

City Council Meeting

February 15, 2021 6:00 p.m.

By Remote Electronic Participation

Cadillac Municipal Complex 200 N. Lake St. Cadillac, MI 49601



February 15, 2021 City Council Meeting Agenda 6 p.m. 200 N. Lake St. – Cadillac, MI 49601 Meeting held by remote electronic participation.

We are fully present

CALL TO ORDER ROLL CALL

I. APPROVAL OF AGENDA

II. PUBLIC COMMENTS

This opportunity for public comment provides the public with a chance to make a statement regarding any subject matter. Public comment is not an opportunity to necessarily ask questions or converse with City Staff, Council Members or other meeting attendees. Contact information for Council and staff is available on our website, www.cadillac-mi.net, or can be obtained by calling (231) 775-0181. Comment time is limited to 3-minutes, and unused time may not be yielded back or given to someone else to use.

III. CONSENT AGENDA

A. Minutes from the regular meeting held on February 1, 2021. Support Document III-A

IV. APPOINTMENTS

- A. Recommendation regarding reappointment to the Board of Review. Support Document IV-A
- B. Recommendation regarding reappointment to the Construction Board of Appeals. Support Document IV-B
- C. Recommendation regarding reappointment to the Construction Board of Appeals. Support Document IV-C

Cadillac City Council Agenda

February 15, 2021 Page 2

V. CITY MANAGER'S REPORT

- A. Bids and recommendation regarding Bio-Solids Injection. Support Document V-A
- B. Setting of Budget Related Work Sessions
 - Goals & Capital Improvement Program Review on March 15, 2021 at 4:15 p.m.
 - Fiscal Year 2022 Budget Review on April 5, 2021 at 4:15 p.m.
- C. COVID-9 Update

VI. INTRODUCTION OF ORDINANCES.

A. Adopt Resolution to Introduce an Ordinance Amending the City's Zoning Ordinance Regarding Uses Permitted in Business Districts and set a public hearing for March 1, 2021.

Support Document VI-A

B. Adopt Resolution to Introduce Ordinance Regarding Issuance of Water Supply System Revenue Bonds (Junior Lien), Series 2021 and set a public hearing for March 1, 2021.

Support Document VI-B

VII. MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

- A. Planning Commission
 Support Document VII-A
- B. Downtown Development Authority Support Document VII-B

VIII. PUBLIC COMMENTS

This opportunity for public comment provides the public with a chance to make a statement regarding any subject matter. Public comment is not an opportunity to necessarily ask questions or converse with City Staff, Council Members or other meeting attendees. Contact information for Council and staff is available on our website, www.cadillac-mi.net, or can be obtained by calling (231) 775-0181. Comment time is limited to 3-minutes, and unused time may not be yielded back or given to someone else to use.

- IX. GOOD OF THE ORDER
- X. ADJOURNMENT

Cadillac City Council Agenda

February 15, 2021 Page 3

Core Values (R.I.T.E.)

Respect
Integrity
Trust
Excellence

Guiding Behaviors

We support each other in serving our community
We communicate openly, honestly, respectfully, and directly
We are fully present
We are all accountable
We trust and assume goodness in intentions
We are continuous learners

CITY COUNCIL MEETING MINUTES

February 1, 2021

Meeting held by remote electronic participation.

200 N. Lake St. - Cadillac, Michigan 49601

CALL TO ORDER

Mayor Filkins called the City Council meeting to order at approximately 6:00 pm.

ROLL CALL

Council Present: Schippers, Engels, King, Mayor Filkins

Council Member Schippers stated she is attending the meeting virtually in the City of Cadillac. Council Member Engels stated he is attending the meeting virtually in the City of Cadillac. Council Member King stated he is attending the meeting virtually in the City of Cadillac. Mayor Filkins stated she is attending the meeting virtually in the City of Cadillac.

Council Absent: Elenbaas (joined meeting at 6:04)

Staff Present: Peccia, Roberts, Ottjepka, Dietlin, Seurynck, Homier, Wasson

APPROVAL OF AGENDA

2021-018 Approve agenda as presented.

Motion was made by King and supported by Schippers to approve the agenda as presented.

Motion unanimously approved.

PUBLIC COMMENTS

There were no public comments.

Council Member Elenbaas stated he is attending the meeting virtually in the City of Cadillac.

2021-019 Approve consent agenda as presented.

Motion was made by King and supported by Schippers to approve the consent agenda as presented.

Motion unanimously approved.

PROCLAMATION

A. Cadillac Vikings Football Team

Mayor Filkins read a proclamation for the Cadillac Vikings Football Team #125 (see attachment). She noted a copy of the proclamation will be provided to each member of the team and coaching staff.

FOIA APPEAL

City Attorney Seurynck noted Terrell Bodary submitted an appeal regarding a FOIA request dated December 22, 2020. Although the original FOIA request asked for 4 different sets of records, he only appealed the items requested: (1) All information relating to case number 22-000184 and dash cam footage and (2) Body camera footage. As a preliminary matter, the City was concerned that the request was not actually made by Mr. Bodary. So, the City informed Mr. Bodary that the City would treat this request as if it were made by a third party until the City had some identification that verified he was the requester. Mr. Bodary subsequently came into the police station to show his identification and then filed the appeal. In the initial FOIA response letter, the City informed Mr. Bodary that a request for "all information" is too broad. On appeal, Mr. Bodary stated as follows: "I am requesting all information collected, used, and relating to, a specific case number..." While we still believe that a request for "all information," is too vague, the City can now confirm his identity and identified the documents the City could provide. However, the appeal is denied in part with respect to the police reports because certain information is private or exempt by statute and must be redacted.

Seurynck stated Mr. Bodary's request for body camera footage was originally denied because the City could not reasonably confirm his identity, so the City could not release the records. However, now that he has identified himself as a subject of the footage, the City is permitted to grant his appeal in part pursuant to the Law Enforcement Body-Worn Camera Privacy Act. However, the appeal should be denied in part because the body camera footage he requested contains information about the victims and witnesses that is exempt from disclosure pursuant to MCL 15.243(1)(a) and (b)(iii).

Seurynck stated it is being recommended that the City Council grant in part and deny in part the appeal for the reasons stated in the proposed appeal response letter.

Mr. Bodary indicated he was satisfied with the explanation provided by the City Attorney.

2021-020 Motion regarding FOIA Appeal.

Motion was made by King and supported by Engels to adopt the recommendation of our legal counsel to grant in part and deny in part as outlined in the letter to be provided to the appellant.

Motion unanimously approved.

COMMUNICATIONS

A. Ice Fishing Competition

2021-021 Approve parking lot closure for Ice Fishing Competition.

Motion was made by Schippers and supported by King to approve the closure of the Lake St. parking lot from 9:00 am to 4:00 pm on February 13, 2021 for the Ice Fishing Competition.

Motion unanimously approved.

B. Presentation of FY2020 Audit Results by Joe Verlin of Gabridge & Co.

Peccia noted the Comprehensive Annual Financial Report Year Ended June 30, 2020 is available on the City's website.

Joe Verlin from Gabridge & Co. presented the results of the independent audit for the fiscal year ended June 30, 2020. Gabridge & Co. issued an "Unmodified" opinion on the financial statements. Verlin indicated that this is the best opinion they can offer on the statements. He added that the City is in sound financial condition and commended the City for continuing to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

APPOINTMENTS

A. Recommendation regarding reappointment to the Board of Review.

2021-022 Approve reappointment to the Board of Review.

Motion was made by Schippers and supported by Elenbaas to approve the reappointment of Jim Walker to the Board of Review for a 2-year term to expire on February 22, 2023.

Motion unanimously approved.

B. Recommendation regarding reappointment to the Cadillac-Wexford Airport Authority.

2021-023 Approve reappointment to the Cadillac-Wexford Airport Authority.

Motion was made by Elenbaas and supported by Schippers to approve the reappointment of Jim Clements to the Cadillac-Wexford Airport Authority for a 2-year term to expire on February 22, 2023.

Motion unanimously approved.

CITY MANAGER'S REPORT

A. COVID-19 Update

Peccia noted information regarding COVID-19 can be found at the District Health Department #10 website at www.dhd10.org. He noted there is a link and a phone number available for seniors age sixty-five (65) years and older to sign up for the vaccine waiting list. He encouraged everyone to be careful and respectful of others if they go out for inperson dining.

ADOPTION OF ORDINANCES AND RESOLUTIONS

A. Adopt Resolution to Tentatively Award Two (2) Construction Contracts for Water System Improvements.

Peccia stated this is regarding the construction of the new well field project. He noted it is being recommended to adopt the Resolution to Tentatively Award Two (2) Construction Contracts for Water System Improvements and to approve a 6% contingency be added to each contract award for field changes and project requirements. He stated this amount is built into the approved project application through the Drinking Water Revolving Fund (DWRF) and all construction costs will be funded by the loan.

Owen Roberts, Director of Finance, stated it is "tentative" only because we have not closed on the loan financing.

<u>2021-024 Adopt Resolution to Tentatively Award Two (2) Construction Contracts for Water System Improvements.</u>

Motion was made by Schippers and supported by Elenbaas to adopt the Resolution to Tentatively Award Two (2) Construction Contracts for Water System Improvements and to approve a 6% contingency be added to each contract award for field changes and project requirements.

Motion unanimously approved.

B. Adopt Resolution to Approve Amendment to Restated Amended Agreement to Establish Joint Cadillac-Wexford County Airport Authority.

Peccia noted the Steve Bujalski, Airport Manager, requested information regarding the process of adjusting the per diem for Airport Authority Board Members. He stated he notified Janet Koch, Wexford County Administrator, of the request. He noted the per diem amount for members of the Airport Authority is established through the agreement that established the Airport Authority. He stated the requirement for a per diem adjustment is to amend the agreement between the City of Cadillac and Wexford County.

Peccia noted the request is to adjust the meeting per diems as follows:

- Thirty-five Dollars (\$35.00) per diem, not to exceed Five Hundred Sixty Dollars (\$560.00) in any one calendar year.
- The President, Secretary, and Treasurer shall each receive an additional Five Dollars (\$5.00) per diem, not to exceed Six Hundred Forty Dollars (\$640.00) in any one calendar year.

Peccia stated if the request is approved by City Council, it would be contingent upon subsequent approval by the Wexford County Board of Commissioners.

Steve Bujalski, Airport Manager, encouraged Council to support the per diem increase.

2021-025 Adopt Resolution to Approve Amendment to Restated Amended Agreement to Establish Joint Cadillac-Wexford County Airport Authority.

Motion was made by Schippers and supported by King to adopt the Resolution to Approve Amendment to Restated Amended Agreement to Establish Joint Cadillac-Wexford County Airport Authority subject to approval by Wexford County.

Motion unanimously approved.

PUBLIC COMMENTS

There were no public comments.

GOOD OF THE ORDER

Peccia noted there have been some public concerns raised regarding the ice tree on Lake Street. He stated it is monitored daily by the Utilities Department. He noted there is a combined effort in place between the Utilities Department and the Department of Public Works to salt the sidewalk near the structure. He noted if anyone has any concerns about the structure, they can contact the City at (231) 775-0181.

Peccia stated he normally provides a State of the City presentation at the second meeting in February. He noted because meetings are being conducted electronically, he is proposing that instead of providing a live update at the next meeting he will work with City staff to produce a State of the City update video that would be available through a link on the City's website and social media site.

Mayor Filkins stated producing a video and would likely reach a lot more of the community.

Other Council Members expressed support for the production of a video.

King stated he had received a few calls and an email regarding the ice tree. He thanked City Manager Peccia and Jeff Dietlin, Director of Utilities, for getting information out to the public and taking care of the sidewalk. He encouraged members of the public to contact Council Members or the City Manager or City staff if they have questions or concerns.

Elenbaas echoed the comments made by Mayor Filkins in the proclamation for the Cadillac Vikings Football Team.

City Attorney Homier congratulated the Cadillac Vikings. He noted his son plays for Forest Hills Eastern so he was in attendance at the game.

ADJOURNMENT

Respectfully submitted,

Carla J. Filkins, Mayor

Sandra L. Wasson, City Clerk

PROCLAMATION

CADILLAC VIKINGS FOOTBALL TEAM #125

WHEREAS, the hard work, dedication, sportsmanship, talent and exceptional team chemistry of the 2020 Cadillac High School Vikings Football team has enabled these student athletes to appear in a state championship football game. Given that 1895 was the first year of existence for the Cadillac program, 125 years later, team #125-the team of 2020 is the first team to ever do so.

WHEREAS, winning this year's District Championship and its first ever Regional Championship with their victory over Forest Hills Eastern led them to a victory over the #1 ranked team in the state, Edwardsburg High School earning their way to the state final.

WHEREAS, Cody Mallory, Cadillac's Head Football Coach, and his entire coaching staff have been instrumental in guiding this team to uncharted territory. Team member parents, faculty, the marching band, cheerleaders and student body at Cadillac High School were integral in guiding the team to this historic football season through their unwavering support.

THEREFORE, I, Carla J. Filkins, Mayor of the City of Cadillac along with the entire city council and city staff, on this 1st day of February, 2021, hereby encourage all citizens of Cadillac and its greater community to join in recognizing and heartily congratulating the 2020 Cadillac High School Vikings Football team for their tremendous achievement.

Carla J. Filkins, Mayor City of Cadillac

COUNCIL COMMUNICATION

Re: Reappointment to Board of Review – Larry Butler

Larry Butler has indicated his interest in being reappointed to serve on the Board of Review as a First Ward Representative. Larry has served on the Board of Review since 2015.

Recommended Council Action:

Motion to reappoint Larry Butler to the Board of Review for a 2-year term, which will expire on 3/02/2023.

COUNCIL COMMUNICATION

Re: Reappointment of Ken Bigelow to a Two-Year Term on the Construction Board of Appeals.

Ken Bigelow has expressed his interest in continuing to serve on the Construction Board of Appeals for a 2-year term. Ken has been a member of this board since 2015.

Recommended Council Action:

Motion to reappoint Ken Bigelow to a 2-year term on the Construction Board of Appeals, which will expire on 3/2/2023.

COUNCIL COMMUNICATION

Re: Reappointment of John Saari to a Two-Year Term on the Construction Board of Appeals.

John Saari has expressed his interest in continuing his service on the Construction Board of Appeals for another 2-year term. John has been a member of this board since 2015.

Recommended Council Action:

Motion to reappoint John Saari to a 2-year term on the Construction Board of Appeals, which will end on 3/2/2023.

Council Communication

Re: Bio-Solids Injection Bids

The City recently solicited bids for the contract for Bio-Solids Injection of EQ Class "A" bio-solids. One bid was submitted:

Contractor	Bid Price
Michigan AgriBusiness Solutions Saginaw, MI	\$0.056/gallon

The City applies between 1.5 and 2.0 million gallons of biosolids each year. At 1.5 million gallons of biosolids applied per year the cost would be \$84,000.

Recommended Action

It is recommended that the contract for Bio-Solids Injection from the date of the award through December 31, 2023 be awarded to Michigan AgriBusiness Solutions in accordance with their bid. Funds are available in the Sludge Treatment department within the Water and Sewer Fund.

Council Communication

Re: Approval of a resolution to introduce an ordinance amending the city's zoning ordinance regarding uses permitted in business districts.

This proposed ordinance amendment is being proposed to make mixed-use projects allowable "by right" in our downtown business districts (B-1, B-2, and B-3). Similar to the zoning amendment which was recently approved for bicycle parking and sidewalks, this proposed ordinance is part of the process for the city to become a Redevelopment Ready Community through the State of Michigan. Becoming RRC certified is an essential step in maintaining grant eligibility with the Michigan Economic Development Corporation (MEDC). Maintaining our grant eligibility with MEDC will be critical for continuing to undertake redevelopment projects in our downtown.

Essentially this amendment will allow residential dwelling units on upper floors in the B-1, B-2 and B-3 zoning districts without the need to apply for a special use permit. It will also allow residential dwelling units by right on the first floor in the B-3 districts as long as it is outside of the Downtown Development Authority District.

The Planning Commission recommended approval of this ordinance to the City Council at their meeting held on January 25, 2021 by unanimous vote (6-0).

Recommended Action

To approve the RESOLUTION TO INTRODUCE AN ORDINANCE AMENDING THE CITY'S ZONING ORDINANCE REGARDING USES PERMITTED IN BUSINESS DISTRICTS.

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers
Bryan Elenbaas
Stephen King
Robert J. Engels

RESOLUTION NO. ____

RESOLUTION TO INTRODUCE AN ORDINANCE AMENDING THE CITY'S ZONING ORDINANCE REGARDING USES PERMITTED IN BUSINESS DISTRICTS

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held electronically on the 15th day February, 2021, at 6:00 p.m.

PRESENT:	 				
ABSENT:	 				
The following p		was	offered	by	 _and

WHEREAS, pursuant to the Michigan Zoning Enabling Act, 2006 PA 110, the City has the authority to provide by zoning ordinance, for the regulation of land use and development in the City; and

WHEREAS, the City wishes to consider amendments to its zoning ordinance regarding principal and special land uses permitted in the B-1, B-2 and B-3 districts. Specifically, the ordinance would add residential dwelling units (except on the primary floor at grade level) as permitted uses in the B-1 and B-3 districts with certain restrictions, remove multi-family residential as a special land use in the B-1 district, add group shelters as a special land use in the B-2 district, and remove dwelling units above or below the primary floor at grade level as a special land use in the B-2 district; and

WHEREAS, on January 25, 2021, the Planning Commission held a public hearing on

City of Cadillac Resolution No. ____ Page 2 of 3

the proposed amendments (the "Ordinance" attached as **Exhibit A**); and

WHEREAS, the City Planning Commission recommended approval of the Ordinance to the City Council; and

WHEREAS, pursuant to Section 5.2 of the City Charter, a proposed ordinance must be introduced to the City Council in written or printed form and set for a public hearing; and

WHEREAS, the City wishes to hold a public hearing and consider adopting the Ordinance at its March 1, 2021 City Council meeting.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

- 1. Pursuant to Section 5.2 of the Charter, the City introduces the Ordinance Amending Zoning Ordinance Regarding Uses Permitted in Business Districts (the "Ordinance," attached as Exhibit A).
- 2. A virtual public hearing regarding the Ordinance shall be held on March 1, 2021 at 6:00pm.
- 3. The City Clerk is directed to publish a summary of the Ordinance once in a newspaper of general circulation in the City, together with a notice setting the time and place for a public hearing on the Ordinance, within seven (7) days. The summary and notice of the hearing shall be substantially the form of **Exhibit B**.
- 4. A copy of the Ordinance shall be available for examination at the office of the City Clerk, and copies may be provided for a reasonable charge.

City of Cadillac Resolution No. Page 3 of 3	
5.	Any and all Resolutions that are in conflict with this Resolution are hereby
repealed to th	e extent necessary to give this Resolution full force and effect.
YEAS:	
NAYS:	
STATE OF MI	CHIGAN)
COUNTY OF V	CHIGAN)) VEXFORD)
complete cop	sson, City Clerk of the City of Cadillac, hereby certify this to be a true and of Resolution No, duly adopted at a regular meeting of the City Council of

Sandra Wasson Cadillac City Clerk

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers
Stephen King
Robert J. Engels
Bryan Elenbaas

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CITY'S ZONING ORDINANCE REGARDING USES PERMITTED IN BUSINESS DISTRICTS

THE CITY OF CADILLAC ORDAINS:

Section 1.

The City hereby amends sections 46-372 and 46-374 of the City's Zoning Ordinance regarding permitted and special land uses in the B-1 Auxilliary Business District as follows:

Sec. 46-372. – Principal use permitted

The following principal uses are permitted in the B-1 auxilliary businesses districts:

- (1) Offices of a personal service professional or administrative nature and offices of communication media.
- (2) Restaurants or other establishments serving food or beverage, except those having the character of a drive-in.
- (3) Indoor commercial recreational facilities
- (4) Establishments providing overnight lodging accommodations.
- (5) Assembly establishments which provide entertainment or social activities.
- (6) Public or private educational facilities
- (7) Single-family residential, except on the primary floor at grade level
- (7) Residential dwelling units, except on the primary floor at grade level
- (8) Incidental accessory uses customarily related to the principal use.

Sec. 46-374. – Special land uses permitted.

The following uses of land and structures will be allowed as stipulated in Article VI of this chapter, special land use:

- (1) Marine and boat livery facilities including boat rental sales and service facilities.
- (2) Off-street parking areas or structures, either public or private, to afford necessary parking for nearby concerns.
- (3) Multi-family residential.
- (3) Group Shelter

City of Cadillac Ordinance No. ___ Page 2 of 3

Section 2.

The City hereby amends section 46-397 of the City's Zoning Ordinance regarding special land uses in the B-2 Central Business District as follows:

Sec. 46-397. – Special land uses permitted.

The following uses of land and structure will be permitted as stipulated in Article VI of this chapter, special land use:

- (1) Open air businesses such as outdoor vendors. Open air markets, outdoor cafes, outdoor accommodations for patron use, but not including sidewalk cafes as defined by this chapter.
- (2) Off-street parking areas or structures, either public or private, to afford necessary parking for nearby concerns.
- (3) Establishments providing overnight lodging accommodations.
- (4) Drive-through financial institutions or drive-through components of financial institutions.
- (5) Dwelling units above or below the primary floor at street address grade level.
- (5) Group shelter

Section 3.

The City hereby amends section 46-426 of the City's Zoning Ordinance regarding uses permitted in the B-3 General Business District as follows:

Sec. 46-426 – Uses permitted.

In a general business district, no building or land shall be used and no building shall be erected except for one or more of the following specified uses unless otherwise provided in this chapter:

- (1) Any retail business or service establishment permitted in OS-1, OS-2, TS, B-1 and B-2 districts as principal uses permitted and uses permitted subject to special conditions.
- (2) Residential dwelling units, except units on the primary floor at grade level if the unit or units are located within the Downtown Development Authority District.
- (3) Auto washes when completely enclosed in a building.
- (4) Bus passenger stations
- (5) New and used car salesroom, showroom or office.
- (6) Other uses similar to the uses in this section.
- (7) Other structures and uses customarily incidental to the permitted uses in this section.

City of Cadillac
Ordinance No
Page 3 of 3

Section 4.

Should any portion of this Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of this Ordinance.

Section 5.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed but only to the extent necessary to give this Ordinance full force and effect.

Section 6.

This Ordinance shall take effect twenty (20)	days after its adoption.
Approved thisday of, 2021.	
Sandra Wasson, Clerk	Carla J. Filkins, Mayor

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers
Stephen King
Robert J. Engels
Bryan Elenbaas

NOTICE OF ELECTRONIC REGULAR MEETING, PUBLIC HEARING AND SUMMARY OF PROPOSED ORDINANCE

On February 15, 2021, the City Council of the City of Cadillac introduced Ordinance No. _____, Ordinance Amending the City's Zoning Ordinance Regarding Uses Permitted in Business Districts.

NOTICE IS HEREBY GIVEN that a Public Hearing on the proposed ordinance will be held on March 1, 2021 at 6:00 p.m., at a Regular Meeting of the City Council. This meeting will only be held electronically pursuant to the Open Meetings Act and the Michigan Department of Health and Human Services (MDHHS) Epidemic Order— Gatherings and Face Mask Order. The purpose of the meeting is to hold the public hearing and consider any business to come before the City Council as permitted by law.

Pursuant to the Open Meetings Act, Act 267 of 1976, and the MDHHS Epidemic Order, the City Council also gives notice of the following:

- 1. Reason for Electronic Meeting. The City Council is holding the meeting by electronic means only because of the gathering restrictions and social distancing requirements set forth in the MDHHS Epidemic Order.
- 2. Procedures. The public may participate in the meeting and may make public comment electronically by video or telephone conference using the following information:

Join Zoom Meeting

Meeting ID: 987 1549 8367 Passcode: 105651

Or by telephone: (312) 626-6799

Meeting ID: 987 1549 8367 Passcode: 105651

**To unmute microphone from a cell phone dial *6 (star 6)
To raise your hand from a cell phone dial *9 (star 9)

- 3. Contact Information. For those people who desire to contact members of the City Council to provide input or ask questions on the business that will come before the public body at the meeting, please contact Sandra Wasson, City Clerk, at swasson@Cadillac-MI.net prior to the start of the meeting.
- 4. Persons with Disabilities. Persons with disabilities may participate in the meeting through the methods set forth in paragraph 2. Individuals with disabilities requiring auxiliary aids or services in order to attend electronically should notify the City Clerk at (231) 775-0181 within a reasonable time in advance of the meeting.

Copies of the proposed ordinance are available for examination at the office of the City Clerk and copies may be provided at a reasonable charge. The following is a summary of the proposed ordinance.

AN ORDINANCE AMENDING THE CITY'S ZONING ORDINANCE REGARDING USES PERMITTED IN BUSINESS DISTRICTS

Section 1 of the proposed ordinance amends Section 46-372 and 46-374 of the City's Zoning Ordinance regarding permitted and special land uses in the B-1 Auxilliary Business District to add residential dwelling units, except on the primary floor at grade level as a permitted use and removing multi-family residential as a special use.

Section 2 of the proposed ordinance amends section 46-397 of the City's Zoning Ordinance regarding special land uses in the B-2 Central Business District to remove dwelling units above or below the primary floor at street address grade level and to add group shelters as a special land use.

Section 3 of the proposed ordinance amends section 46-426 of the City's Zoning Ordinance regarding uses permitted in the B-3 General Business District to add residential dwelling units, except units on the primary floor at grade level if the unit or units are located within the Downtown Development Authority District as a permitted use.

Section 4 provides that should any portion of the Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of the Ordinance.

Section 5 provides that all other ordinances inconsistent with the provisions of this Ordinance are hereby repealed but only to the extent necessary to give this Ordinance full force and effect.

Section 6 provides the effective date of the ordinance.

CITY COUNCIL OF THE CITY OF CADILLAC, MICHIGAN

By: Sandra Wasson, City Clerk Cadillac Municipal Complex 200 N. Lake Street Cadillac, Michigan 49601 Telephone No: (231) 775-0181

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers Stephen King Robert J. Engels Bryan Elenbaas

RESOLUTION NO. 2021-____

RESOLUTION TO INTRODUCE ORDINANCE REGARDING ISSUANCE OF WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, conducted electronically on the 15th day of February, 2021, at 6:00 p.m.

PRESENT:	
ABSENT:	
The following preamble and resolution was offered by	and
seconded by	

WHEREAS, the City of Cadillac (the "City") is authorized to issue revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended; and

WHEREAS, the City Charter provides that before final adoption of an ordinance, the Council shall hold a public hearing and shall, within seven days after introduction of the proposed ordinance, publish a notice of the hearing on the proposed ordinance and a summary of the proposed ordinance; and

WHEREAS, the City wishes to consider adopting an ordinance that authorizes the issuance of its Water Supply System Revenue Bonds (Junior Lien), Series 2021, to obtain funds for the acquisition, construction, installation, repair and improvements to the City's

City of Cadillac Resolution No. 2021-___ Page 2 of 37

water system, including water line construction and replacements, pipes, wells, pumps and related street infrastructure, together with all necessary interests in land, and all related sites, structures, equipment, appurtenances and attachments (the "Project").

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

- 1. Pursuant to the City Charter, the City introduces ORDINANCE NO. 2021-____,
 AN ORDINANCE TO PROVIDE FOR THE ACQUISITION AND CONSTRUCTION OF
 ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER SUPPLY SYSTEM OF THE
 CITY OF CADILLAC; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN
 REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE
 BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM
 SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND
 MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE
 BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO
 PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT
 THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE
 SYSTEM (the "Ordinance," attached as Exhibit 1).
- 2. A public hearing regarding the Ordinance shall be held electronically on the 1^{st} day of March, 2021, at 6:00 p.m.
- 3. The City Clerk is directed to publish a summary of the Ordinance in a newspaper of general circulation in the City of Cadillac, together with a notice setting the

City of Cadillac	
Resolution No. 2021	
Page 3 of 37	

time and place for a public hearing on the Ordinance, in accordance with the City Charter.

The summary and notice of the hearing shall be substantially in the form of Exhibit 2.

- 4. A copy of the Ordinance shall be available for examination at the office of the City Clerk, and copies may be provided for a reasonable charge.
- 5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS:		
NAYS:		
STATE OF MICHIGAN)	
COUNTY OF WEXFORD		
	tion No. 202	City of Cadillac, hereby certify this to be a true and 1, duly adopted at a regular meeting of the City ary, 2021.
		Sandra Wasson City Clerk

City of Cadillac Resolution No. 2021-___ Page 4 of 37

EXHIBIT 1

Ordinance No. 2021-____

ORDINANCE NO. 2021-____

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER SUPPLY OF THE CITY OF CADILLAC; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE WATER SYSTEM.

THE CITY OF CADILLAC ORDAINS:

<u>Section 1</u>. <u>Definitions</u>. Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

- (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) "Authority" means the Michigan Finance Authority.
- (c) "Authorized Officers" means the Mayor, the City Clerk, the City Manager and the City Director of Finance, or any one of them.
- (d) "Bonds" means the Water Supply System Revenue Bonds (Junior Lien), Series 2021, together with any additional bonds heretofore or hereafter issued of equal standing with the Series 2021 Bonds.
- (e) "EGLE" means the Michigan Department of Environment, Great Lakes, and Energy.
 - (g) "Engineers" means Capital Consultants dba C2AE.
 - (h) "Issuer" means the City of Cadillac, County of Wexford, Michigan.
- (i) "Junior Lien Bonds" means the Series 2021 Bonds, and any additional bonds that are of equal standing with the Series 2021 Bonds, and junior in standing to the Senior Lien Bonds.

City of Cadillac Resolution No. 2021-___ Page 6 of 37

- (j) "Outstanding Bonds" means the Issuer's Water Supply and Wastewater System Junior Revenue Bond, Series 2007, dated September 20, 2007, Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2011, dated September 23, 2011, and Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2013, dated July 19, 2013.
- (k) "Prior Ordinances" means, collectively, the ordinances and resolutions adopted by the City Council authorizing the issuance of the Outstanding Bonds.
- (l) "Project" means the acquisition, construction, installation, repair and improvements to the City's water system, including water line construction and replacements, pipes, wells, pumps and related street infrastructure, together with all necessary interests in land, and all related sites, structures, equipment, appurtenances and attachments.
- (m) "Purchase Contract" means the purchase contract to be entered into between the Authority and the Issuer relating to the purchase by the Authority of the Series 2021 Bonds.
- (n) "Revenues" and "Net Revenues" means the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues", the earnings derived from the investment of moneys in the various funds and accounts established by the Prior Ordinances and this Ordinance.
- (o) "Senior Lien Bonds" means the Outstanding Bonds and any additional bonds issued pursuant to the Prior Ordinances that are of equal standing and priority of lien with the Outstanding Bonds.
- (p) "Series 2021 Bonds" means the Water Supply System Revenue Bonds (Junior Lien), Series 2021, in the principal amount of not to exceed \$11,000,000 issued pursuant to this Ordinance.
- (q) "Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the Issuer, the principal and interest payments upon which without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.
- (r) "Supplemental Agreement" means the supplemental agreement among the Issuer, the Authority and EGLE relating to the Series 2021 Bonds.

City of Cadillac Resolution No. 2021-___ Page 7 of 37

(s) "System" means the entire Water Supply System of the Issuer, including the Project and all additions, extensions and improvements hereafter acquired.

<u>Section 2</u>. <u>Necessity; Approval of Plans and Specifications</u>. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Engineers, which plans and specifications are hereby approved.

<u>Section 3</u>. <u>Costs; Useful Life</u>. The cost of the Project is estimated not to exceed Eleven Million Dollars (\$11,000,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is estimated to be not less than forty (40) years.

Section 4. Payment of Cost; Bonds Authorized. To pay part of the cost of acquiring and constructing the Project, legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2021 Bonds, the Issuer shall borrow the sum of not to exceed Eleven Million Dollars (\$11,000,000), or such lesser amount as shall have been advanced to the Issuer pursuant to the Purchase Contract and the Supplemental Agreement, and issue the Series 2021 Bonds pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be defrayed from Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Prior Ordinances shall apply to the Series 2021 Bonds issued pursuant to this Ordinance, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of additional revenue bonds of subordinate lien with respect to the Outstanding Bonds to finance the cost of acquiring and constructing additions, extensions and improvements to the System, additional bonds of subordinate standing with the Outstanding Bonds for such purpose being authorized by the provisions of the Prior Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Issuance of Series 2021 Bonds; Details. The Series 2021 Bonds of the Issuer, to be designated WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021, are authorized to be issued in the aggregate principal sum of not to exceed Eleven Million Dollars (\$11,000,000) for the purpose of paying part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2021 Bonds. The Series 2021 Bonds shall be payable out of the Net Revenues, as set forth more fully in Section 8 hereof, provided that the Series 2021 Bonds shall be subordinate to the prior liens with respect to the Net Revenues in favor of the Outstanding Bonds and of any additional bonds of equal standing with the Outstanding Bonds hereafter issued. The Series 2021 Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments as finally determined at the time of sale of the Series 2021 Bonds and approved by the Authority and an Authorized Officer. Subject to such agreed determinations, principal installments of the Series 2021 Bonds shall be payable on April 1 of the years 2023 through 2052, inclusive, or such other payment dates as hereinafter provided. Interest on the Series 2021 Bonds shall be payable on

City of Cadillac Resolution No. 2021-___ Page 8 of 37

October 1, April 1, and June 30 of each year, commencing October 1, 2021 or on such other interest payment dates as hereinafter provided. Final determination of the principal amount of and interest on the Series 2021 Bonds and the payment dates and amounts of principal and interest installments of the Series 2021 Bonds shall be evidenced by execution of the Purchase Contract and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than April 1, 2023 and the final principal installment shall be due no later than April 1, 2052 and that the total principal amount shall not exceed \$11,000,000.

The Series 2021 Bonds shall bear interest at a rate of two and one-eighth percent (2.125%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, and any Authorized Officers as shall be appropriate shall deliver the Series 2021 Bonds in accordance with the delivery instructions of the Authority.

The principal amount of the Series 2021 Bonds is expected to be drawn down by the Issuer periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the Issuer.

The Series 2021 Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2021 Bonds shall generally be payable as provided in the Series 2021 Bonds form in this Ordinance.

The Series 2021 Bonds shall be subject to optional redemption by the Issuer with the prior written approval of the Authority and on such terms as may be required by the Authority.

The City Clerk shall record on the registration books payment by the Issuer of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the City Clerk.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2021 Bonds, the Authority shall deliver the Series 2021 Bonds to the Issuer for cancellation.

<u>Section 6</u>. <u>Execution of Series 2021 Bonds</u>. The Series 2021 Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the Issuer or facsimile thereof impressed thereon. The Series 2021 Bonds bearing the manual or facsimile signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

Section 7. Registration and Transfer. Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the transfer agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the transfer agent shall authenticate and deliver a new Bond or

City of Cadillac Resolution No. 2021-___ Page 9 of 37

Bonds, for like aggregate principal amount. The transfer agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Series 2021 Bonds contained in Section 13 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the transfer agent may pay the same without surrender thereof.

Section 8. Payment of Series 2021 Bonds; Security; Priority of Lien. Principal of and interest on the Series 2021 Bonds shall be payable from the Net Revenues and, after taking into account the Net Revenues, ad valorem taxes levied on all taxable property in the Issuer's boundaries. There is hereby recognized the statutory lien upon the whole of the Net Revenues created by this Ordinance which shall be a lien that is junior and subordinate to the lien of the Senior Lien Bonds created by the Prior Ordinances, to continue until payment in full of the principal of and interest on all Bonds payable from the Net Revenues, or until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under the Prior Ordinances or this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under the Prior Ordinances or this Ordinance.

City of Cadillac Resolution No. 2021-___ Page 10 of 37

Section 9. Management; Fiscal Year. The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the Issuer. The Issuer may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Issuer may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which shall coincide with the Issuer's fiscal year.

<u>Section 10</u>. <u>Rates and Charges; No Free Service</u>. The rates and charges for service furnished by the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm, or corporation, public or private, or to any public agency or instrumentality, including the Issuer.

<u>Section 11</u>. <u>Funds and Accounts; Flow of Funds</u>. The funds and accounts established by the Prior Ordinances are hereby continued, the flow of funds established by the Prior Ordinances, as amended, is hereby continued, and the applicable sections of the Prior Ordinances, as amended, relating to funds and accounts and flow of funds are incorporated herein by reference as if fully set forth.

Section 12. Bond Proceeds. The proceeds of the sale of the Series 2021 Bonds as received by the Issuer shall be deposited in a separate account in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021 CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project and any engineering, legal and other expenses incident thereto and to the financing thereof.

<u>Section 13</u>. <u>Bond Form</u>. The Series 2021 Bonds shall be in substantially the form of the attached Exhibit A, with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance.

Section 14. Bondholders' Rights; Receiver. The holder or holders of the Bonds representing in the aggregate not less than twenty per cent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest upon the Series 2021 Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and

City of Cadillac Resolution No. 2021-___ Page 11 of 37

with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Series 2021 Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Series 2021 Bonds and the security therefor.

<u>Section 15</u>. <u>Additional Bonds</u>. The Issuer may issue additional bonds of equal standing with the Series 2021 Bonds for the following purposes and subject to the following conditions:

- (a) To complete the Project in accordance with the plans and specifications therefor. Such bonds shall not be authorized unless the engineers in charge of construction shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the Issuer, it shall be the duty of the Issuer to provide for and issue additional revenue bonds in the amount stated in said certificate to be necessary to complete the Project in accordance with the plans and specifications plus an amount necessary to issue such bonds or to provide for part or all of such amount from other sources.
- (b) For subsequent repairs, extensions, enlargements and improvements to the System and for the purpose of refunding part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds. Junior Lien Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the then last two (2) preceding twelve-month operating years or the Adjusted Net Revenues for the last preceding twelve-month operating year, if the same shall be lower than the average, shall be equal to at least one hundred percent (100%) of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Senior Lien Bonds, Junior Lien Bonds and on the additional Bonds then being issued. If the additional Junior Lien Bonds are to be issued in whole or in part for refunding outstanding Junior Lien Bonds, the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Junior Lien Bonds to be refunded from the proceeds of the additional Junior Lien Bonds. For purposes of this subparagraph (b), the Issuer may elect to use as the last preceding operating year any operating year ending not more than sixteen (16) months prior to the date of delivery of the additional Junior Lien Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight (28) months prior to the date of delivery of the additional Junior Lien Bonds. Determination by the Issuer as to existence of conditions permitting the issuance of additional Junior Lien Bonds shall be conclusive. No additional Junior Lien Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in this subparagraph if the Issuer shall then be in default in making its required payments to the operation and maintenance fund of the System.

City of Cadillac Resolution No. 2021-___ Page 12 of 37

- (c) For refunding a part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds including deposits which may be required to be made to the bond reserve account for such Junior Lien Bonds. No additional Junior Lien Bonds shall be issued pursuant to this subsection unless the maximum amount of principal and interest maturing in any operating year after giving effect to the refunding shall be less than the maximum amount of principal and interest maturing in any operating year prior to giving effect to the refunding.
- Section 16. Negotiated Sale; Application to EGLE and Authority; Execution of Documents. The Issuer determines that it is in the best interest of the Issuer to negotiate the sale of the Series 2021 Bonds to the Authority because the State Drinking Water Revolving Fund and other financing programs provide significant interest savings to the Issuer compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the EGLE for placement of the Series 2021 Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Series 2021 Bonds prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to execute and deliver the Purchase Contract, the Supplemental Agreement, the Issuer's Certificate and any other appropriate documents. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2021 Bonds for the Drinking Water Revolving Fund or other programs.
- Section 17. Covenant Regarding Tax Exempt Status of the Bonds. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exemption of the interest on the Series 2021 Bonds from general federal income taxation (as opposed to any alternative minimum or other indirect taxation) under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Series 2021 Bond proceeds and moneys deemed to be Bond proceeds.
- <u>Section 18. Approval of Bond Counsel.</u> The representation of the Issuer by Foster, Swift, Collins, & Smith, P.C. ("Foster Swift"), as bond counsel is hereby approved.
- Section 19. Approval of Bond Details. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of Series 2021 Bonds issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2021 Bonds shall not exceed two and one-eighths percent (2.125%) per annum, and the Series 2021 Bonds shall mature in not more than forty (40) annual installments.

City of Cadillac	
Resolution No. 2021	
Page 13 of 37	

- <u>Section 20</u>. <u>Savings Clause</u>. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.
- Section 21. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.
- Section 22. <u>Publication and Recordation</u>. This Ordinance shall be published in full in the *Cadillac Evening News*, a newspaper of general circulation of the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and the City Clerk.

<u>Section 23</u>. <u>Effective Date</u>. This Ordinance shall be effective upon its adoption and publication.

ADOPTED AND SIGNED THIS	_ day of	, 2021.
	Signed	Carla J. Filkins, Mayor
	Signed	Sandra Wasson, City Clerk

City of C Resoluti Page 14	on No. 2021
Ordinan Michiga that said full com other ap	HEREBY CERTIFY that the foregoing constitutes a true and complete copy of an acceduly adopted by the City Council of the City of Cadillac, County of Wexford, an, at a meeting conducted electronically held on the day of, 2021, and a meeting was conducted and public notice of said meeting was given pursuant to and in apliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and applicable laws and orders, and that the minutes of said meeting were kept and will be or en made available as required by said Act.
I	I further certify that the following Members were present at said meeting:
-	and that the following Members were absent:
I Ordinan	I further certify that Member moved for adoption of said ace, and that said motion was supported by Member
I	I further certify that the following Members voted for adoption of said Ordinance:
- 2	and that the following Members voted against adoption of said Ordinance:
	I further certify that said Ordinance has been recorded in the Ordinance Book and that cording has been authenticated by the signatures of the Mayor and the City Clerk.
	Sandra Wasson, City Clerk

City of Cadillac Resolution No. 2021-___ Page 15 of 37

EXHIBIT A

UNITED STATES OF AMERICA STATE OF MICHIGAN COUNTY OF WEXFORD

CITY OF CADILLAC

WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021

REGISTERED OWNER:	Michigan Finance Authority	
PRINCIPAL AMOUNT:		Dollars (\$,000)
DATE OF ORIGINAL ISSU	UE:, 2021	

The CITY OF CADILLAC, County of Wexford, State of Michigan (the "City"), for value received, hereby promises to pay, out of the hereinafter described Net Revenues of the City's Water Supply (hereinafter defined), to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid prior thereto as hereinafter provided.

During the time the Principal Amount is being drawn down by the City under this bond, the Authority will periodically provide to the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this bond.

City of Cadillac Resolution No. 2021-___ Page 16 of 37

Notwithstanding any other provision of this bond, as long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at such place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least thirty (30) days prior to the date on which such redemption is to be made.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent (2%) above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

For prompt payment of principal and interest on this bond, the City has irrevocably pledged the revenues of the Water Supply System of the City, including all appurtenances, extensions and improvements thereto (the "System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory lien thereon is hereby recognized and created which is junior in standing and priority of lien as to the prior lien of the City's Water Supply and Wastewater System Junior Lien Revenue Bond, Series 2007, Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2011, and Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2013 (together, the "Outstanding Bonds") of the City and of any additional bonds of the City of equal standing and priority of lien with the Outstanding Bonds.

This bond is a single, fully-registered, non-convertible bond in the principal sum indicated above issued pursuant to Ordinance No. _____ duly adopted by the City Council of the City (the "Ordinance") and the Prior Ordinances and resolutions authorizing issuance of the Outstanding Bonds (the "Prior Ordinances"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying part of the cost of acquiring and constructing additions, extensions and improvements to the System of the City.

City of Cadillac Resolution No. 2021-___ Page 17 of 37

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of superior and equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinance and the Prior Ordinances.

This bond is a self-liquidating bond, payable, both as to principal and interest, from the Net Revenues of the System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The City has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this bond and any bonds of equal standing with this bond, the Outstanding Bonds and any additional bonds of equal standing with the Outstanding Bonds, as and when the same shall become due and payable, and to maintain a bond redemption fund (including, except for bonds of this issue, a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance and the Prior Ordinances.

Principal installments of this bond are subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

This bond is transferable only upon the books of the City by the registered owner in person or the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the transfer agent, duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance, and upon payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

City of Cadillac	
Resolution No. 2021	
Page 18 of 37	

IN WITNESS WHEREOF, the City of Cadillac, County of Wexford, State of Michigan, by its City Council has caused this bond to be executed with the manual or facsimile signatures of its Mayor and its City Clerk and the corporate seal of the City to be impressed hereon, all as of the Date of Original Issue.

CITY OF CADILLAC

	By Carla J. Filkins Mayor	
(Seal)	·	
Countersigned:		
Sandra Wasson, City Clerk		

City of Cadillac Resolution No. 2021-___ Page 19 of 37

SCHEDULE A

Based on the schedule provided below, unless revised as provided in this paragraph or the Ordinance, repayment of the principal of the bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

Maturity Date	Principal Amount
April 1, 2023	To Be Determined by an
April 1, 2024	Authorized Officer as to
April 1, 2025	each Principal Amount.
April 1, 2026	-
April 1, 2027	
April 1, 2028	
April 1, 2029	
April 1, 2030	
April 1, 2031	
April 1, 2032	
April 1, 2033	
April 1, 2034	
April 1, 2035	
April 1, 2036	
April 1, 2037	
April 1, 2038	
April 1, 2039	
April 1, 2040	
April 1, 2041	
April 1, 2042	
April 1, 2043	
April 1, 2044	
April 1, 2045	
April 1, 2046	
April 1, 2047	
April 1, 2048	
April 1, 2049	
April 1, 2050	
April 1, 2051	
April 1, 2052	

City of Cadillac Resolution No. 2021-___ Page 20 of 37

Interest on the bond shall accrue on principal disbursed by the Authority to the Issuer from the date principal is disbursed, until paid, at the rate of 2.125% per annum, payable October 1, 2021, and on each April 1, June 30, and October 1 thereafter.

EXHIBIT 2

Notice of Proposed Ordinance and Public Hearing

City of Cadillac Resolution No. 2021-___ Page 22 of 37

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers Stephen King Robert J. Engels Bryan Elenbaas

NOTICE OF PROPOSED ORDINANCE AND PUBLIC HEARING

The City of Cadillac hereby gives notice of proposed Ordinance No. 2021-____, AN ORDINANCE TO PROVIDE FOR THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER SUPPLY SYSTEM OF THE CITY OF CADILLAC; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

NOTICE IS HEREBY GIVEN that a Public Hearing on the proposed ordinance will be held on March 1, 2021, at 6:00 p.m. at a meeting of the City Council. This meeting will only be held electronically pursuant to the Open Meetings Act and the Michigan Department of Health and Human Services (MDHHS) Epidemic Orders.

Pursuant to the Open Meetings Act, Act 267 of 1976, and the MDHHS Epidemic Orders, the City also gives notice of the following:

- 1. Reason for Electronic Meeting. The City is holding the meeting by electronic means only because of the gathering restrictions and social distancing requirements set forth in the MDHHS Epidemic Order in effect at the time of this notice and due to health and safety concerns related to the COVID-19 pandemic.
- 2. Procedures. The public may participate in the meeting and may make public comment electronically by video or telephone conference using the following information:

City of Cadillac Resolution No. 2021-___ Page 23 of 37

Join Zoom Meeting

Meeting ID: 987 1549 8367 Passcode: 105651

Or by telephone: (312) 626-6799

Meeting ID: 987 1549 8367 Passcode: 105651

**To unmute microphone from a cell phone dial *6 (star 6)
To raise your hand from a cell phone dial *9 (star 9)

- 3. Contact Information. For those who desire to contact members of the City Council to provide input or ask questions on the business that will come before the City Council at the meeting, please contact Sandra Wasson, City Clerk, at clerk@cadillac-mi.net, prior to the start of the meeting.
- 4. Persons with Disabilities. Persons with disabilities may participate in the meeting through the methods set forth in paragraph 2. Individuals with disabilities requiring auxiliary aids or services in order to attend electronically should notify the Clerk at 231-775-0181 within a reasonable time in advance of the meeting.

Copies of the proposed ordinance are available for examination at the office of the City Clerk and may be provided at a reasonable charge. The following is a summary of the proposed ordinance:

- <u>Section 1</u>. <u>Definitions</u>. Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:
 - (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
 - (b) "Authority" means the Michigan Finance Authority.
 - (c) "Authorized Officers" means the Mayor, the City Clerk, the City Manager and the City Director of Finance, or any one of them.
 - (d) "Bonds" means the Water Supply System Revenue Bonds (Junior Lien), Series 2021, together with any additional bonds heretofore or hereafter issued of equal standing with the Series 2021 Bonds.
 - (e) "EGLE" means the Michigan Department of Environment, Great Lakes, and Energy.

City of Cadillac Resolution No. 2021-___ Page 24 of 37

- (g) "Engineers" means Capital Consultants dba C2AE.
- (h) "Issuer" means the City of Cadillac, County of Wexford, Michigan.
- (i) "Junior Lien Bonds" means the Series 2021 Bonds, and any additional bonds that are of equal standing with the Series 2021 Bonds, and junior in standing to the Senior Lien Bonds.
- (j) "Outstanding Bonds" means the Issuer's Water Supply and Wastewater System Junior Revenue Bond, Series 2007, dated September 20, 2007, Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2011, dated September 23, 2011, and Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2013, dated July 19, 2013.
- (k) "Prior Ordinances" means, collectively, the ordinances and resolutions adopted by the City Council authorizing the issuance of the Outstanding Bonds.
- (l) "Project" means the acquisition, construction, installation, repair and improvements to the City's water system, including water line construction and replacements, pipes, wells, pumps and related street infrastructure, together with all necessary interests in land, and all related sites, structures, equipment, appurtenances and attachments.
- (m) "Purchase Contract" means the purchase contract to be entered into between the Authority and the Issuer relating to the purchase by the Authority of the Series 2021 Bonds.
- (n) "Revenues" and "Net Revenues" means the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues", the earnings derived from the investment of moneys in the various funds and accounts established by the Prior Ordinances and this Ordinance.
- (o) "Senior Lien Bonds" means the Outstanding Bonds and any additional bonds issued pursuant to the Prior Ordinances that are of equal standing and priority of lien with the Outstanding Bonds.
- (p) "Series 2021 Bonds" means the Water Supply System Revenue Bonds (Junior Lien), Series 2021, in the principal amount of not to exceed \$11,000,000 issued pursuant to this Ordinance.
- (q) "Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the Issuer, the principal and interest payments upon which without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption.

City of Cadillac Resolution No. 2021-___ Page 25 of 37

Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

- (r) "Supplemental Agreement" means the supplemental agreement among the Issuer, the Authority and EGLE relating to the Series 2021 Bonds.
- (s) "System" means the entire Water Supply System of the Issuer, including the Project and all additions, extensions and improvements hereafter acquired.
- <u>Section 2</u>. <u>Necessity; Approval of Plans and Specifications</u>. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Engineers, which plans and specifications are hereby approved.
- <u>Section 3</u>. <u>Costs; Useful Life</u>. The cost of the Project is estimated to not exceed Eleven Million Dollars (\$11,000,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is estimated to be not less than forty (40) years.
- Section 4. Payment of Cost; Bonds Authorized. To pay part of the cost of acquiring and constructing the Project, legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2021 Bonds, the Issuer shall borrow the sum of not to exceed Eleven Million Dollars (\$11,000,000), or such lesser amount as shall have been advanced to the Issuer pursuant to the Purchase Contract and the Supplemental Agreement, and issue the Series 2021 Bonds pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be defrayed from Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Prior Ordinances shall apply to the Series 2021 Bonds issued pursuant to this Ordinance, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of additional revenue bonds of subordinate lien with respect to the Outstanding Bonds to finance the cost of acquiring and constructing additions, extensions and improvements to the System, additional bonds of subordinate standing with the Outstanding Bonds for such purpose being authorized by the provisions of the Prior Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Issuance of Series 2021 Bonds; Details. The Series 2021 Bonds of the Issuer, to be designated WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021, are authorized to be issued in the aggregate principal sum of not to exceed Eleven Million Dollars (\$11,000,000) for the purpose of paying part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2021 Bonds. The Series 2021 Bonds shall be payable out of the Net Revenues, as set forth more fully in Section 8 hereof, provided that the Series 2021 Bonds shall be subordinate to the prior liens with respect to

City of Cadillac Resolution No. 2021-___ Page 26 of 37

the Net Revenues in favor of the Outstanding Bonds and of any additional bonds of equal standing with the Outstanding Bonds hereafter issued. The Series 2021 Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments as finally determined at the time of sale of the Series 2021 Bonds and approved by the Authority and an Authorized Officer. Subject to such agreed determinations, principal installments of the Series 2021 Bonds shall be payable on April 1 of the years 2023 through 2052, inclusive, or such other payment dates as hereinafter provided. Interest on the Series 2021 Bonds shall be payable on October 1, April 1, and June 30 of each year, commencing October 1, 2021 or on such other interest payment dates as hereinafter provided. Final determination of the principal amount of and interest on the Series 2021 Bonds and the payment dates and amounts of principal and interest installments of the Series 2021 Bonds shall be evidenced by execution of the Purchase Contract and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than April 1, 2023 and the final principal installment shall be due no later than April 1, 2052 and that the total principal amount shall not exceed \$11,000,000.

The Series 2021 Bonds shall bear interest at a rate of two and one-eighth percent (2.125%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, and any Authorized Officers as shall be appropriate shall deliver the Series 2021 Bonds in accordance with the delivery instructions of the Authority.

The principal amount of the Series 2021 Bonds is expected to be drawn down by the Issuer periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the Issuer.

The Series 2021 Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2021 Bonds shall generally be payable as provided in the Series 2021 Bonds form in this Ordinance.

The Series 2021 Bonds shall be subject to optional redemption by the Issuer with the prior written approval of the Authority and on such terms as may be required by the Authority.

The City Clerk shall record on the registration books payment by the Issuer of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the City Clerk.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2021 Bonds, the Authority shall deliver the Series 2021 Bonds to the Issuer for cancellation.

<u>Section 6</u>. <u>Execution of Series 2021 Bonds</u>. The Series 2021 Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the Issuer or facsimile thereof

City of Cadillac Resolution No. 2021-___ Page 27 of 37

impressed thereon. The Series 2021 Bonds bearing the manual or facsimile signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

<u>Section 7.</u> Registration and Transfer. Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the transfer agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the transfer agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The transfer agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Series 2021 Bonds contained in Section 13 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the transfer agent may pay the same without surrender thereof.

Section 8. Payment of Series 2021 Bonds; Security; Priority of Lien. Principal of and interest on the Series 2021 Bonds shall be payable from the Net Revenues and, after taking into account the Net Revenues, ad valorem taxes levied on all taxable property in the Issuer's boundaries. There is hereby recognized the statutory lien upon the whole of the Net Revenues created by this Ordinance which shall be a lien that is junior and subordinate to the lien of the Senior Lien Bonds created by the Prior Ordinances, to continue until payment in full of the

City of Cadillac Resolution No. 2021-___ Page 28 of 37

principal of and interest on all Bonds payable from the Net Revenues, or until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under the Prior Ordinances or this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under the Prior Ordinances or this Ordinance.

Section 9. Management; Fiscal Year. The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the Issuer. The Issuer may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Issuer may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which shall coincide with the Issuer's fiscal year.

<u>Section 10</u>. <u>Rates and Charges; No Free Service</u>. The rates and charges for service furnished by the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm, or corporation, public or private, or to any public agency or instrumentality, including the Issuer.

Section 11. Funds and Accounts; Flow of Funds. The funds and accounts established by the Prior Ordinances are hereby continued, the flow of funds established by the Prior Ordinances, as amended, is hereby continued, and the applicable sections of the Prior Ordinances, as amended, relating to funds and accounts and flow of funds are incorporated herein by reference as if fully set forth.

Section 12. Bond Proceeds. The proceeds of the sale of the Series 2021 Bonds as received by the Issuer shall be deposited in a separate account in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021 CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project and any engineering, legal and other expenses incident thereto and to the financing thereof.

<u>Section 13</u>. <u>Bond Form</u>. The Series 2021 Bonds shall be in substantially the form of the attached Exhibit A, with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance.

<u>Section 14.</u> <u>Bondholders' Rights; Receiver.</u> The holder or holders of the Bonds representing in the aggregate not less than twenty per cent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and

City of Cadillac Resolution No. 2021-___ Page 29 of 37

enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest upon the Series 2021 Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Series 2021 Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Series 2021 Bonds and the security therefor.

<u>Section 15</u>. <u>Additional Bonds</u>. The Issuer may issue additional bonds of equal standing with the Series 2021 Bonds for the following purposes and subject to the following conditions:

- (a) To complete the Project in accordance with the plans and specifications therefor. Such bonds shall not be authorized unless the engineers in charge of construction shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the Issuer, it shall be the duty of the Issuer to provide for and issue additional revenue bonds in the amount stated in said certificate to be necessary to complete the Project in accordance with the plans and specifications plus an amount necessary to issue such bonds or to provide for part or all of such amount from other sources.
- (b) For subsequent repairs, extensions, enlargements and improvements to the System and for the purpose of refunding part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds. Junior Lien Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the then last two (2) preceding twelve-month operating years or the Adjusted Net Revenues for the last preceding twelve-month operating year, if the same shall be lower than the average, shall be equal to at least one hundred percent (100%) of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Senior Lien Bonds, Junior Lien Bonds and on the additional Bonds then being issued. If the additional Junior Lien Bonds are to be issued in whole or in part for refunding outstanding Junior Lien Bonds, the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Junior Lien Bonds to be refunded from the proceeds of the additional Junior Lien Bonds. For purposes of this subparagraph (b), the Issuer may elect

City of Cadillac Resolution No. 2021-___ Page 30 of 37

to use as the last preceding operating year any operating year ending not more than sixteen (16) months prior to the date of delivery of the additional Junior Lien Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight (28) months prior to the date of delivery of the additional Junior Lien Bonds. Determination by the Issuer as to existence of conditions permitting the issuance of additional Junior Lien Bonds shall be conclusive. No additional Junior Lien Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in this subparagraph if the Issuer shall then be in default in making its required payments to the operation and maintenance fund of the System.

- (c) For refunding a part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds including deposits which may be required to be made to the bond reserve account for such Junior Lien Bonds. No additional Junior Lien Bonds shall be issued pursuant to this subsection unless the maximum amount of principal and interest maturing in any operating year after giving effect to the refunding shall be less than the maximum amount of principal and interest maturing in any operating year prior to giving effect to the refunding.
- Section 16. Negotiated Sale; Application to EGLE and Authority; Execution of Documents. The Issuer determines that it is in the best interest of the Issuer to negotiate the sale of the Series 2021 Bonds to the Authority because the State Drinking Water Revolving Fund and other financing programs provide significant interest savings to the Issuer compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the EGLE for placement of the Series 2021 Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Series 2021 Bonds prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to execute and deliver the Purchase Contract, the Supplemental Agreement, the Issuer's Certificate and any other appropriate documents. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2021 Bonds for the Drinking Water Revolving Fund or other programs.
- Section 17. Covenant Regarding Tax Exempt Status of the Bonds. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exemption of the interest on the Series 2021 Bonds from general federal income taxation (as opposed to any alternative minimum or other indirect taxation) under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Series 2021 Bond proceeds and moneys deemed to be Bond proceeds.
- <u>Section 18.</u> <u>Approval of Bond Counsel</u>. The representation of the Issuer by Foster, Swift, Collins, & Smith, P.C. ("Foster Swift"), as bond counsel is hereby approved.
- <u>Section 19</u>. <u>Approval of Bond Details</u>. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to

City of Cadillac Resolution No. 2021-___ Page 31 of 37

exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of Series 2021 Bonds issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2021 Bonds shall not exceed two and one-eighths percent (2.125%) per annum, and the Series 2021 Bonds shall mature in not more than forty (40) annual installments.

- <u>Section 20</u>. <u>Savings Clause</u>. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.
- Section 21. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.
- Section 22. <u>Publication and Recordation</u>. This Ordinance shall be published in full in the *Cadillac Evening News*, a newspaper of general circulation of the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and the City Clerk.
- <u>Section 23</u>. <u>Effective Date</u>. This Ordinance shall be effective upon its adoption and publication.

City of Cadillac Resolution No. 2021-___ Page 32 of 37

EXHIBIT A

UNITED STATES OF AMERICA STATE OF MICHIGAN COUNTY OF WEXFORD

CITY OF CADILLAC

WATER SUPPLY SYSTEM REVENUE BONDS (JUNIOR LIEN), SERIES 2021

REGISTERED OWNER:	Michigan Finance Authority	
PRINCIPAL AMOUNT:		Dollars (\$,000)
DATE OF ORIGINAL ISSU	UE:, 2021	

The CITY OF CADILLAC, County of Wexford, State of Michigan (the "City"), for value received, hereby promises to pay, out of the hereinafter described Net Revenues of the City's Water Supply (hereinafter defined), to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid prior thereto as hereinafter provided.

During the time the Principal Amount is being drawn down by the City under this bond, the Authority will periodically provide to the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this bond.

City of Cadillac Resolution No. 2021-___ Page 33 of 37

Notwithstanding any other provision of this bond, as long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at such place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least thirty (30) days prior to the date on which such redemption is to be made.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent (2%) above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

For prompt payment of principal and interest on this bond, the City has irrevocably pledged the revenues of the Water Supply System of the City, including all appurtenances, extensions and improvements thereto (the "System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory lien thereon is hereby recognized and created which is junior in standing and priority of lien as to the prior lien of the City's Water Supply and Wastewater System Junior Lien Revenue Bond, Series 2007, Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2011, and Water Supply and Wastewater System Revenue and Revenue Refunding Bonds, Series 2013 (together, the "Outstanding Bonds") of the City and of any additional bonds of the City of equal standing and priority of lien with the Outstanding Bonds.

This bond is a single, fully-registered, non-convertible bond in the principal sum indicated above issued pursuant to Ordinance No. _____ duly adopted by the City Council of the City (the "Ordinance") and the Prior Ordinances and resolutions authorizing issuance of the Outstanding Bonds (the "Prior Ordinances"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying part of the cost of acquiring and constructing additions, extensions and improvements to the System of the City.

City of Cadillac Resolution No. 2021-___ Page 34 of 37

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of superior and equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinance and the Prior Ordinances.

This bond is a self-liquidating bond, payable, both as to principal and interest, from the Net Revenues of the System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The City has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this bond and any bonds of equal standing with this bond, the Outstanding Bonds and any additional bonds of equal standing with the Outstanding Bonds, as and when the same shall become due and payable, and to maintain a bond redemption fund (including, except for bonds of this issue, a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance and the Prior Ordinances.

Principal installments of this bond are subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

This bond is transferable only upon the books of the City by the registered owner in person or the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the transfer agent, duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance, and upon payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

City of Cadillac	
Resolution No. 2021	
Page 35 of 37	

IN WITNESS WHEREOF, the City of Cadillac, County of Wexford, State of Michigan, by its City Council has caused this bond to be executed with the manual or facsimile signatures of its Mayor and its City Clerk and the corporate seal of the City to be impressed hereon, all as of the Date of Original Issue.

CITY OF CADILLAC

(Seal)	By SAMPLE Carla J. Filkins Mayor
Countersigned:	
_SAMPLE	
Sandra Wasson, City Clerk	

City of Cadillac Resolution No. 2021-___ Page 36 of 37

SCHEDULE A

Based on the schedule provided below, unless revised as provided in this paragraph or the Ordinance, repayment of the principal of the bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer. Interest on the bond shall accrue on principal disbursed by the Authority to the Issuer from the date principal is disbursed, until paid, at the rate of 2.125% per annum, payable October 1, 2021, and on each April 1, June 30, and October 1 thereafter.

Maturity Date	Principal A
April 1, 2023	To Be Determin
April 1, 2024	Authorized Offi
April 1, 2025	each Principal A
April 1, 2026	•
April 1, 2027	
April 1, 2028	
April 1, 2029	
April 1, 2030	
April 1, 2031	
April 1, 2032	
April 1, 2033	
April 1, 2034	
April 1, 2035	
April 1, 2036	
April 1, 2037	
April 1, 2038	
April 1, 2039	
April 1, 2040	
April 1, 2041	
April 1, 2042	
April 1, 2043	
April 1, 2044	
April 1, 2045	
April 1, 2046	
April 1, 2047	
April 1, 2048	
April 1, 2049	
April 1, 2050	
April 1, 2051	

April 1, 2052

mount

ned by an ficer as to Amount.

City of Cadillac Resolution No. 2021-___ Page 37 of 37

CITY COUNCIL OF THE CITY OF CADILLAC, MICHIGAN

By: Sandra Wasson, City Clerk Cadillac Municipal Complex 200 North Lake Street Cadillac, Michigan 49601 Telephone No: (231) 775-0181



Cadillac Planning Commission November 23, 2020 Meeting Minutes

Call to Order

Chairman Putvin called the meeting to order at 6:00 PM. The meeting was held virtually on GoToMeeting.com due to the current State of Michigan restrictions on public gatherings and meetings due to COVID-19.

Roll Call

Planning Commission: Filkins, Bunce, Bosscher, Baumann, Fent, Putvin, Schultz joined the meeting later during the public hearing presentation by staff

Staff: Peccia, Wallace, Coy

Approval of Agenda for November 23, 2020

- Motion by Baumann to approve agenda as presented. Support by Bunce. Approved unanimously on a roll call vote.

Public Comments – None

Bosscher spoke and asked that he be recused from the public hearing on the motion for the Special Land Use at 403 E. North Street. He owns a residential property directly across E. North Street from the church and would like to speak during the public comments open to the public.

Approval of October 26, 2020 Meeting Minutes

- Motion by Filkins to approve the October 26, 2020 minutes with no changes. Support by Baumann. Approved unanimously on a roll call vote.

<u>Public Hearings - Public Hearing to consider a Special Land Use (SLU) to allow for an early education, childcare facility at 403 E. North Street. Site of the former Crown of Life Evangelical Church</u>

Kelly Stockfisch, Facilities Coordinator with the Northwest Michigan Community Action Agency (NMCAA) who manages the Head Start Early Education facilities in a ten-county northern Michigan region attended virtually to answer questions about the program in northern Michigan.

Putvin turned the meeting over to Coy who discussed the staff report he put together on this SLU application. He explained that the group (US 131 Group, LLC) who is planning to purchase the former church will in turn lease the church building and property to the Northwest Michigan Community Action Agency. They will have four classrooms, two for Head Start pre-school and two for early education of toddlers three years of age and younger at this location. This type of

early education, child-care facility is listed as a use permitted subject to special conditions in section 46-164 of the City of Cadillac Zoning Ordinance.

403 E. North Street is zoned R-3 One-family residential and the property is 28,800 square feet in size making it a conforming sized lot for the R-3 zoning. The church building is approximately 3,600 square feet in size on both the main level and basement level. Coy added the site has adequate space for the needed parking and outdoor play area.

Coy also explained that the residential home immediately east of the church was owned by the church and sold earlier this year to a family. The only access to the garage of the home is through the church parking lot and a permanent easement agreement for them to have access through the church parking lot was included in the sale.

Coy stated that a public notice was put in the Cadillac News and was mailed to residents and property owners within 300 feet of the location not less that 15 days prior to this meeting. Coy concluded by saying that staff feels the application for this SLU meets the conditions listed in the Basis for Determination and Standards for Compliance in the ordinance (Sec. 46-747). Staff recommends approval.

Wallace spoke next and using a power-point presentation showed pictures of the church and site. He also showed an aerial GIS of the site along with a preliminary site plan the applicant provided showing where the outdoor play area will be.

Stockfisch with the NMCCA was invited to speak about the planned use of the church for Head Start early education classrooms and to answer questions. She explained that they currently have three Head Start learning centers in Cadillac. One is on Lincoln Street, a second is at their offices on Marty Paul Street, and the third is at Kenwood Elementary. Each has two classrooms. The NMCCA runs 38 Head Start programs in their ten-county area of service. They are losing the two classrooms at Kenwood Elementary at the end of this school year and need to find a new location. She said the East North Street site is especially attractive because it's size will allow them to have four classrooms. They received a federal grant for an Early Head Start program which are toddlers age three and younger. Cadillac is in an economically lower income zone as defined by the federal government and we have an intense need for Early Head Start programming. The classrooms for the younger children have eight in each class while the preschooler classrooms have 18 children in them. Their agency has a waiting list here in Cadillac for the Head Start Program.

- Ouestions:

- o Coy asked what the hours of operation will be?
 - Response: Stockfisch answered it will be primarily from 8:00AM until 3:30 PM. The regular Head Start programming runs during the school year. The early education classes for toddlers will run year-round.
- O Bunce asked about the outdoor playground space requirement.
 - Response: Stockfisch explained that the Head Start state requirement allows for less outdoor play space than the city ordinance minimum requirement

of 5,000 square feet. She added this site has plenty of space to meet the city requirement.

-

- Open to Public by John Putvin:

- o Sander Scott representing Coldwell Banker Realty said the Head Start scoring system for funding looks at walkable neighborhoods favorably. This neighborhood has sidewalks.
- o Kersten Bosscher spoke against the application for a SLU. She lives with her three children across East North Street from the church. She has concerns about traffic during the week and that it may attract a lower income element to the neighborhood.
- o Lou Anne Nickson spoke and said she is against the SLU approval.
- o Michell Maidens with Coldwell Banker Realty spoke and said she feels this is a great space for children who would attend.
- o Greg Bosscher spoke against the SLU saying his concerns were with increased traffic, noise from children playing and how this may change the community.
- O A person by the name of Chelsea spoke and said the traffic will not be much different than when McKinley Elementary School was open.
- Nikki Schultz spoke and said she sees more positive sides to this proposed use compared to any negatives.
- Kimberly Steinacker spoke and said the Head Start Lincoln Street site is enjoyable to watch when the children are outdoors playing.
- o Kersten Bosscher spoke and again mentioned her concerns for safety. She added there are tow trucks being driven down the alley behind the church.
- o Putvin asked if the children in the program are from low income families.
- o Stockfisch spoke and said they are a federally funded program and most families would fall under low income.
- o Fent mentioned if the maximum number of children is 52 will this increase traffic.
- O Stockfisch said some of the children will use public transportation and they expect some neighborhood families to walk their children to school.
- o Baumann questioned whether this should not be a use permitted by right.
- It was suggested that public comment be closed for Planning Commission discussion.

Public Comment Closed by John Putvin

Bunce spoke and said he lives in the neighborhood. Two vacant buildings in this neighborhood is not good and both are deteriorating. The vacant McKinley Elementary School is having vandalism problems. He added that the traffic will be less than when McKinley School was open.

Filkins spoke and said she felt this will be a good use for the vacant church and added there is a need for additional preschool education in our community.

Putvin spoke and said there is another church in this area of town that turned it into apartments.

Fent asked what other uses could this be used for?

Coy spoke and said he's received inquiries about this church and whether it could be turned into multiple apartments.

Public Hearing Closed

- Vote
 - o Motion by Bunce to approve the Special Land Use application to allow for a Head Start Early Education program and child daycare facility at 403 East North Street with a condition that staff (Site Plan Review Committee) approve the site plan showing adequate play area, fencing, and parking.
 - Motion by Bunce
 - Support by Fent
 - The motion was approved unanimously on a roll call vote. Bosscher earlier in the meeting recused himself.

New Business - None

Old Business - None

Board Members Comments - None

Communications – None

<u>Public Comments – None</u>

Other Business - None

<u>Adjourn</u>

- Adjourned at 7:37 pm.



Cadillac Planning Commission January 11, 2021 Meeting Minutes

Call to Order

Chairman Putvin called the meeting to order at 6:00 PM.

Roll Call

Planning Commission: Filkins, Schultz, Bunce, Bosscher, Baumann, Fent, Putvin Staff: Peccia, Wallace, Coy, Pluger

Approval of Agenda for November 23, 2020

- Motion by Baumann to approve agenda with correction of taking out approval of minutes
- Supported by Bunce.
- Approved unanimously.

Public Comments – None

<u>Public Hearings –</u>

New Business –

- **A.** Motion to approve Resolution No. 2021-01, RESOLUTION TO APPROVE LOT DIVISION WITHIN JAMES E. POTVIN INDUSTRIAL PARK AND RECOMMEND APPROVAL TO THE CADILLAC CITY COUNCIL.
 - **a.** Presentation by Peccia on land swap describing the need of Spencer Plastics to expand. Explained that Consumer's Energy owns neighboring lot. In order to allow the expansion, the City would like to swap land with Consumers and then sell that land to Spencer Plastics to allow for both to expand.
 - **b.** Motion read by Wallace
 - c. Motion by Baumann, supported by Bunce and Approved unanimously.

Old Business – None

Board Members Comments – None

Communications – None

Public Comments – None

Other Business – None

Adjourn

- Adjourned at 6:18 pm.

APPROVAL OF AGENDA

Approve agenda for December 9th, 2020.

II. MINUTES/REPORTS

A. Meeting minutes from October 28th, 2020

Motion to approve Coffey second Cinco None opposed

B. City Manager

a. Financial Report

Motion Coffey – Second Crawley

None opposed

- b. Transmittal
- c. General Updates

C. Director Report

a. Sidewalk and Bicycle Zoning Amendment-proposed ordinance

City approved that all new commercial development will be required to add sidewalks and bike racks if they build. This helps us meet requirements with the Master Plan and the RRC.

Q- LeVand – did council address the definition of a bike path to accommodate motorized bikes and scooters etc.

A- This addressed just new construction, not types of bikes.

Discussion – Should the DDA do research about the electric bikes? LeVand and Wallace stated research should be done. Coy commented that the state of MI has some recommendations set up for bike trails. LeVand mention city streets could do different than bike trails.

b. Allowing Mixed-Use Projects "by right" in the downtown-proposed ordinance

Will also be making downtown a mixed use – mixed use projects won't require Special Land Use anymore.

c. Krist Oil Convenience Store and Gasoline Service-Update

have gotten building permits and we anticipate construction to start soon.

d. 412 S. Mitchell Street-update

- interior is complete and looks good. We believe he is waiting until spring to open due to COVID shut down and restrictions

e. New Owner of 805-815 N. Mitchell Street (Shopping Plaza with Sherwin Williams Paint)

Met with owner – hoping to get complete usage and making minor changes to the building. And wants to bring neighborhood-oriented businesses.

f. Ben Bigelow Building-update

lots of concern from citizens about the construction materials surrounding the building. John will follow up in January if it is not removed.

g. Cadillac Castle-update

he has been unsuccessful in getting tax credits so far – 3 failed attempts. The City is now assisting him by providing

h. Peterson Funeral Home parking lot expansion

expanding parking lot and taking down some vacant homes – saving elements of the historical elements of the homes.

Commented about Mike Blackmere speaking with the City about purchasing the Chef Herman buildings. Wanted to know if the City could upgrade the alley behind the building.

Also working with Chamber Leadership Group. A proposal will be happening next week to upgrade the structure around the Shay Locomotive. This would be about \$60K upgrades. We couldn't get the matching grant we were hoping for.

Q- LeVand – Has Herman's sold officially? Wallace – this was not official but there are talks.

Q- LeVand – Any update on the boundary expansion. Wallace – want to review further in January. He recently learned at a conference about dual track assessments for DDA. Other cities are incorporating the extended district, but don't actually move the boundaries. Or this could be merged with the zoning ordinances that will be coming.

Q- LeVand – any updates from Cadillac Lofts occupancy or demo? Recently told they are at over 50% occupancy and expect it to increase quickly.

Q- LeVand – Any Northwood Project updates? Wallace – it is heating up again. Owner has been communicating with the City again about the parking assessment. Peccia – Follow up meeting took place. Still unclear if the project will happen or not. Would be mixed use

III. COMMITTEE REPORT/UPDATE - None.

IV. OLD BUSINESS -

A. Parking Assessment Update - Levy not due until March 2022

Work continues but we don't have to rush. Abby has secured floor plans, Coy has connected with businesses and is reviewing the floor plans, then Wallace will review as well. Have to review how we are assessing the odd spaces in certain buildings.

Q- Huckle – can we discuss places where public can't go? He has spaces for storage and not accessible. Should we reassess the building remodels that have taken place? Wallace – storage isn't necessarily in questions – it would be places like basements, unheated spaces, places that don't meet code.

Q-LeVand – Always felt rushed in the past to make decisions and wants to move forward and not delay. Wallace – no we are not stopping work and are keeping moving. LeVand Wants Parking Committee to meet in February -is that possible? Wallace wants to wait until January to make that decision

B. Legal Opinion of Parking Fund/Owning Property for Parking

Wallace – have not received an update from our legal team. Found documents from the last time we updated this fund. His initial thoughts were that the money could not be used to purchase land, but he wants to do a complete review.

- LeVand wants to use the funds more aggressively next year since we can't use it for anything but maintenance.
- Payne this year some maintenance was delayed due to COVID
- Peccia there could be an amendment or change to allow this if DDA wanted to move forward. Reminder that COVID has affected our staffing and movement but hopefully next year will get back to normal.

C. Snow Removal letter waiting for more suggestions

Wallace – Only one recommendation was made. Hoping for at least 2 more names to add to that list before a letter is sent out. Huckle suggested getting in contact with Old City Hall or Huntington Bank.

- LeVand – Comment that there appears to much more lights around the commons and it looks good. Payne stated that \$700 out of the \$800 budget was used to add to the Commons. LeVand asked if the Garland used on the lamps could be replaced next year because they look sparse.

V. NEW BUSINESS

A. Request to add 2 new overnight parking spaces at 206 E. Harris

Wallace – last year 2 spaces were added behind the DEQ building and there are lots of request for overnight spaces throughout the City.

Q- Huckle – are there rules about how often they have to move? Discussion followed about rules for overnight parking. Wallace agreed to find out the rules about how long they can stay.

Huckle agreed it would be a good update.

Q-Where at in the lot are they going to be placed? Wallace stated that he would leave it to street department. Discussion followed that the lot isn't utilized much.

Motion to Approve – Seconded Barnes None Opposed

B. Marcus discussed a request from business owner to have a new parking system – possible valet.

Discussion about what spaces would be used for this. Peccia stated this is very informal and nothing specific has been discussed.

- C. Peccia updated about the State of Emergency discussed at council
 - a. State of Michigan open meetings act is currently under review by house and senate, however the ability to meet electronically is expiring. If city declares State of Emergency then meetings could continue to be virtual as DHHS has a limit on # of people @ in person meetings.

VI. COMMUNICATIONS/OTHER ITEMS

Pluger presented the opportunity for having cardboard picked up. — Discussion ensued about if the City businesses would be interested in this. Barnes and Huckle agreed it would be a good thing. Suggested setting up a meeting with Miss

VII. PUBLIC COMMENTS

VIII. ADJOURNMENT