	4-5
• Section 3 Covered Community Planning and Development Funding	5
• Section 3 Covered Contract	5
• Section 3 Covered Project	5
• Section 3 Developer	5
• Section 3 Recipient (the City)	5
• Section 3 Regulations	5
• Section 3 Requirements	5
• Section 3 Resident	5-6
• Section 3 Subcontractor	6
V. Responsibilities of Recipient	6-7
VI. Section 3 Coordinator	7
VII. Numerical Goals and Preference for Employment, Contracting and Training Opportunities	7-8
VIII. Formal Section 3 Plan	8-9
IX. Components of Section 3 Plan	9
X. Implementation Strategies for Notifying of Employment, Training and Contracting	9-10
XI. Section 3 Certifications	10-11
XII. Section 3 Compliance and Monitoring	11-12
XIII. Section 3 Policy and Handbook Attachments	12

Introduction

Section 3 of the Housing and Urban Development Act of 1968, as amended, is a legislative directive that requires recipients of government financial assistance from the United States Department of Housing and Urban Development (HUD) for housing and community development programs to provide economic opportunities to low- and very low-income persons (regardless of race or gender). These economic opportunities include, but are not limited to, providing preference in new employment, training and contracting opportunities of low- and very low-income persons.

Section 3 is activated when construction and rehabilitation projects create the need for new employment, contracting, or training opportunities. Recipients and contractors are not required to hire Section 3 Residents or award contracts to Section 3 Business Concerns other than what is needed to complete a covered project. Recipients and contractors should, though, attempt to meet the required numerical goals for hiring and retaining low- and very low-income persons. If the expenditures of the project do not result in new employment, contracting, or training opportunities, the requirement of Section 3 is not activated. Nevertheless, the recipient and its contractors are required to submit Section 3 report information explaining this.

This policy and handbook has been prepared to provide information and general guidance as to how the City of Hillsdale (the City) will administer Section 3 regulations. This guide should not be treated as a recitation of the Section 3 Act and its regulations. It is a summary of the pertinent provisions, and focuses on the requirements imposed on the Developer, General Contractor and Subcontractor(s) receiving Section 3 funds. Developers, General Contractors and Subcontractors bear the responsibility to familiarize themselves with the Section 3 Act and regulations prior to accepting Section 3 Covered Assistance.

Policy Statement

The City shall provide economic opportunities to low- and very low-income persons living in the City of Hillsdale and its' immediate area (Hillsdale County). The City should also provide economic opportunities to businesses within that area that meet the definition of "Section 3 Business Concern." Accordingly, the City shall implement policies and procedures to ensure that Section 3, when required, is followed to the "*greatest extent feasible*" for all contracts where labor/professional services are provided.

This policy shall not apply to contractors who only furnish materials or supplies through Section 3 Covered Assistance. It will apply to contractors who install materials or equipment (see definition of "Section 3 Contractor" below). Where federal housing and community development assistance provides for partial funding for a Section 3 Covered Project or activity, the entire project or activity is subject to Section 3 requirements. Nothing in this policy shall be construed to require the employment or contracting of a Section 3 Resident or Section 3 Business Concern who does not meet the qualifications of the position to be filled or who cannot fulfill the contract.

Successful compliance with the Section 3 Act and regulations by the Developer and/or General Contractor will be factor in determining future awards of Section 3 Covered Assistance.

Definitions

The City incorporates into this policy and handbook the definitions contained in § 135.5 of 24 CFR Part 135. (Also, see the June 30, 1994 Federal Register)

Defined Terms of Policy and Handbook

- **Section 3** – Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u). This act recognizes that funds of HUD are typically one of the largest sources of federal funding expended in communities through the form of grants, loans, entitlement allocations and other forms of financial assistance. By doing so, this act seeks to guarantee that when employment or contracting is generated due to these activities, that preference in employment and contracting is given to low- and very low-income persons or Section 3 Business Concerns residing in the community where the project is located.
- **Section 3 Business Concerns** – Section 3 Business Concerns refer to a business or businesses that meet the following criteria:
 - 1) That is 51 percent or more owned by Section 3 Residents; **OR**
 - 2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 Residents, or within three years of date of first employment with the business concern were Section 3 Residents; **OR**
 - 3) Provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition.
- **Section 3 Contractor** – An entity that contracts to perform work generated by Section 3 Covered Assistance, a Section 3 Covered Project, or to perform the work of Section 3 Covered Community Planning and Development Funding.
- **Section 3 Coordinator** – Refers to the individual appointed by the City to enforce the City's Section 3 Policy and Handbook, and to see that the goals established for Section 3 are being met by Section 3 Developers, Contractors, and Subcontractors.
- **Section 3 Covered Assistance** – Section 3 Covered Assistance relates to the following types of development:
 - 1) Public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act;
 - 2) Public and Indian housing modernization assistance provided pursuant to section 9 of the 1937 Act;
 - 3) Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:
 - i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);

- ii) Housing construction; **OR**
- iii) Other public construction project (which includes other buildings or improvements, regardless of ownership).

- **Section 3 Covered Community Planning and Development Funding** – Community Development Block Grant (CDBG), Home Investment Partnership Assistance (HOME), Emergency Shelter Grants (ESG), Neighborhood Stabilization Programs (NSP), and certain other grants awarded under HUD Notices or Funding Availability (NOFAs). The requirements for Section 3 only apply to the portion(s) of covered funding that were used for project/activities involving housing construction, rehabilitation, demolition, or other public construction.
- **Section 3 Covered Contract** – A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 Covered Assistance, or for work arising in connection with a Section 3 Covered Project. “Section 3 Covered Contracts” do not include contracts awarded under HUD’s procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). “Section 3 Covered Contracts” also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 Covered Contract. For example, a contract for the purchase and installation of a furnace would be a Section 3 Covered Contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by Section 3.
- **Section 3 Covered Project** – A Section 3 Covered Project involves the construction or rehabilitation of housing (including reduction of lead-based paint hazards), or other public construction such as street repair, sewage line repair or installation, updates to building facades, etc.
- **Section 3 Developer** – Any entity engaged in the business of development of affordable housing which is an applicant for Section 3 Covered Assistance or has been awarded Section 3 Covered Assistance.
- **Section 3 Recipient (the City)** – The entity which receives Section 3 Covered Assistance, a Section 3 Covered Project, or Section 3 Covered Community Planning and Development Funding from HUD.
- **Section 3 Regulations** – Regulations found in 24 CFR Part 135 which govern the application of the Section 3 Act.
- **Section 3 Requirements** – Employment, training and contracting opportunities imposed by the Section 3 Act upon recipients, developers, and contractors.
- **Section 3 Resident** – A Section 3 Resident is one of the following:
 - 1) A public housing resident; **OR**
 - 2) An individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 Covered Assistance is expended, and who is:

- Low income – A family (includes single-person household) whose family income does not exceed 80 percent of the median income for the area, as determined by the Secretary of Housing and Urban Development.
- Very Low-income – A family (includes single-person household) whose family income does not exceed 50 percent of the median income for the area, as determined by the Secretary of Housing and Urban Development.
- **Section 3 Subcontractor** – An entity which has a contract with the general contractor to undertake a portion of the contractor’s obligation for the performance of work generated by Section 3 Covered Assistance, a Section 3 Covered Project, or to perform the work of a Section 3 Covered Community Planning and Development Funding project.

Responsibilities of Recipient (the City):

A recipient of Section 3 Covered Assistance, a Section 3 Covered Project, or Section 3 Covered Community Planning and Development Funding is required, by law, to comply with Section 3 in its own operations, and to ensure that contractors and subcontractors of the Section 3 Contractor comply with Section 3 to the "*greatest extent feasible*." To that end, the recipient is required to comply with Section 3 in its own operations by doing the following:

- a) Notify Section 3 Residents and Section 3 Business Concerns about jobs and contracts generated by Section 3 Covered Assistance, a Section 3 Covered Project, or Section 3 Community Planning and Development Funding;
- b) Notify potential contractors of the objectives and numerical goals of Section 3 and the ways in which each contractor can reach those goals;
- c) Require that a Section 3 Clause be included in all contracts signed by Section 3 Developers, Contractors, and Subcontractors;
- d) Facilitate training and employment opportunities for Section 3 Residents; **AND**
- e) Document the action that Section 3 Developers, Contractors, and Subcontractor take to comply with Section 3 Requirements, the results of such actions, and impediments, if any.

The recipient also has a responsibility to “ensure compliance” by contractors involved. In that spirit, the recipient will require a contractor to do the following:

- a) Notify subcontractors of their responsibilities under Section 3, which includes incorporating the Section 3 Clause in all contracts with subcontractors, as well as requiring all subcontractors to fill out necessary Section 3 forms that the City requires;
- b) Refrain from entering into contracts with subcontractors that are in violation of the regulations in 24 CFR Part 135;
- c) Respond to complaints made to the Section 3 Recipient by Section 3 Residents or Section 3 Business Concerns that the contractor or subcontractor is not in compliance with 24 CFR Part 135; **AND**
- d) Cooperate with HUD in obtaining the compliance of contractors and subcontractors when allegations are made that the contractors and subcontractors are not in compliance with the regulation of 24 CFR Part 135.

Section 3 Coordinator

The City shall appoint a Section 3 Coordinator, who will serve as the immediate point of contact for the Section 3 Recipient, Developer, Contractor, and Subcontractor(s). This coordinator shall be tasked with ensuring that all Section 3 Requirements are met, and if they are not met, they should document the reason as to why. The Section 3 Coordinator shall provide technical assistance as it relates to Section 3 Requirements to Section 3 Developers, Contractors, and Subcontractors. The Section 3 Coordinator will also be responsible for interpreting Section 3 regulations, assisting Section 3 Developers, Contractors, and Subcontractors in identifying employment opportunities and training programs for Section 3 Residents, and provide methods to help Section 3 Developers, Contractors, and Subcontractors outreach to Section 3 Residents and Section 3 Business Concerns to inform them of economic opportunities that are available.

Numerical Goals and Preference for Employment, Contracting and Training Opportunities

The City has established numerical goals that comply with Section 3 regulations and priorities, consistent with those set forth by HUD. These goals and priorities serve as a tool for ensuring the effectiveness of the City's efforts to ensure that Section 3 Residents and Section 3 Business Concerns are given an economic opportunity to the "*greatest extent feasible*."

The City of Hillsdale's Minimum Numerical Goals are as follows:

- 30 percent of the aggregate number of new hires by a Section 3 Contractor or Section 3 Subcontractor(s) shall be Section 3 Residents annually.
- 10 percent of the total dollar amount of all Section 3 Covered Contracts will be awarded to Section 3 Business Concerns.
- 3 percent of the total dollar amount of all non – construction Section 3 Covered Contracts, shall be awarded to Section 3 Business Concerns.

In order to meet these numerical goals, and demonstrate compliance with the "*greatest extent feasible*" requirement of Section 3, contractors must meet the priorities set forth below for providing training and employment to Section 3 Residents. These priorities are pursuant to § 135.34, 24 CFR Part 135 and are the following:

First Priority: Residents of the development where the work is to be performed;

Second Priority: Other residents of the neighborhood where the work is to be performed;

Third Priority: Other residents of the neighborhood who are participants in HUD-Youthbuild or other federal, state, and local job programs being carried out in the City or county area; **OR**

Fourth Priority: Other persons from the project's immediate area who meet the definition of Section 3 Resident contained in § 135.5, 24 CFR Part 135.

And, in order to comply with Section 3 Requirements on contracting, contractors must give contracting preference to Section 3 Business Concerns, by following the following priorities that are pursuant to § 135.34, 24 CFR Part 135:

Public and Indian Housing Programs:

First Priority: Business Concerns that are 51 percent or more owned by residents of the housing development or developments for which Section 3 Covered Assistance is expended, or whose full-time, permanent workforce includes 30 percent of these persons as employees;

Second Priority: Business Concerns that are 51 percent or more owned by residents of other housing developments or developments managed by the housing authority that is expending the Section 3 Covered Assistance, or whose full-time, permanent workforce includes 30 percent of these persons as employees;

Third Priority: HUD Youthbuild programs being carried out of Hillsdale County for which Section 3 Covered Assistance is expended; **OR**

Fourth Priority: Business Concerns that are 51 percent or more owned by Section 3 Residents, or whose permanent, full-time workforce includes no less than 30 percent Section 3 Residents, or that subcontract in excess of 25 percent of the total amount of subcontracts to Section 3 Business Concerns.

Housing and Community Development Programs:

First Priority: Section 3 Business Concerns that provide economic opportunities for Section 3 Residents in the service area or neighborhood in which the Section 3 Covered Project is located;

Second Priority: Applicants selected to carry out HUD Youthbuild programs; **OR**

Third Priority: Other Section 3 Business Concerns.

In the event that a Section 3 Contractor or Subcontractor cannot hire based on Section 3 Resident employment and training priorities or contract based on the Section 3 Business Concerns contracting priorities, they must then document and explain the reasons as to why, and then submit that explanation to the Section 3 Coordinator for the City.

Formal Section 3 Plan

After the Section 3 Contractor has been selected, the Section 3 Recipient shall schedule a meeting with the Section 3 Developer and Contractor to discuss Section 3 Requirements.

After such meeting is complete, a comprehensive Section 3 Plan shall be completed and signed by a representative of all parties involved (Section 3 Developer, Contractor, and Subcontractors[s]). This comprehensive Section 3 Plan needs to also include the Section 3 goals of the Section 3 Developer, Contractor, and Subcontractor(s). After successful the completing the plan, the Section 3 Developer, Contractor, and Subcontractor(s) are then required to submit it to the Section 3 Coordinator for the City for review and approval.

Components of Section 3 Plan

The Section 3 Plan must contain specific information, including but not limited to the following:

- a) Statement certifying that the Section 3 Developer, Contractor, and/or Subcontractor(s) agree to comply with the Section 3 Act and regulations, as well as the City of Hillsdale's Section 3 Policy and Handbook;
- b) Statement certifying that the Section 3 Developer, Contractor, and/or Subcontractor(s) are aware of the employment, training, and contracting goals, and agree to work together to meet these goals;
- c) Name and contact information of the Section 3 Developer, Contractor, and/or Subcontractor(s) Section 3 Coordinator;
- d) Identification of the Section 3 project area (area in which project is located);
- e) Section 3 Developer, Contractor, and/or Subcontractor(s) current workforce, and additional workforce that will be needed to complete the project;
- f) Section 3 Developer, Contractor, and/or Subcontractor(s) employment, training and contracting opportunity goals for project;
- g) Specific strategies for notifying Section 3 Residents of Section 3 employment and training goals;
- h) Specific strategies for notifying Section 3 Business Concerns of Section 3 contracting opportunities;
- i) Commitment by Section 3 Contractor to inform all potential Section 3 Subcontractor(s) of its Section 3 Plan, and ensure that the Section 3 Contractor holds Section 3 Subcontractor(s) accountable to all Section 3 Requirements;
- j) Commitment by Section 3 Developer and Contractor to prepare and submit to the City of Hillsdale's Section 3 Coordinator, monthly Section 3 reports;
- k) Commitment by Section 3 Developer and Contractor to include Section 3 Clause (see attachments) in all construction contracts and subcontracts for Section 3 Covered Contracts; **AND**
- l) Commitment by Section 3 Developer, Contractor, and Subcontractor(s) to conduct aggressive outreach and notify Section 3 Residents and Section 3 Business Concerns of Section 3 goals, including the use of site signage, fliers, etc.

Implementation Strategies for Notifying of Employment, Training and Contracting

In order to comply with the Section 3 Act and regulations, the Section 3 Developer, Contractor, and Subcontractor(s), as applicable to each project, shall implement an aggressive campaign to encourage participation of Section 3 Residents and Section 3 Business Concerns. Some strategies to implement this campaign include the following:

- a) Publish a notice in a local newspaper of the potential employment and training opportunities for Section 3 Residents and Section 3 Business Concerns. Written notice must be provided in sufficient time to enable Section 3 Business Concerns the opportunity to respond to bid invitation;
- b) Post in a prominent location at the Section 3 Covered Project site notice of the potential employment and training opportunities for Section 3 Residents, and potential contracting opportunities for Section 3 Business Concerns;
- c) Submit letters or fliers to the residents of a Section 3 Covered Project advising them of employment, training and contracting opportunities for the Section 3 Covered Project (applies to rehabilitation only when there are existing residents);

- d) Provide residents of the Section 3 Covered Project and the surrounding area with information on how to get certified as a Section 3 Resident or Section 3 Business Concern;
- e) Provide public housing authorities in Hillsdale County with fliers, notices and other information related to Section 3 employment, training and contracting opportunities for the Section 3 Covered Project;
- f) Provide information to residents of a Section 3 Covered Project and the surrounding area regarding established job training programs located within the Section 3 Covered Project area;
- g) Provide minority and women-focused labor and trade organizations with notice of Section 3 employment, training and business opportunity goals;
- h) Provide minority and women-focused labor and trade organizations with notice of when and where plans and specifications for bid review will be distributed; **OR**
- i) Contact the following groups that have been identified in assisting to find Section 3 Residents employment, and Section 3 Business Concerns contracting opportunities.

Organization Name	Primary Contact	Phone	Address
Hillsdale County Habitat of Humanity Job Postings	www.habitat.org	(517) 437 - 3370	123 E. Carleton Rd. Hillsdale, MI 49242
Hillsdale Daily News Job or Bid Postings	Amanda VanAuker	(517) 437 - 3381	2764 W. Carleton Rd. Hillsdale, MI 49242
South Central Michigan Works Job Placement, Training	Manny Salazar msalazar@scmw.org	(517) 266 – 5627	1040 Winter St., Suite 1014 Adrian, MI 49221

Section 3 Certifications

The City requires that Section 3 Residents and Section 3 Business Concerns register with the City's Section 3 Coordinator to ensure that they are Section 3 certified. This is a self-certification that the Section 3 Coordinator will verify upon successful completion of the required forms by a Section 3 Resident or Section 3 Business Concern applicant. The following documents will be required to apply for Section 3 Resident and Section 3 Business Concern status, respectively:

Section 3 Resident – Any person requesting Section 3 preference in hiring and training shall complete the City's Section 3 Resident Certification Form. Additionally, the person seeking certification shall provide the adequate documentation regarding permanent residence and income. Verification of income eligibility will be determined using one of the following forms:

- a) A public housing or Section 8 lease agreement;
- b) Evidence of income (most recent W-2 or income tax return);
- c) Evidence of receipt of public assistance; or
- d) Any other evidence acceptable to the City's Section 3 Coordinator.

Section 3 Business Concern – Any business seeking Section 3 preference shall complete the City's Section 3 Business Concerns Certification Form. This form is a self certification, and Section 3 Business Concerns bear the ultimate responsibility of ensuring and maintaining their Section 3 status, as well as complying with all related HUD regulations.

Applications requesting for Section 3 Business Concern status must be submitted to the City's Section 3 Coordinator prior to submission of bids for review. Section 3 Business Concerns shall provide additional documentation to the City upon request.

After reviewing the required documents submitted requesting Section 3 Resident and Section 3 Business Concerns status, the Section 3 Coordinator for the City will then send a letter certifying Section 3 status. The City will also keep a database of eligible Section 3 Residents and Section 3 Business Concerns.

Section 3 Compliance and Monitoring

The City is available at all times to provide guidance and technical support to Section 3 Developers, Contractors, and Subcontractor(s) to ensure that they understand the goals and regulations of Section 3. Additionally, the City will maintain a database of eligible Section 3 Residents and Section 3 Business Concerns to assist Section 3 Developers, Contractors, and Subcontractors in outreaching to both constituencies.

Section 3 Developers, Contractors, and Subcontractors are required to retain copies of all outreach attempts, copies of all responses to notices published in papers and posted publicity, copies of all responses to bid invitations, and any other relevant information pertaining to Section 3 outreach. Copies of all outreach shall be surrendered to the City upon request.

The City also retains the right to conduct on-site reviews of a Section 3 Covered Project to determine whether the Section 3 Developer, Contractor, and/or Subcontractor(s) are complying with the approved Section 3 Plan.

In the event that the City determines that a Section 3 Developer, Contractor, and/or Subcontractor(s) are not in compliance with the approved Section 3 Plan, then the party in violation will be provided with a written notice of non-compliance. The notice will require the party in violation to meet with the City's Section 3 Coordinator to determine if the best efforts were used to follow the plan. If they were not, then the Section 3 Coordinator will advise on the necessary steps to meet the goals of the Section 3 Plan.

Section 3 Policy and Handbook Attachments

Section 3 Act
Section 3 Regulations
Section 3 Clause
Section 3 Plan (Section 3 Developer and Section 3 Contractor)
Section 3 Plan (Section 3 Subcontractor[s])
Contracting Plan Worksheet
Outreach to Solicit Bids from Section 3 Business Concerns
Permanent Employee Listing (Section 3 Developer, Contractor, Subcontractor[s])
Workforce Needed for Section 3 Covered Project (Section Developer, Contractor, Subcontractor[s])
New Hires (Section 3 Developer, Contractor, Subcontractor[s])
Section 3 New Hires Trained (Section 3 Developer, Contractor, Subcontractor[s])
Certification for Business Concerns Seeking Section 3 Preference in Contracting
Certification for Resident Seeking Section 3 Preference in Training & Employment
HUD Form 60002 Section 3 Summary Report

SECTION 3 CLAUSE

All Section 3 covered contracts shall include the following clause (referred to as the "Section 3 Clause"):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor will certify that any vacant employment positions, including training positions that are filled (1) after the contractor is selected by before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

SECTION 3 STATUTE

HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (PUBLIC LAW 90-448; STAT. 12 U.S.C. 1701u)

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS

Sec 3. In the administration of programs directly receiving financial assistance including community development block grants, in the aid of housing, urban planning, development, redevelopment, or renewal of public or community facilities, and new community development, the Secretary of HUD shall –

1. *require*, in consultation with the Secretary of Labor, that to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing within the unit of local government or the metropolitan area (or nonmetropolitan county), as determined by the Secretary, in which the project is located; and
2. *require*, in consultation with the administrator of the Small Business Administration, that to the greatest extent feasible, contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in, or owned in substantial part by persons residing in the same metropolitan area (or nonmetropolitan county) as the project.

1992 Amendments to Section 3 of the Housing and Urban Development Act of 1968

ECONOMIC OPPORTUNITIES THROUGH HUD PROGRAMS

Following is an excerpt from the Housing and Community Development Act of 1992:

SEC. 915 ECONOMIC OPPORTUNITIES FOR LOW AND VERY LOW INCOME PERSONS

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u.) is amended to read as follows:

SEC. 3 Economic opportunities for low - and very low-income persons

(a) Findings

The Congress finds that—

- (1) Federal housing and community development programs provide State and local governments and other recipients of Federal financial assistance with substantial funds for projects and activities that produce significant employment and other economic opportunities;
- (2) low- and very low-income persons, especially recipients of government assistance for housing, often have restricted access to employment and other economic opportunities;
- (3) the employment and other economic opportunities generated by projects and activities that receive Federal housing and community development assistance offer an effective means of empowering low- and very low-income persons, particularly persons who are recipients of government assistance for housing; and
- (4) prior Federal efforts to direct employment and other economic opportunities generated by Federal housing and community development programs to low- and very low-income persons have not been fully effective and should be intensified.

(b) Policy

It is the policy of the Congress and the purpose of this section to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

(c) Employment

(1) Public and Indian housing program

(A) In general

The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities generated by development assistance provided pursuant to section 1437c of title 42, operating assistance provided pursuant to section 1437g of title 42, and modernization grants provided pursuant to section 1437l of title 42.^[1]

(B) Priority

The efforts required under subparagraph (A) shall be directed in the following order of priority:

- (i) To residents of the housing developments for which the assistance is expended.
- (ii) To residents of other developments managed by the public or Indian housing agency that is expending the assistance.
- (iii) To participants in YouthBuild programs receiving assistance under section 2918a of title 29.
- (iv) To other low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

(2) Other programs

(A) In general

In other programs that provide housing and community development assistance, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

(B) Priority

Where feasible, priority should be given to low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to participants in YouthBuild programs receiving assistance under section 2918a of title 29.

(d) Contracting

(1) Public and Indian housing program

(A) In general

The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to award contracts for work to be performed in connection with development assistance provided pursuant to section 1437c of title 42, operating assistance provided pursuant to section 1437g of title 42, and modernization grants provided pursuant to section 1437l of title 42,^[1] to business concerns that provide economic opportunities for low- and very low-income persons.

(B) Priority

The efforts required under subparagraph (A) shall be directed in the following order of priority:

- (i) To business concerns that provide economic opportunities for residents of the housing development for which the assistance is provided.
- (ii) To business concerns that provide economic opportunities for residents of other housing developments operated by the public and Indian housing agency that is providing the assistance.
- (iii) To YouthBuild programs receiving assistance under section 2918a of title 29.
- (iv) To business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

(2) Other programs

(A) In general

In providing housing and community development assistance pursuant to other programs, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, contracts awarded for work to be performed in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

(B) Priority

Where feasible, priority should be given to business concerns which provide economic opportunities for low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to YouthBuild programs receiving assistance under section 2918a of title 29.

(e) Definitions

For the purposes of this section the following definitions shall apply:

(1) Low- and very low-income persons

The terms "low-income persons" and "very low-income persons" have the same meanings given the terms "low-income families" and "very low-income families", respectively, in section 1437a (b)(2) of title 42.

(2) Business concern that provides economic opportunities

The term "a business concern that provides economic opportunities" means a business concern that—

(A) provides economic opportunities for a class of persons that has a majority controlling interest in the business;

(B) employs a substantial number of such persons; or

(C) meets such other criteria as the Secretary may establish.

(f) Coordination with other Federal agencies

The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Commerce, the Administrator of the Small Business Administration, and such other Federal agencies as the Secretary determines are necessary to carry out this section.

(g) Regulations

Not later than 180 days after October 28, 1992, the Secretary shall promulgate regulations to implement this section.

City of Hillsdale

Agenda Item Summary

Meeting Date: **March 3, 2014**

Agenda Item #10: **New Business B– Millpond Dam**

BACKGROUND:

In late summer of 2012 Council approved repair costs for the millpond dam to remain in compliance with DEQ requirements. The repairs were identified pursuant to an inspection by Rick Jenkins. However, when the permit for the repairs was submitted, DEQ would not approve the permit without certain modifications. While we had entered a contract with Albright to make the repairs, after receiving DEQ's requirements, the contractor increased his price significantly and the contract went uncompleted.

At the time the contract was approved, Councilperson Watkins expressed concern about ongoing inspections, repairs and maintenance to the dam and made a motion to send the matter to the Public Services Committee for review and recommendations. That motion passed. Following that time, he volunteered to research the matter to provide information on dam removal and other options which led him to contact the Department of Natural Resources for further information. An information gathering meeting was scheduled at the dam site for June 19, 2013. Councilperson Watkins and I attended that meeting with representatives from DNR.

I recently scheduled a meeting with representatives from DNR, DEQ, Keith Richards, with Councilperson Watkins participating via telephone conference to discuss the removal of the dam. The results of the meeting were as follows:

We were advised by DEQ that if you simply modify the repair plan, they will approve our permit for five (5) years without the work having to be done inasmuch as we would be exploring possible removal. This will be accomplished by having Mr. Jenkins make a minor modification to the plan. That buys us some time to determine whether or not to pursue removal.

Removal of dams is happening all across the state. They gave explanations for reasons why they prefer to have them removed, particularly those that are not considered control structures. Accordingly, our dam is appropriate for consideration for removal. In fact, the DNR representative expressed their position as preferring to remove and have the stream go back to its natural course. In that meeting he mentioned there are 23 species of aquatic life found in the

stream and three (3) of those are especially important and while he did not use the term “endangered”, he used similar terminology expressing the DNR’s desire to protect that.

DNR indicated there are several grant opportunities to pay for removal, some of which have a match which can be met with “in kind” contribution i.e. sediment testing costs, etc. However, he advised we would not be able to apply this year but could certainly do so next year.

The first step in determining costs for removal would be to do sediment sampling and testing. This is a process which needs to be done by a firm familiar with the process inasmuch as the chain of custody of the samples, etc. must be met.

RECOMMENDATION:

I recommend Council authorize me to obtain three proposals for the sediment testing which I believe will be under \$10,000. Indications from DNR/DEQ are for \$5,000 or \$6,000. In the 2012-2013 budget \$15,000 was included for doing the repairs. Inasmuch as we did not have the repairs completed at that time, the money remains but was not appropriated in the 2013-2014 budget.

When I receive the proposals and a contract is prepared, I will bring it back to Council for authorization to enter into the contract.

City of Hillsdale Agenda Item Summary

Meeting Date: **March 3, 2014**

Agenda Item #10: **New Business C– City Manager Contract**

BACKGROUND:

The City Manager’s employment contract is scheduled to terminate on May 15, 2014. This matter will be addressed by the Chairperson of the Operations and Governance Committee.

RECOMMENDATION:

None.

March 3, 2014

Appointments:

- **Sam Nutter**: appointed to the **Board of Special Assessors-**
Term ending **November, 2014**.