Any interested person may attend and participate. Persons with disabilities needing accommodations to participate should call the City Clerk's office at (906) 635-5261 a week in advance.

SAULT STE. MARIE CITY COMMISSION
CITY HALL
225 E. PORTAGE AVENUE
SAULT STE. MARIE, MICHIGAN 49783
(906) 635-5261
www.saultcity.com

AGENDA

05/07/2018

7:00 PM Regular City Commission

Call to Order
Roll Call
Pledge of Allegiance

1. **PUBLIC COMMENT ON SCHEDULED AGENDA ITEMS - ANY PERSON MAY RESERVE TIME TO SPEAK ON ANY AGENDA ITEM NOT TO EXCEED THREE MINUTES PER PERSON**

2. **CONSENT AGENDA:**

A. Minute Approval:

1. Approval of the minutes of the regular City Commission meeting of April 16, 2018, Budget Work Session of April 17, 2018, and Special City Commission Meeting of April 23, 2018. RECOMMENDED ACTION: approve the minutes of the regular City Commission meeting of April 16, 2018, Budget Work Session of April 17, 2018, and Special City Commission Meeting of April 23, 2018

2. Acceptance of the minutes of the following boards and commissions. RECOMMENDED ACTION: accept the minutes of the various boards and commissions

a. Airport Advisory Board - March 8, 2018

b. Local Development Finance Authority - November 1, 2017

c. Planning Commission Meeting - April 12, 2018

d. Police and Fire Pension Board - March 21, 2018

e. Sault Ste Marie Housing Commission - March 22, 2018

f. Zoning Board of Appeals - March 15, 2018

B. Appointments and Resignations:

1. Resignation from the Community Services Board. RECOMMENDED ACTION: Accept the resignation of Ken LaJoie from the Community Services Board for a term that is set to expire July 1, 2018 and Send a Letter of Thanks for his Service

C. Communications:

1. From the Downtown Development Authority - Capital Project Budget Amendment for Light Pole Repairs on Ashmun and Portage. RECOMMENDED ACTION: Amend the Capital Project "Light Pole Repairs - Ashmun and Portage" to Increase the Amount Set aside for the Project from $4,000 to $5,000 Authorizing a Corresponding Budget Amendment

2. From the Historic Structures Management Committee - Budget Amendment Request. RECOMMENDED ACTION: Approve a Transfer of $4,200 from Historic Structures operating funds to the Johnston Historic Structure Dormer Removal Project as presented.

D. Special Orders of Business:

1. Scheduling a Public Hearing for SL-1N-18 and SL-1W-18 to Confirm Single Lot Special Assessments. RECOMMENDED ACTION: Set a Public Hearing date on the confirmation of SL-1N-18 and SL-1W-18 for June 4, 2018

3. SPECIAL ORDERS OF BUSINESS:

A. Introduction of a Proposed Budget for the Fiscal Year Beginning July 1, 2018 and Ending June 30, 2019 and Schedule Public Hearings for the May 21, 2018 City Commission Meeting

4. COMMUNICATIONS:

A. From Ordinance Evaluation Committee - First Reading on Ordinances Enacting Changes to Chapter 15 and Chapter 16 of the City Code

B. From the Planning Commission - Recommendation to Adopt the 2018-2038 City of Sault Ste. Marie Master Plan

5. CITY MANAGER'S REPORT:

A. Approval to Apply for a Michigan Transportation Economic Development Funds Grant for Salmon Run Way

B. Approval of Parking Garage Fees

C. Authorize a One (1) Year Extension of the Operation/Management Agreement for the George Kemp Downtown Marina with Le Sault De Sainte Marie Historic Sites, Inc., as presented, for the 2018 Season Ending December 31, 2018

D. Authorization to Research Litigation Related to the Opioid Epidemic

E. Approval to Enter into Closed Session to Discuss Collective Bargaining

6. STATUS REPORT:

A. Form-Based Code Charrette Update

B. Safer Sault Streets

7. MATTERS PRESENTED BY THE PUBLIC (COMMENTS MAY NOT EXCEED FIVE MINUTES PER PERSON):

8. MATTERS PRESENTED BY THE CITY COMMISSION:

9. ADJOURNMENT:

A regular meeting of the City Commission was held in the Commission Room of the City Hall, 225 East Portage Avenue, Sault Ste. Marie, Michigan on Monday, April 16 2018 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, Twardy
Absent: None
Also Present: City Manager Turner, City Attorney Cannello, City Clerk Robin Troyer, and various department heads.

CONSENT AGENDA:

Moved by Commissioner Twardy, supported by Commissioner Talentino

That the following consent agenda items be approved:

Minute Approval:

That the minutes of the regular City Commission meeting of April 2, 2018, be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

a. Community Services Board – March 27, 2018
b. Economic Development Corporation – March 13, 2018
c. Planning Commission Meeting – January 25, 2018
d. Planning Commission Meeting – February 22, 2018
e. Planning Commission Meeting – March 22, 2018
f. Tax Increment Finance Authority III – February 13, 2018

Communications:

That the City Commission direct City Administration to draft necessary ordinances, which would enact presented changes to Chapter 15 and Chapter 16 of the City of Sault Ste. Marie's codified ordinances and return this matter to the City Commission at a future meeting for further action.

Carried: Yeas: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, and Twardy
Nays: None

SPECIAL ORDERS OF BUSINESS:

SUBMISSION OF THE CITY MANAGER'S RECOMMENDED BUDGET FOR THE 2018-2019 FISCAL YEAR AND THE 2019-2020 FISCAL YEAR

Section 8.2 of the City Charter provides that the City Manager will submit a budget to the City Commission on the third Monday in April of each year. Upon the receipt of the City Manager's proposed budget, the City Commission has traditionally reviewed the budget during at least one work session. For 2018, the dates of Tuesday, April 17, 2018, Wednesday, April 18, 2018 and Thursday, April 19, 2018 have been chosen for such work sessions, with the Wednesday, April 18, 2018 and Thursday, April 19, 2018 work sessions being held only if needed. All work sessions are scheduled to start at 4:15 p.m. on these dates.

Following the work session(s), the City Commission will meet on Monday, April 23, 2018 at 4:15 p.m. to reconcile any modifications to the recommended budget that are suggested during the budget work session(s). Thereafter, the City Commission will take action at its May 7, 2018 Regular Meeting to formally introduce and propose the reconciled budget for adoption. During its May 7, 2018 Regular Meeting, the Commission will also take action to schedule a public hearing for the May 21, 2018 Regular Meeting during which time public comments can be received regarding the budget and after which time the Commission may formally adopt the Fiscal Year 2018-2019 Budget.

It should be noted that with the continued implementation of a two year budget by City Administration, the City Commission would still only be taking action at its May 21, 2018 meeting to adopt the budget and associated appropriations for the 2018-2019 Fiscal Year in accordance with the City Charter and the General Appropriations Act whereas the budget appropriations for the 2019-2020 Fiscal Year would be approved on a projected basis.

Distributed budget materials include detailed budget worksheets for all of the City's operating funds; details for all capital equipment purchase requests; details for all capital project requests; and proposed water and sewer rates for the upcoming two fiscal years. The associated budget message will be distributed to the Commission and public by Monday, May 7, 2018.

City Administration appreciates the time devoted by members of the City Commission to the budget development and adoption process.

Moved by Commissioner Gerrie, supported by Commissioner Miller

That the City Commission formally receive the City Manager's proposed budget.

That the City Commission confirm the budget work session to be held on Tuesday, April 17, 2018 at 4:15 p.m. in the City Commission chambers and additional work sessions to be held, if needed, on Wednesday, April 18, 2018 and Thursday, April

19, 2018 at 4:15 p.m. in the City Commission Chambers as well as the Special Meeting to be held on Monday April 23, 2018 at 4:15 p.m. in the City Commission chambers to reconcile the budget for formal approval during the month of May 2018.

Carried: Yeas: Commissioner Baker, Collins, Gerrie, Miller, Talentino, Twardy, and Mayor Bosbous
Nays: None

PUBLIC HEARING ON CONFIRMATION OF SPECIAL ASSESSMENT ROLL FOR SIDEWALK CONSTRUCTION IN I-75 BUSINESS SPUR (10TH AVENUE TO THE 3 MILE ROAD ROUNDABOUT) (SW-01-18)

At its February 5, 2018 Regular Meeting, the City Commission conducted a Public Hearing of Necessity on the a sidewalk construction project that is a part of the I75 Business Spur reconstruction project. The City Commission subsequently adopted the associated Resolution Ordering Public Improvement at its Regular Meeting held on March 19, 2018.

In February, at the time of the Public Hearing of Necessity, notices reflected an estimate of $8.00 per square foot for construction with affected property owners being charged an estimated 50% (or $4.00 per square foot).

However, in March, when the Resolution Ordering Public Improvement was adopted, it was estimated that the cost per square foot may be closer to $6.00, which would result in a $3.00 per square foot Special Assessment for affected property owners.

The bidding process is now complete, and the actual bid price per square foot for the construction came in at $3.24 per square foot for 4” concrete, and $4.26 per square foot for the 6” concrete that is placed through driveways; both prices include sand sub-base.

The Special Assessment costs per square foot for 4” and 6” concrete are now $1.62 and $2.13 respectively. This is a significant savings compared to the cost of concrete sidewalks if they had been constructed outside of this larger MDOT project.

In order to comply with the Hearing Requirements of Chapter 21, Special Assessments, a Notice of the Public Hearing on the Special Assessment Roll for this project has been sent to each affected property owner by the City Engineering Department.

This notice advises the property owners of their respective assessment amounts, the time and place for the Public Hearing and the method of collecting Special Assessments. A notice of the Public Hearing was also published in accordance with Chapter 21 of the City’s Code of Ordinances.

The total City share of sidewalks within the MDOT project is approximately $156,000 for which the total amount to be assessed to the adjoining property owners is approximately $46,000.

City Engineer Basista presented on this matter.

Mayor Bosbous conducted a Public Hearing on the Special Assessment Roll for the proposed sidewalk project: (SW-01-18). There were no comments from the public therefore the following action was taken:

Moved by Commissioner Talentino, supported by Commissioner Gerrie

RESOLUTION CONFIRMING SPECIAL ASSESSMENT ROLL

I-75 BS Sidewalk (10th Street to 3 Mile Roundabout) (SW-01-18)

WHEREAS, this is the time and the place and the meeting of the City Commission set for considering and taking action upon sidewalk construction work on the I-75 Business Spur from 10th Street to the 3 Mile Roundabout designated as Special Assessment Roll No. SW-01-18.

WHEREAS, this Commission has duly heard and considered all suggestions, protests and petitions in reference to the suggested improvements, together with all matters pertaining thereto.

BE IT THEREFORE RESOLVED, that a portion of the estimated cost for the project shall be paid for by the City at large, and that a portion of the cost shall be assessed against the adjacent benefiting properties according to foot frontage, said costs to be assessed in ten (10) annual installments with interest to be assessed on the unpaid balance at the rate **5.75 percent;**

The following described property is hereby fixed as the district over which the assessment to pay the cost and expense thereof shall be levied:

PROPERTY DESCRIPTION

051-513-001-00	051-063-021-00	051-717-020-00	051-187-001-00
051-063-032-00	051-615-022-00	051-048-032-00	051-063-026-00
051-609-001-00	051-063-024-00	051-715-016-00	051-252-009-00
051-715-011-00	051-608-025-00	051-609-002-00	051-615-001-00
051-048-030-00	051-714-021-00	051-063-031-00	051-186-004-00
051-513-021-00	051-186-001-00	051-717-001-00	051-063-034-00
051-183-002-00	051-252-008-00	051-183-001-50	051-183-006-00
051-251-008-00	051-714-017-00	051-502-001-00	051-711-025-00

BE IT FURTHER RESOLVED, that the period of usefulness is determined to be

Twenty (20) years and upwards.

BE IT FURTHER RESOLVED, that the City's portion of the cost and expense of such improvement shall be met from monies appropriated for such purpose, and that the remaining sum shall be paid from Special Assessments to be levied therefore.

Carried: Yeas: Commissioner Collins, Gerrie, Miller, Talentino, Twardy, Mayor Bosbous, and Commissioner Baker
Nays: None

ADOPTION OF AN ORDINANCE AMENDING A PAYMENT-IN-LIEU-OF-TAXES ORDINANCE PREVIOUSLY APPROVED FOR THE PROPOSED OSBORN COMMONS PROJECT

As Commissioners are aware, Mr. Craig Patterson, a Senior Vice President with The Woda Group, Inc., has approached the City of Sault Ste. Marie with a request that the City amend the duly adopted Payment-In-Lieu-of-Taxes ordinance for the proposed Osborn Commons Development that a majority of the City Commission approved in March 2017.

A communication dated January 29, 2018 from Mr. Patterson outlining this request has been included. Specifically, this communication requests that the City amend the ordinance to extend its duration by roughly one year.

As noted by Mr. Patterson, The Woda Group, Inc. has not, to date, received approval from the Michigan State Housing Development Authority (MSHDA) for low-income housing tax credit (LIHTC) financing for the proposed Osborn Commons development. The Woda Group, Inc., however, was encouraged by scoring on its most recently scored application.

Concurrently, Mr. Patterson is concerned that even if MSHDA were to approve LIHTC financing that the delay in MSHDA awarding such financing could cause construction to commence at a time that would not meet the requirements of the existing ordinance.

As Commissioners are aware, Section 9 of the referenced ordinance states in pertinent part that 'This section shall remain in effect provided; that the rehabilitation of the housing development commences within two (2) years from the date this Ordinance is adopted'.

As such, under the existing language, the Woda Group, Inc. would have until March 20, 2019 for the Osborn Commons development to commence. Extending the period of time within which The Woda Group, Inc. could commence construction could address its concerns about starting the proposed project within the authorized period of time given the possibility it may receive approval from MSHDA for LIHTC financing at a

date later than it had originally pursued.

Significant additional information relating to this request was included in the agenda packet for the February 5, 2018 Regular Meeting of the City Commission and can be provided upon request to any Commissioner or member of the public. This information included:

- The duly adopted Payment-In-Lieu-of-Taxes ordinance for the proposed Osborn Commons development (included in this packet as well);
- The executed Municipal Services Agreement for the proposed Osborn Commons development [as revised and approved for execution at the September 25, 2017 City Commission meeting];
- The minutes from the March 6, 2017 and the March 20, 2017 Regular Meetings of the City Commission during which the City Commission considered the proposed Osborn Commons development and took various actions on the same;
- The background information included previously for review by the City Commission on the proposed development;
- And the minutes from the September 25, 2017 Special Meeting of the City Commission during which the City Commission approved the amended form of the Municipal Services Agreement as well as a project related guaranty.

Additional project related information, including the previously prepared market study produced by The Woda Group, Inc. and access to previously prepared financial information, has also been distributed to the City Commission via email.

Further, it should be noted that there are currently two housing studies that Commissioners may wish to reference while reviewing this request. The first is an analysis of residential market potential completed by Zimmerman & Volk Associates in February 2014 with a heavy focus on the downtown district. This report is available under the 'Reports and Plans' section of the City of Sault Ste. Marie website (www.saultcity.com).

The second report is a target market analysis that was completed by LandUseUSA for Chippewa County and the Upper Peninsula Prosperity Region 1C with the support of the EUP Regional Planning & Development Commission. This report is also available on the City website. While both housing studies do provide insights into the general demand for more traditional market-rate units, neither speaks at great length to needs for affordable housing, although they may be germane to the topic at

hand.

As Commissioners are aware, a majority of the City Commission (4-3) took action during the February 5, 2018 Regular Meeting to instruct City Administration to prepare an amendatory ordinance extending the time frame for rehabilitation commencement and to return the matter to a future City Commission meeting. Thereafter, a majority of the City Commission (4-3) took action during the February 19, 2018 Regular Meeting to hold a first reading of the proposed amendatory ordinance as drafted by the City Attorney.

Additionally, the City Commission considered the adoption of the amendatory ordinance during its March 19, 2018 Regular Meeting after which the adoption of the ordinance received a tie vote (3-3), resulting in no action occurring on the matter. As well, Mr. Craig Patterson presented to the City Commission during its April 2, 2018 Regular Meeting regarding a change in the scope of the development relating to the number of units and associated income levels.

Accordingly, the next action on the proposed amendatory ordinance may be for the City Commission to adopt the amendatory ordinance. As detailed previously, the process to amend an ordinance requires both a first reading as well as a second reading/action to adopt the amendatory ordinance.

Finally, it should be noted that the amendatory ordinance drafted by the City Attorney would extend the period of time within which construction could start to February 19, 2020.

David Bulson addressed the City Commission regarding the preferential treatment – PILOT- for one particular developer and requested that the City Commission deny the Ordinance extension and requested the City Commission to repeal the existing Ordinance.

Mr. Craig Patterson addressed the Commission on the scope of the project.

Moved by Commissioner Collins, supported by Commissioner Baker

AN ORDINANCE TO AMEND CHAPTER 18.5, ARTICLE II LOW AND MODERATE INCOME HOUSING DEVELOPMENTS,
BY AMENDING SECTION 18.5-25(9)
Osborn Commons Apartments for Osborn Commons Limited Dividend Housing Association Limited Partnership

THE CITY OF SAULT STE. MARIE ORDAINS:

That CHAPTER 18.5, ARTICLE II, 18.5-25(9) BE AMENDED:

Section 1. The new ordinance section reads as follows:

Sec. 18.5-25(9) - Duration. This section shall remain in effect and shall not terminate so long as the Authority's mortgage loan remains outstanding and unpaid; or a federally-aided mortgage remains outstanding and unpaid or the Department of Housing and Urban Development has any interest in the property; or the housing development remains subject to income and rent restrictions pursuant to section 42 of the Internal Revenue Code of 1986, as amended, provided, that the rehabilitation of the housing development commences actual site construction within two (2) years from February 19, 2018.

Section 2. This ordinance shall take effect ten days after its adoption and publication.

Carried: Yeas: Commissioner Gerrie, Mayor Bosbous, Commissioner Baker, and Collins
Nays: Commissioner Miller, Talentino, and Twardy

SECOND READING OF AN ORDINANCE TO REZONE THE EASTERLY 62 FEET OF LOT 166, ASSESSOR'S SUBDIVISION NO. 3 (101 N ASHMUN ST), FROM RM-1 (MULTIPLE FAMILY RESIDENTIAL) TO B-2 (CENTRAL BUSINESS DISTRICT) AND REFERRAL OF THE DISPOSITION OF THE "ALLEY" BACK TO CITY ADMINISTRATION FOR FURTHER REVIEW

At its meeting held on February 22, 2018, the Planning Commission held a public hearing after which it unanimously recommended to the City Commission the approval of a rezoning application jointly submitted by Judith Old and Hiawatha Behavioral Health (HBH) to rezone the easterly 62 feet of Lot 166, Assessor's Subdivision No. 3 (101 Ashmun Street) from RM-1 (Multiple Family Residential) to B-2 (Central Business District). The joint application submitted by Ms. Old and HBH is included as ATTACHMENT I. An aerial photograph of the property is included as ATTACHMENT II.

Ms. Old had reached an agreement to sell the subject property to HBH, which intends to expand their services utilizing the property; however City Administration was unable to provide written confirmation to HBH that the zoning of the property is suitable for its intended use. The zoning of the property in question is split between B-2 (which does permit HBH to operate) and RM-1 (which does not permit HBH to operate). Without the written municipal confirmation of zoning compliance, the sale was seen at the time to be in jeopardy as, quite frequently, financial institutions are hesitant to fund purchases in the absence of confirmation from the government having jurisdiction. An excerpt of the zoning map showing the nature of the split is included as ATTACHMENT III. The application was brought forward to resolve this situation.

In looking into the use of the property, records indicate that the current structure

was built around 1930 as a gas station and the property was used in that capacity until the late 1960s. The Olds purchased the property in 1973, and, according to Ms. Old, it had been used as a basket shop prior. Commencing from their purchase in 1973, the Olds operated an insurance agency on the property until the late 1990s. Since then, various business-type uses have occupied the building, most recently the 727 School of Cosmetology.

Historical zoning records indicate that this split appears to have been present since the establishment of zoning in the City in 1927. It is not known to City Administration as to why development was permitted to occur on the residentially zoned portion of the property, which wasn't consistent with the assigned zoning designation. More than likely, it was down to the level of precision available when interpreting large-scale maps without parcel lines. In fact, it was only as recently as the mid-2000s that the City brought together its parcel and zoning maps to aid in making precise determinations of where zoning and property lines came together. In 2013, the maps were moved into the electronic realm where a much greater degree of exactness is possible. That degree of exactness, however, is a double-edged sword as the electronic maps lay bare situations such as this where the parcel lines and zoning lines do not align.

In looking to the Master Plan's future land use map, it indicates a Central Business District designation for the property, which is consistent with the requested B-2 zoning designation. There are no issues present from a best practices standpoint as split zoning situations generally seen as undesirable for the uncertainty they can introduce for owners and potential buyers alike as to how a property may be used. This is especially the case where the split is between commercial and residential districts such as this case. Further, split zonings complicate building construction due to differing height and setback requirements.

The actual area to be rezoned consists of approximately 224 square feet of the existing 1,400 square foot building as well as the eastern 40 feet of the parking lot, which serves the property. The balance of the area requested for rezoning includes what is functionally a public alley connecting Water Street to the block's public alley running parallel to Water Street, but is in fact private property.

City Administration has no concerns about the compatibility of this proposed rezoning with the surroundings as it represents more of a matter of housekeeping than a significant change in how the property may be used going forward.

Several members of the public were in attendance at the Planning Commission meeting and provided feedback on the request. One member of the public spoke of his concern as to the future disposition of the connection between Water Street and the block's alley. In subsequent conversations with HBH, their CEO, Dan McKinney indicated that they'd take no issue transferring that portion of the property to the City as they have no interest in owning it. Community Development Director Freeman relayed

this conversation to the concerned citizen and the citizen was satisfied with the solution. He took no issue with the rezoning request.

A number in attendance expressed concern as to the plans HBH has for the property if they purchase it. Community Development Director Freeman pointed out that their possible plans for the property could not be a consideration in deciding the outcome of the request. Whatever their plans may be, provided it fits within the use requirements of the B-2 zoning district, they may do as they please with the property. In the future, should they be found out of compliance, City Administration would initiate enforcement actions to bring the use back into compliance. It is City Administration's opinion that the City would be open to a legal challenge if it were to deny the request based upon the fact that HBH is a party to the application or that they are a potential buyer of the property.

One couple present shared their concerns that if the commercial rezoning were to go through, it could set off a pattern of rezoning requests for the residential properties to the east and damage the historic character of the remainder of the block. City Administration does not share those concerns.

After hearing from City Administration, the applicant, and members of the public, the Planning Commission voted unanimously (5-0) to recommend to the City Commission that the rezoning request be approved as submitted. As Commissioners are aware, during the March 19, 2018 Regular Meeting the City Commission voted 3-3 on this subject matter, resulting in no action being taken at the time.

On March 20, 2018 City Attorney Steve Cannello received a letter (ATTACHMENT IV) from Douglas Van Essen, general counsel for Hiawatha Behavioral Health. Within this letter Mr. Van Essen shares that it is his opinion that HBH is free to utilize the property regardless of any district use restrictions by the City due to the fact that community mental health organizations, such as HBH, are authorized in the state statutes governing them to, among other things, acquire and operate real estate. This opinion is based upon a pair of Michigan Supreme Court cases with somewhat similar circumstances although none directly involving a community mental health organization like HBH. In both cases courts found that the statutory authority granted to the plaintiff organizations (in one case a county government and in another a school district) trumped local zoning authority.

Upon the advice of the same counsel, HBH has since closed on the property and is now the sole party to this application.

In addition, as the rezoning issue is separate from the alley issue, City Administration is now recommending that the City Commission refer that matter back to City Administration for future analysis and a future recommendation.

Community Development Director Freeman presented on this matter.

Downtown Development Director Knepper addressed the Commission regarding his conversation with HBH, their CEO, Dan McKinney on the proposed use of the property.

Mayor Bosbous called for public comment on the subject matter. There were no comments from the public therefore the following action was taken:

Moved by Commissioner Gerrie, supported by Commissioner Baker

AN ORDINANCE TO AMEND SECTION 10-1.03. (301A), APPENDIX A OF THE SAULT STE. MARIE CODE AND TO ADD ONE NEW SUBSECTION THERETO WHICH NEW SUBSECTION SHALL BE DESIGNATED AS 10-1.03(301A) 200 OF SAID CODE.

THE CITY OF SAULT STE. MARIE ORDAINS:

Section 1. That Section 10-1.03 (301a) of Article 1 of Appendix A of the Sault Ste. Marie Code shall be amended by adding a new subsection thereto, said subsection to read as follows:

10-1.03 (301a) 200. The following described property shall be rezoned from RM-1, Multiple Family Residential to B-2, Central Business District;

The east 62 feet of Lot 166, Assessor's Subdivision, No. 3;

Section 2. This ordinance shall take effect ten (10) days after its adoption and publication.

Carried: Yeas: Commissioner Talentino, Twardy, Mayor Bosbous, Commissioner Baker, Collins, and Gerrie
Nays: Commissioner Miller

Moved by Commissioner Gerrie, supported by Commissioner Baker

That the City Commission refer the disposition of the alley back to City Administration for further review.

Carried: Yeas: Commissioner Talentino, Twardy, Mayor Bosbous, Commissioner Baker, Collins, Gerrie, and Miller
Nays: None

COMMUNICATIONS:

FROM MAYOR BOSBOUS - DEFERRAL OF CITY MANAGER EVALUATION

As Commissioners may be aware, City Manager Tuner's fourth full year of employment with the City of Sault Ste. Marie will be completed on June 11, 2018.

The City Manager's employment agreement (with related amendments) has been included for review by the City Commission.

In past years, the City Commission has created a committee for the purpose of evaluating the City Manager's performance.

Mayor Bosbous would recommend that due to a larger than usual turnover on the City Commission within recent months, that the City Commission wait until the spring of 2019 to form such a committee. In so doing, this would provide newer City Commissioners a larger period of time during which the City Manager's performance could be evaluated.

Mayor Bosbous recommends that the City Commission wait until the spring of 2019 to next form a City Manager's evaluation committee.

Moved by Commissioner Twardy, supported by Commissioner Miller

That the City Commission defer City Manager Turner's performance evaluation to the Spring of 2019.

Motion carried unanimously.

CAPITAL BUDGET AMENDMENT - DRAINAGE PROJECT FOR RUNWAY AT SANDERSON FIELD

Drainage issues associated with the runway at Sanderson Field were discovered after the recent PFC Overlay project was approved by the Michigan Department of Transportation – Aeronautics (AERO) and the design phase was implemented. At the time QoE determined that appropriate drainage to keep the runway from failing, such that has occurred with the parallel taxiway, would need to be addressed in the future, but with the way that AERO sets up its programming there was no way to build such drainage work into the overlay project without the risk of losing the funding that AERO had agreed to for the PFC project at 90%. It has been confirmed by QOE that additional drainage needs to be installed in order to support the life of the runway and the recent investments of AERO and the TIFA III (refer to Scope of Work #181711).

ITEM	CITY SSM	AERO	TOTAL
Design Engineering	1,860	16,739	18,599
Construction (est.)	135,000	0	135,000
Construct Eng. (est.)	15,000	0	15,000
TOTALS:	151,860	16,739	168,599

Current expected tax revenue for one year is approximately $128,000. This project would expend just over what we anticipate to generate in FY 2018-2019 as well as utilize remaining MDOT AERO funds, while leaving a TIFA III fund balance of over $400,000 to close out the year.

AERO has let the City know, as well as all other non-federally obligated airports, that funding has not been allocated for projects at this time. Previously, the Parallel Taxiway Reconstruction project was slated to commence design in July 2018; however, due to the lack of State funding, this project will need to be pushed back to 2019, at a minimum. The drainage project is an immediate need notwithstanding the delay in the completion of the parallel taxiway project.

The proposed timeline would include completing the design, advertising the project, and taking bids within the next 60-90 days, pending City Commission approval. Project construction could start in July or August (2018) so the site is as dry as possible; this would ensure that the under drains and porous backfill can be installed/constructed in the best conditions possible. The length of construction is estimated at 2 weeks. The runway will need to be shut down during the construction phase as crews will be working along the edges of the runway, but all parties will work to minimize the impact on airport users and avoid peak times such as the increase traffic Sanderson Field experiences with the Oshkosh air show. Specifics of the closure will be worked out during the design phase.

Importantly, the Airport Advisory Board met on March 18, 2018 and supports moving forward with the project using TIFA III funds. At a TIFA III board meeting held on April 10, 2018, the TIFA III board approved the use of funds for the under drain project.

In order to move forward with this project, the EDC is seeking authorization for 10% participation in the design phase and 100% participation in the construction phase. Total funds expected to be expended from TIFA III amount to $151,860. If approved, the City Manager would need to be authorized to sign respective contracts and amendments.

Included is a projected TIFA III budget if the project were to be approved for FY 2018-19. Additionally included is the associated Professional Services Agreement from MDOT AERO and the associated professional services from QoE J/N 181711.

Economic Development Director Holt presented on this matter.

Moved by Commissioner Twardy, supported by Commissioner Miller

That the City Commission authorize the City Manager to execute the presented project agreements.

Carried: Yeas: Commissioner Twardy, Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, and Talentino
Nays: None

Moved by Commissioner Twardy, supported by Commissioner Miller

That the City Commission approve funding for this project in the amount of $151,860 for a total estimated project cost of $168,599 including MDOT Aero Funding of $16,739.

Carried: Yeas: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, and Twardy
Nays: None

FROM SAULT EVENTS - UPDATE ON 350TH ACTIVITIES AND CITYWIDE CLEAN-UP

Ms. Mary Jo Duvall with Sault Events provided an update to the City Commission and community regarding the activities associated with the ongoing recognition of the 350th anniversary since the French settlement of Sault Ste. Marie, as well as an update regarding the upcoming 22nd annual Citywide Clean-Up.

CITY MANAGER'S REPORT:

AUTHORIZATION TO PURCHASE CCRC BUCKET TRUCK

The purchase of a new bucket truck has been included in the current fiscal year at a budgeted amount of $130,000.

The City's current unit is a 2001 model nearing the end of its practical lifespan. This unit is used almost daily for the maintenance of signage and traffic signals. It is also regularly used on various other duties such as bulb replacement, decoration/banner installation and removal, and many other tasks requiring an elevated platform.

Last month the Chippewa County Road Commission (CCRC) offered to sell the City it's used 2007 bucket truck for $20,000. CCRC recently purchased a new unit. The Department of Public Works thoroughly inspected the truck and found it to be in significantly better condition than the City's current unit. It also has some options that the current unit does not, such as four-wheel drive.

Additionally, the truck comes equipped with a number of expensive hydraulic tools; a chain saw and post driver, and most importantly, a front-mounted post puller. The City's current truck does not have this accessory. These included tools would cost slightly over $10,000 to purchase new. They are all in good to very good condition. The

truck has been property serviced and passed recent inspections.

Prior to this offer from the CCRC, the City was developing specifications for the purchase of a new truck and was preparing to go out for bids in early May. This opportunity will allow the City to delay the purchase of another truck for a few more years. The Department of Public Works would place this in the CIP for Fiscal Year 2021-2022.

If the purchase is approved, staff will paint the truck dark blue to match the rest of the fleet's similar sized chassis trucks.

This is an excellent opportunity to upgrade the City's fleet at minimal cost, and also return $110,000 to Stock & Equipment for the purchase of other needed equipment.

Moved by Commissioner Talentino, supported by Commissioner Miller

That the City waive the bidding requirements as provided in Section 12.1 of the City Charter to allow for the purchase of this bucket truck from the Chippewa County Road Commission, since no advantage would be gained by competitive bidding;

Carried: Yeas: Commissioner Baker, Collins, Gerrie, Miller, Talentino, Twardy, and Mayor Bosbous
Nays: None

Moved by Commissioner Talentino, supported by Commissioner Baker

That the City Commission approve the purchase of a 2007 Ford F550 Bucket Truck and accessories from the Chippewa County Road Commission at a cost of $20,000.

Carried: Yeas: Commissioner Collins, Gerrie, Miller, Talentino, Twardy, Mayor Bosbous, and Commissioner Baker
Nays: None

HIGH SCHOOL CAR DONATION COLLECTION

The Sault Ste. Marie Police Department is working in conjunction with other law enforcement agencies in the area and the Sault Area High School Career Center in developing a two-year high school law enforcement program. We anticipate the program to begin at the start of the 2018/2019 school year (September, 2018). In this program junior and senior students will learn the basics of employment in the criminal justice field. This includes, but is not limited to: Michigan statutes, prosecution and court procedures, emergency dispatching operations, jail and prison procedures, and many aspects of law enforcement. Part of the law enforcement curriculum will include: patrol

techniques, arrests, search and seizures, crime scene searches, etc.

For a realistic approach to their studies the City Commission approved the transfer of an old patrol car from the city police. This will allow the students to work on tasks such as traffic stops, arrests, and other police functions that include the use of a patrol car. Ownership of the vehicle will be turned over to the school district with stringent restrictions on its use both on and off campus through a written agreement.

At times it will be necessary for the vehicle to leave the school property for routine maintenance and other work. In order to avoid any confusion by the public thinking that this is a city police vehicle, Chief Riley is suggesting that all city insignia be removed, that the car be painted white, and the Sault Area Schools Career Center logo decal be applied to both sides. The cost of this work is estimated at $4,500 through quotes from a local body shop and the police department's supplier of decals for its vehicles.

As neither the police department nor the school district have budgeted for this work Chief Riley is willing to coordinate a community fund raising effort in order to pay for this project. With help of the media and social networks we would seek donations from the public and local businesses.

Chief Riley presented on this matter and requested authorization to begin the donation process.

Moved by Commissioner Twardy, supported by Commissioner Baker

That the City Commission approve of Chief Riley collecting community donations to paint and decal the old police car going to the high school criminal justice program.

Motion carried unanimously.

PF PENSION - APPLICATION FOR WAIVER OF UNDERFUNDED STATUS (FORM 5583)

As the Commission may remember, the City was required to file pension and retiree health care reports in accordance with Public Act 202 of 2017 with the Michigan Department of Treasury in January of this year. This report (Form 5572) was submitted to the Commission in a status update at its February 19th meeting. This form, in agreement with note disclosure in the City's June 30, 2017 audited financials, reported the Police and Fire Pension to be 50.6% funded which triggered "underfunded status" (as defined by the State statute) as it was below the threshold of 60%. The Department of Treasury preliminarily determined that the Firemen and Policemen Retirement System is underfunded.

The state treasurer may waive the determination of underfunded status for a

local unit if the treasurer determines that the underfunded status is being adequately addressed. To receive consideration for a waiver of underfunded status the local unit's administrative officer and governing body must approve a waiver application and a plan demonstrating the underfunded status is being adequately addressed.

The first attachment – 1, is the Application for Waiver of Underfunded Status (Form 5583). The second attachment - 1a, is accompanying documentation in the form of a letter which details of prior actions taken by the City of Sault Ste. Marie (resulting from negotiations since 1993) and the pension board (actuarial assumptions and calculations since 2012) which have the effect of eliminating the unfunded liability over a long period of time – 20 years. Specific actions include exclusions from final average compensation used to calculate the pension payment, lower tier wages for new hires, closed amortization period and lowered rate of return assumptions. The third attachment -2a, is the Annual Actuarial Valuation as of June 30, 2017.

The City of Sault Ste. Marie and Firemen and Policemen Retirement System Board have implemented substantial changes to our retirement system as described in the attached. It is anticipated that as a result of these actions, the Firemen and Policemen Retirement System will achieve a funded status of at least 60% by 2021.

Finance Director Kristin Collins presented on this matter.

Moved by Commissioner Twardy, supported by Commissioner Baker

That the City Commission approve the presented Application for Waiver of Underfunded Status (Form 5583).

Carried: Yeas: Commissioner Gerrie, Miller, Talentino, Twardy, Mayor Bosbous, Commissioner Baker, and Collins
Nays: None

Status Report

Police and Fire Pension Fund Investment Advisor Status Update

As the Commission may be aware, the Police and Fire Pension Board has been focused on less than expected investment returns over a period of time. At each quarterly meeting over a period of years, the board engaged in discussions with its investment advisor Mr. Wetzel of Fund Evaluation Group (FEG) about why returns were either trailing expectations or trailing indices or the actuarial target rates. The board had been working with Mr. Wetzel for many years and he is very highly regarded by pension administrators and peers across the state. FEG's research continued to show that the fund was appropriately hedged for a widely predicted volatile market and exposure to over-valued domestic holdings should be limited. The asset allocation was tested each year and the assumed rate of return was achievable.

In the spring of 2017, the board contracted with Mr. Brian Green of AndCo (formerly Bogdahn Group) to perform a review of performance over the past ten-year period. Mr. Green presented his findings to the Board at an April 2017 meeting. He showed that performance through 2012 was in line and slightly ahead of peers, but between 2013 and 2016, it was negatively impacted by a shift in asset allocation from domestic to international equities. Net of fees returns for the fund lagged its peers by over 4% in 2014 and 2015. Investment manager fees were in line with peers, but active manager fees were ahead of benchmarks.

In the fall of 2017, the board initiated a formal review of its investment advisory services and consulted with Attorney Tom Michaud at Van Overbeke, Timmony & Michaud. At its October meeting the board reviewed the Request for Information and agreed to distribute it to a list of 11 service providers recommended by the Michigan Association of Public Employee Retirement Systems (MAPERS). Six responses from interested firms were received by the end of November. The board met twice in December, with participation from Mr. Michaud, and narrowed the list of highly qualified applicants down to two: AndCo and Graystone Consulting. Interviews with both firms were held in January of this year. At its meeting on February 8, 2018 the board selected Mr. Tim Brice of Graystone, a subsidiary of Morgan Stanley. Mr. Michaud assisted the board with contract negotiations and contracts were signed between Graystone/Morgan Stanley and the City of Sault Ste. Marie Police and Firemen Pension Board on March 21, 2018.

No change to other services providers is contemplated at this time but it is the intent of the board, and a best practice, to plan a review process for each service provider over the next few years.

There is no recommendation associated with this agenda item, but City Administration will be sending out proposed dates for a joint meeting of the City Commission and Pension Board to occur during the second quarter of 2018. Any information about dates during which time Commissioners would be unavailable would be appreciated.

Update on the Downtown Form-Based Code Project

McKenna Associates, the firm retained to help the City through the process of developing a form-based code for the downtown, will be in town May 8 through May 11 to hold a number of meetings with community members and stakeholder groups throughout the day and evening hours. The precise schedule and location is still being finalized; however the kickoff meeting will occur the evening of Tuesday, May 8, likely at the Ramada Ojibway Hotel.

Once the full schedule has been finalized, a press release will be issued to communicate the pertinent information to the public.

April 16, 2018

Special City Commission Worksession - Wednesday, May 2 from 6:00 p.m. to 7:00 p.m. For Boarddocs Agenda Management Training

A Special City Commission Work Session has been scheduled for the City Commission for training on the new BoardDocs Agenda Management Software Platform.

The training session will be held on Wednesday, May 2 at 6:00 p.m. (approximately 1 hour in duration) in the City Commission Chambers and will include the City Commission, City Attorney, City Manager, Deputy City Manager, and IT Director.

MATTERS PRESENTED BY THE PUBLIC:

None

MATTERS PRESENTED BY THE CITY COMMISSION:

Commissioner Baker commented on the Facebook negativity about the community, announced Moloneys Michigan Beerfest, SUP day, and the Malcolm Pride Park Committee Kick Ball extravaganza.

Commissioner Twardy congratulated Brimley High School on winning the State Robotics Championship.

Moved by Commissioner Gerrie, supported by Commissioner Twardy

That the meeting adjourn at 8:56 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR **ROBIN TROYER, CITY CLERK**

The budget work session of the City Commission was held in Commission Room of the City Hall, 225 East Portage Avenue, Sault Ste. Marie, Michigan on Tuesday, April 17, 2018 at 4:15 p.m.

The meeting was called to order by Mayor Pro-Tem Gerrie

Present:	Mayor Pro-Tem Gerrie, Commissioner Baker, Collins, Miller, Talentino, and Twardy
Absent:	Mayor Bosbous
Also Present:	City Manager Turner, Deputy City Manager/Clerk Troyer, City Attorney Cannello, Finance Director Kristin Collins, and Former City Commissioner William Munsell

Former City Commissioner William Munsell provided the page-by-page review of the 2018-2019 and 2019-2020 Budget.

Individual City Commissioners had the opportunity to identify items for the discussion at the April 23, 2018 City Commission meeting from the budget. The Items identified as “Wish or Hit” items by City Commissioners are outlined on the attached excel spreadsheet.

Mayor Bosbous adjourned the meeting at 7:49 p.m.

ANTHONY G. BOUSBOUS, MAYOR **ROBIN R. TROYER, CITY CLERK**

A Special Meeting of the City Commission was held in the Commission Room of the City Hall – 225 East Portage Avenue, Sault Ste. Marie, Michigan on Monday, April 23, 2017 at 4:15 p.m.

Present: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, and Twardy

Also Present: City Manager Turner, Deputy City Manager Troyer, City Attorney Cannello, and Finance Director Collins

RECONCILIATION OF THE 2018-2019 and 2019-2020 FISCAL YEAR BUDGET:

1. Malcolm fields, aka ballfields user fees, add fees A-B back

   A. YOUTH - Baseball/Softball Field Rental Fees per field from $0 to $50
   B. ADULT - Baseball/Softball Field Rental Fees per field from $0 to $100-$250

   At its 11/6/17 meeting, following an earlier recommendation approved by the Community Services Board, the City Commission removed fees for youth and adults field rental, but kept tournament fees for 2018. Since these fees were implemented in 2013, they average $1,700 per year. We estimate the revenue from non-tournament field rental to be around 60% of total revenue for the ball fields, or $1,000. It is possible that reinstating these fees will restore that revenue to partially cover costs associated with increased maintenance of the fields. (KC/DW)

   Recommended Action: That the City Commission reinstate the ballfield user fees effective 71/1/2018.

   Yeas: Gerrie, Miller, Talentino, Twardy
   Nays: Bosbous, Baker, Collins

2. Travel [Professional Development and Education] for City Commission; add $5,000, Continuing Education line item 101-10151-860

   Line item 101-10151-860 reflects expenses for professional development, education, and travel for the City Commission. Outside of Michigan Municipal League events traditionally attended by members of the City Commission (including the Capitol Conference, Annual Convention, and UP Summit) a variety of other professional development opportunities exist. These include the Michigan Municipal League's Elected Officials Academy, programs coordinated by MSU-Extension, and courses facilitated by a variety of other institutions such as MEDC. An additional appropriation of $5,000 would support significant engagement in these trainings. (OT)

   Recommended Action: That the City Commission deny to request to increase the City Commission Continuing Education line item.

   Yeas: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, and Twardy

3. EDC Appropriation, Line Item 101-56895-953
EDC Executive Director Holt was in attendance at the special meeting to provide a presentation (included) regarding EDC operations and expenditures. (OT)

Recommended Action: Informational item only.

4. Pullar Advertising, cut $8,000 expense, line item 101-56777-900
In 1999, the City began to sell advertising at the Pullar utilizing City staff to distribute brochures to businesses under the Chamber of Commerce. The revenue was minimal as compared to the labor and cost of that process and minimal compared to the presently budgeted revenue of $20,000. Legends Advertising came to the City with a proposal in 2001, showing results they had achieved at the Norris Center. The service has been routinely bid out. The City Commission on August 7, 2017 (after publically advertised sealed bids were received) authorized an agreement with Legends from July 1, 2017 through June 30, 2018. The City has the option to extend this agreement on a year-to-year basis up to an additional four (4) years. We currently bring in gross revenue of $20,000 and Legends retains 17.5% of sales estimated to be the budgeted cost of $8,000. The agreement is performance based and works to maintain advertising revenue. The City estimates that without this arrangement, the City would have a net loss of $2,000 to $7,000 exclusive of the commitment of staff time. (KC/DW)

Recommended Action: That the City Commission leave the current Pullar advertising structure in place as outlined.

Yeas: Bosbous, Collins, Gerrie, Talentino, Twardy
Nays: Baker and Miller

5. Sault Seal Tubing Hill user fees, eliminate fees 3A, i Child under 5 & iv Adult
The elimination of fees for children under five and adults might create a scenario where the hill needs to be further subsidized. Over the past nine years, the average annual loss is $14,000 with the current fiscal year showing an improvement at a loss of just $9,200. In the budget presented for next winter, hours are cut in an effort to bring costs in line with revenue and operate the facility in at least a cost-neutral manner. The City presently does not have a tracking method, which would identify how much of the revenue is generated by children under five or non-student adults. However, it may simplify ticket sales to have a single price. (KC/DW/OT)

Recommended Action: That the City Commission keep the Sault Seal user fees as established.

Yeas: Mayor Bosbous, Commissioner Baker, Collins, Gerrie, Miller, Talentino, and Twardy

6. Pullar Equipment Repair and Maintenance, line item 101-56777-863, information request

A detailed ledger for charges to this line item has been included in the packet. Most of the expenditures are for technical items as well as technical work and parts for the various mechanical systems in the Pullar. Expenses include refrigeration expertise (service and repair), steam boiler service/repair/inspections, fire/ammonia/carbon monoxide (safety) alarm inspections/upgrades/repair, licensed electrical service/repair and specialty parts and equipment for items such as rolling door, ice re-surfacer, motors, etc. (DW). A number of these expenditures are directly related to the ability of the City to operate the Pullar in a manner that preserves the safety of employees and the public and in a manner that reduces the likelihood of a mid-season operational failure (OT).

Recommended Action: Informational item only.

7. DDA Events Coordinator position from part time to full time

Following is information regarding the Department requested budget for a part-time Events Coordinator: (244-56000-703)

Wage $13.00 per hour X 1,300 hours = $16,900 department requested budget

Fringes come to $1,406 (includes only social security FICA and workers comp for clerical, roughly 8%) Total cost of $18,306 (KC)

Following is information for costs associated with a Full time Events Coordinator: (244-56000-702)

Wage $13.00 per hour X 2,080 hours = $27,040

Fringes average 44.61% for non-union full time = $12,063

Total cost wages plus fringe of $39,103

Increase in cost for full time = $20,800 (KC)

(OT) Background: The City Commission adopted the goal to 'Increase Funding for the DDA so that full-time personnel can be hired/retained' during its February 19, 2018 Regular Meeting.

Subsequently, the City Manager met with the DDA Director to discuss how this goal may be achieved. Based on this meeting, it was concluded that the DDA and its very active Finance Committee and Board could research means through which the DDA could generate revenue sufficient to cover additional costs associated with a full-time position.

The DDA Finance Committee has met (for a variety of purposes) and tentatively discussed options to increase revenue ranging from requesting entities not currently taxed/assessed or otherwise contributing financially to the DDA to make annual pledges or contributions, implementing a millage specific to the downtown district (which would be lawful under State statute, according to the DDA Director), reducing structural expenditures, pursuing 2% funding in support of

Main Street, and other possible courses of action. As emphasized, these are only ideas generated from brainstorming, and not official proposals by the DDA or Administration.

Those participating members of the Finance Committee who are also DDA Board Members were commended for their innovative attitude during the process. Relatedly, the type of information that has been shared with the DDA Finance Committee regarding the financial position of the DDA and TIFS has been included for review by the City Commission and can be detailed during the special meeting to reconcile the budget if so desired.

These efforts, as driven by the DDA, may ultimately provide the necessary revenue to fund a full-time events coordinator. Relatedly, such changes may also support the ability of the DDA to enhance its financial standing/self-sufficiency. Outside of these concepts, and on a side note, it may be feasible for local organizations with a role in supporting events, ranging from the EDC to the DDA to the CVB to Sault Events, to analyze the feasibility of supporting a full-time events coordinator position (albeit, not a position that would be solely dedicated to the DDA). Another alternative for providing funding for a full-time events coordinator position may be the use by the DDA of funds it previously budgeted for capital improvements projects not yet undertaken. As a full-time events coordinator position may eventually become self-supporting, such funds could be used to initially support such a post.

Finally, the City Commission would have the option to increase the local contribution proposed for the 2018-2019 Budget for the DDA from the currently budgeted amount of $52,000 to approximately $72,800 in order to fund a full-time events coordinator position. This would have the effect of reducing the General Fund balance proposed if not otherwise offset. Increasing long-term structural contributions from the General Fund to a component unit may in the future impact the condition (and related services) of General Fund cost centers (Public Works, Alleys, Sidewalks, Police, Etc.).

Recommended Action: That the City Commission deny the request and refer the item back to City Administration and the DDA Board.

Yeas: Bosbous, Baker, Miller
Nays: Collins, Gerrie, Talentino, and Twardy

8. Seal Trust T Bill Interest

A copy of the most recent T-bill interest receipt is included in the packet. The bill with original par value of $545,000 has a coupon rate of 7.125% and earns interest of $19,415.63 semiannually and matures on 02/15/2023. The second with original par value of $300,000 has a coupon rate of 7.50%, earns interest of $11,250.00 semiannually, and matures on 11/15/2024. The bills are adjusted to market value semiannually as well, and held a combined value of $1,072,573.83 as of 12/31/17. (KC)

Recommended Action: Informational item only.

9. Request for Seal Matching Funds for Kickball Tournament, $40,000 project/$20,000 request

As noted during the budget workshop, one standing procedure and process for facilitating requests for Seal Estate funding from a community organization begins with a detailed written proposal being made to the Parks and Recreation Department. This proposal may then be provided to the Community Services Board (CSB) for review and potential recommendation to the City Manager then to the City Commission for funding. Furthermore, most often the community organization making the request is invited to the CSB meeting when this request is being considered to make a presentation outlining the details and to be available for questions (DW/OT). However, this standing process is not legally required. Requests for Seal Estate funding have occasionally, in the past, been submitted directly to the City Commission (OT).

In either event, it is critical to note that Seal Estate Funds are required to be utilized for capital type projects (for example, a building or structure at the ball fields) and not for standard operational/maintenance purposes. The development of a detailed plan for the expenditure of the funds would be appropriate to assure the proposed expense comports with Seal Estate requirements. (OT/DW)

Recommended Action: That the City Commission allocate $20,000 from the Seal Operating Fund (F102) for a project meeting the requirements of the Seal Estate Trust Documents for the improvement of the Malcolm Park ball fields with the caveat that $40,000 be fundraised from other sources for the project and in association with the kickball tournament fundraiser currently planned for August 25, 2018.

Yeas: Bosbous, Baker, Collins, Gerrie, Miller
Nays: Twardy and Talentino

10. Tax Revenue Estimate, show revenues if Police and Fire Pension millage did not increase

If the Commission opts to maintain the same millage for the Police & Fire Pension, currently established at 5.4502 mills, the additional cost to the General Fund, if the City were to still send the required annual contribution of $1,657,800, would be $170,200. This increase in expenditures, taken by itself and absent of other hit/wish list items, would decrease the Fund Balance ratio from 25.09% to 23.62% at 6/30/19. Assuming this were done only in year one, the ratio for the fiscal year ending 6/30/20 (year 2) would also decrease from 23.59% to 22.29%. Approving this change for both fiscal years would result in a Fund Balance ratio of 20.81%. It is important to consider that a jump in millage for year 2 may be more dramatic if the City holds off increasing it for FY 19. Similar to setting water and sewer rates, small and incremental increases are recommended as a best

practice as opposed to delaying millage increases and subsequently being in a position where a larger increase is necessary to preserve current municipal operations. Interestingly, the reduction in millage would also negatively impact revenue in tax capture districts reliant on that millage. Losses in each district would be as follows: TIF 1 $300, TIF 2 $1,500, Brownfield $700, TIFA 3 $2,400, for a grand total of tax revenue loss to the City of $175,100. Reductions would be required to these areas if this course of action is taken. A revised tax revenue estimate worksheet is attached for the Commissioners' review, with differences shaded in blue. (KC/OT)

(OT) As noted during the budget workshop, it has also been the practice of City Administration to represent that the projected General Fund balance ratio may only be a midpoint for a snapshot in time. In other words, the 25.09% projected General Fund balance ratio for the end of FY 19 may be a midpoint between a true General Fund balance ratio of 23% - 27%. Thus, taking this perspective, it is plausible that absorbing additional pensions costs for FY 19 alone could drive the projected or actual General Fund balance below the critical 20% benchmark. Absorbing pension costs for both fiscal years would further increase the plausibility of the General Fund balance ratio dropping below the 20% threshold.

(OT) It is also critical to consider that when Standard & Poor's completed its rating review for Water/Sewer Revenue Bonds in late 2016/early 2017 that it only retained the City's rating for the Water/Sewer Revenue Bonds but downgraded its economic outlook from stable to negative and commented that it was not convinced that the City Commission would authorize utility rate increases exceeding 1%.

It is not inconceivable that if the City Commission holds off an increase in the millage tied to funding the Police and Fire Pension Fund, and absorbs the additional costs in the General Fund, that this could be viewed as an action of reluctance. This could have an adverse impact on other City ratings or economic outlooks. Concurrently, with the Police & Fire Pension Fund already being at only just over 50% funded, the State of Michigan may view such a course of action negatively when the City continues to apply for a waiver of underfunded status. In any event, a miscalculation in this area could result in far-reaching implications for the financial underpinnings of the governmental structure of the City of Sault Ste. Marie.

An alternative course of action could include the Police & Fire Pension millage being increased as initially proposed and an additional, manageable amount being deposited from the General Fund in an effort to make an excess contribution that furthers the efforts of the City to reduce unfunded accrued liabilities. Making contributions in excess of the annual required contribution was one of the few efforts that the City could not recently attest to the State of Michigan as having made to reduce unfunded accrued liabilities. This action alternative may also be in line with the City Commission's minimum fund balance policy which states:

Surplus fund balance
Should unassigned fund balance of the General Fund ever exceed the maximum 20 percent range, the City will consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.

Recommended Action: No vote taken.

11. Tubes for Sault Seal Recreation Area, Double amount requested of $6,000 for a total of $12,000

Assistant DPW Director Wyers goes out to bid for 50 new tubes every three years. A few years ago the low bid tubes were of a lesser quality and have not held up as well as tubes purchased previously. The requested purchase would allow for extra sorting and disposal of inferior tubes, however, an excessive number creates opportunity for loss. A larger order of $9,000, or 1.5 times the normal number, would suffice if the Commission is agreeable. (DW)

Recommended Action: That the City Commission deny the request to increase the tubes for the Sault Seal Recreation Area.

Yeas: Bosbous, Baker, Gerrie, Miller, Talentino, Twardy
Nays: Collins

12. Flag Pole DDA #2, fund capital project

In 2016 a vehicle damaged a structure supporting three flag poles (placed in one foundation) on West Portage Avenue (picture included). One flagpole remains upright, and cones have been placed over damaged property. A reimbursement in the amount of $9,375 was received on July 21, 2016 and remains available to be used toward any repairs. During the Departmental meeting involving the budget team and DDA Director Knepper, it was noted that the cost of repairs (estimated at $13,000) was higher than insurance proceeds and that additional DDA funds may not be available to support this project.

A less-costly alternative may include the removal of the damaged infrastructure, based on the lack of use of the flagpole structure prior to it being damaged, the presence of other flagpoles (which may be sufficient), and an undefined future use of the flagpole following repair.

A General Fund contribution of an amount up to $9,375 is available for the project dependent upon the City Commission's decision. (OT/KC)

Recommended Action: That the City Commission deny the request to increase the funding for the flagpole.

Yeas: Bosbous, Baker, Miller
Nays: Collins, Gerrie, Talentino, and Twardy

13. Splash Pad DDA #4, fund capital project

During the Departmental meeting involving the budget team and DDA Director Knepper, it was noted that the funding source proposed for this project (DDA Capital Projects or possibly TIF 1 or TIF 2) could not financially support this improvement. The City Manager encouraged the DDA Director to consider undertaking a crowdfunding campaign to generate revenue for this project, and the budget team noted that once a campaign had been organized, and long-term maintenance costs for a splash pad provided to the City, that a budget amendment could be presented to the City Commission for consideration mid-year. (Note: the City Commission may also elect to establish a budget for this capital project with the expectation that a crowdfunding effort would generate sufficient revenues, as an alternative).

Of note, in February the DDA Director in an email indicated that the DDA had left a message for St. Ignace regarding a budget and maintenance burdens associated with a splash pad. The DDA also noted via email at the time that the splash pad concept originated through efforts relating to 350th anniversary recognitions, and that there may be meetings regarding the precise location, size and features of a splash pad. In previous communications it was noted that the splash pad may be placed on a portion of the Farmer's Market property as it already has water access and limited excavation requirements.

Recommended Action: Informational item only.

14. Parking Structure Fees, increase to be in line with original projections from 2004

A copy of the April 2004 pro-forma was pulled and the Commission has an excerpt from that report in its packet. According to the pro-forma, transient daily parking fees in 2018 were anticipated to be $1.75 per hour, and monthly permit fees $45.00. The transient rates are slightly lower than the rate proposed. The challenge with monthly rates is that the City currently offers quarterly and annual permits with a small advantage for buying a longer period. According to DDA Director Knepper, we also offer reduced rates for "DDA district" residents, which were not previously approved for placement on the fee schedule by the City Commission, and higher rates for those who have a specific parking space. Higher quarterly rates of $135.00 are shown in line with the monthly amount of $45.00 times 3. The annual cost of $500.00 is a $40 discount for paying for the whole year. The other rates were filled in for the Commissioners' review, although the lower rate offering for DDA district residents should also be formally acted upon. (KC/OT)

Recommended Action: That the City Commission refer back to City Administration and DDA for a further recommendation to the City Commission regarding structure and future rates.

Yeas: Bosbous, Baker, Collins, Gerrie, Talentino, Twardy
Nays: Miller

15. Historic Homes user fees season pass, from $0 to 'n/a'

The change to show this fee which was not utilized as 'n/a' (as opposed to $0) is recommended and will be made on the final version if the Commission is in favor. (KC)

Recommended Action: Correctional item.

16. Pullar Community Building user fees, increase rates A-J

(DW) Please see some comparative ice user fees

Otsego County Sportsplex (Gaylord)

In-County	$165.00 per hour
Out-of County	$192.00 per hour

St.Ignace Little Bear East

Prime Time Resident	$150.00 per hour
Prime Time Non-Resident	$155.00 per hour
Non-Prime Time Resident	$130.00 per hour
Non-Prime Time Non-Resident	$135.00 per hour

Traverse City Centre Ice

Prime Time	$230.00 per hour
Non-Prime Time	$140.00 per hour

Marquette/Lakeview Arena

Prime Time Resident	$195.00 per hour
Prime Time Non-Resident	$254.00 per hour
Non-Prime Time Resident	$145.00 per hour
Non-Prime Time Non-Resident	$189.00 per hour
Tournament Resident	$200.00 per hour
Tournament Non-Resident	$270.00 per hour
Non-Resident Participation Fee	$35.00

Lake Superior State University

Prime Time	$115.00 per hour	Students	$57.50 per hour
Weekday Non-Prime	$50.00 per hour	Students	$35.00 per hour
Weekend	$100.00 per hour	Students	$50.00 per hour
Summer	$75.00 per hour	Students	$50.00 per hour

Note:

1. Although the City's current minimum bid fee of $2,000.00 exists in the user fee schedule for concession operation at the Pullar Community Building,

currently the Soo Eagles Hockey Club pays $4,150.00 per season to the City for this service. Their agreement was extended in early 2017 and will end June 30, 2019 at which time it will be publically rebid.

2. Pullar Non-Ice Event (Major Events to be negotiated) user fee is located on both the winter and summer fee schedules. A correction should be made to consolidate (removed off winter schedule since ice is still on) and currently the summer fee schedule is utilized - $550.00 Minimum Fee per day plus over time charges (as needed).

Recommended Action: No action taken.

17. Pullar Public Skating, increase hours to include after school times

It has been the common practice to be diligent to sell all available hours of ice for usage at the Pullar Community Building through a series of methodical steps. From major ice events (Hiawatha Skating Show, Cabin Fever Tournament) requested by our major ice users, NOJHL (Junior A Hockey) scheduling, and offering up all available ice time to our major users – this system has worked and filled in with priority our yearly ice schedule.

As our ice schedule becomes completed at the local level (all major and local groups receiving priority) we open up our schedule to all other non-regular users and non- residents. Going forward and after this process is complete, we will increase public skating hours by block scheduling times that will work within our schedule and not compete with regular users if desired by the City Commission. (DW)

Recommended Action: Informational item only.

18. Fire scene color copies user fee, increase fee

The change to bring this fee from $0.10 to $0.50 in order to bring it in line with other departments is recommended and will be made on the final version if the Commission is in favor. (KC)

Recommended Action: Informational item only.

Moved by Commissioner Gerrie, supported by Commissioner Talentino

That the meeting adjourn at 7:23 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR ROBIN R. TROYER, CITY CLERK

AIRPORT ADVISORY BOARD
Thursday, March 8, 2018 at 8:00 a.m.
Airport Terminal Building – Conference Room

MEETING MINUTES

1. **Call to Order**
   Chair Veum called the meeting to order with the time being 8:00 a.m.

2. **Roll Call**

Members Present:	Jerry Jones	Bill Munsell	Tom Veum
	Fred Smith	Terri Wolski	Tom Brown
Members Absent:	Jim Cloudman		
Also Present:	Tracey Laitinen, EDC Specialist		
	Alex Robinson, EDC Office Coordinator		

   Moved by Jones supported by Smith to excuse those board members absent. The motion carried unanimously.

3. **Changes or additions to the Agenda**
   None at this time.

4. **Approval of Minutes**
   Moved by Brown, supported by Jones to approve the minutes of the February 8, 2018 meeting. The motion carried unanimously.

5. **Finance Report**
   P&L was reviewed; the Tax Increment Distribution was noted to be at 90.3% of budgeted revenue. It was also noted that more money will be coming out of projects and the LDFA transfer will be reflected at the April meeting. The Balance Sheet was updated with the proper liability amounts based on LDFA support from $203,000 to just over $75,000. No checks had been cut since December. Airport fund 101 was reviewed ending 1.31.18 and it was noted that moving forward the budget for supplies will be higher due to safety supplies needed. It is expected to be over budget this year.

   It was moved by Munsell, supported by Smith, to receive the reports on file. The motion carried unanimously.

6. **Report of Activities**
   Brown reported that traffic has improved when compared to last month and this time last year. This month there have been a total of 33 aircraft and 84 visitors at the airport. Last month there were 29 aircraft and 77 visitors and this time last year 26 aircraft and 73 visitors. Brown attributed this to the nice weather that has occurred. A new flight instructor, Dean Paul, has

been hired to train students. 100LL fuel sales are at 492 gallons, up from last year which was 305 gallons. Jet A fuel sales were 1,477 gallons, also up from last year's 866 gallons. Chair Veum inquired on how the equipment is operating, to which Brown reported that it is all operating well.

7. Old Business

Laitinen gave an update on the Community Benefits Assessment that MDOT AERO produces annually. This had been updated to reflect accurate numbers and it was suggested to keep these numbers updated regularly moving forward. Economic impact of Sanderson field has been updated locally at just over $3.8 million and within the State at $4.7 million. Average visitor spending as reported on the self-surveys is at $552.00/traveler. It was noted that Sanderson Field is one of 20 airports that are non-federally obligated which means funding comes from AERO for projects. The funding pot for non-federally obligated airports is drying up and it has become a legislative priority of the City to request that AERO continue to be funded. City Manager Turner is taking the lead on this and will update us accordingly. Chair Veum inquired about why the funding is being reduced, to which Laitinen replied that the original pot of funding was a one-time allotment, not an annual renewal and that pot of money is starting to be used up. Smith inquired about the possibility of making the airport eligible for federal funding, Laitinen replied that in order to become eligible for the funding many improvements would have to be done to the airport prior to the funding being available, but that it is something to look into as the airport is improved. Smith also inquired on if the removal of the crosswind runaway was part of the issue, to which Laitinen replied that it was not part of the issue. Laitinen also noted that when gaining eligibility for federal funding the airport has enough based aircraft. Laitinen noted that Roy Electric had installed the dusk to dawn eyes on the LED's and that the snow stakes had been ordered. Brown added that the money that was available to install the eyes was a result of the Cloverland incentive program and that the eyes have increased safety on the runway. Laitinen gave an update on terminal renovations thanking the crew for gutting the lobby and gearing up for new flooring, paint and furniture. Laitinen reviewed the new floor plan, samples and schematics and the board approved. Now Laitinen is finalizing bids and we can expect to review them at our next board meeting. Laitinen also noted that the crack sealing and sump pump repairs will be done once the snow melts.

9. New Business

Laitinen noted that Clint N. has a new position at Gerald Ford Airport and that the new contact will be Gordy Bogner and Mike Borta. She noted that Clint had been very helpful and does not expect that to change with QoE. Brown reported that there have been damages to the SRE building while the tractor was pulled in after snow blowing which damaged a beam and wall. Most of the repairs have been completed and bill will be coming shortly. Brown also noted that the tractor has caught on the garage door of a t-hangar and repairs will need to be done to that door. It was felt that since this was under the City's $10,000 deductible, as well as an unbudgeted expense, that it will come out of TIFA III. Once the bill is received, a TIFA III meeting will be scheduled. Laitinen referred to the MDOT AERO meeting from January and reported that if the left over funds from the PFC Overlay are not used that will be given to another airport. The suggested project to use the leftover funds would be for a Runway Underdrain project with need determined by QoE. Brown stated that it would be added to the mid-point of the runway going southeast. Smith inquired as to how the project would potentially be done, to which Brown reported that it would be tying into the currently drainage

system that had already been completed. Smith also inquired on whether the new drainage would be allowed to tie into the storm drains, Laitinen will look into whether that is allowable. The board agreed that Laitinen should move forward with the project planning. Brown noted that the Young Eagle event has been planned with posters and graphic ordered by the EDC. Additionally, the insurance for the event has been purchased. Brown also noted that the open house and movie in the hangar event has been planned and the movie rights have been secured.

10. Status Reports

Included in the packet were the February EDC and TIFA III minutes. ERA did not meet in February. The next LDFA meeting is April 26.

11. Other Matters

Brown reported that some tenants in the t-hangars were reporting ice build-up caused by the concrete shifting. Plans are being discussed but nothing has been decided yet. Laitinen suggested discussing the issue with QOE and Chair Veum suggested taking photos of the issue now, in case it melts before someone can look at it.

12. Informational Reports

None at this time

13. Matters Presented by the Public

None at this time

14. Next meeting: April 12, 2018

15. Adjournment

The meeting was adjourned at approximately 8:44 a.m. upon motion of Jones supported by Smith. The motion passed unanimously.

Local Development Finance Authority (LDFA) Board
Minutes – November 1, 2017
Smartzone -2345 Meridian Street

1. **Call to Order**

   The meeting was called to order at 1:05 PM by Chair Sharp.

2. **Roll Call**

Board members present:	Craig Krouth	Gary Sharp	Kristin Collins	
	Fred Smith	Fred Molnar via phone		
Other guests:	Tracey Laitinen	Jeff Holt		
Absent:	Margie Hank	Dan Reattoir	Tom Veum	Eric Becks

3. **Agenda: Changes, Additions, or Deletions**
   Updated taxing and finance information was added as item #9.

4. **Matters presented by the Public**
   None at this time.

5. **Approval of Minutes – October 3, 2017**

   A motion was made by Krouth to approve the minutes of October 3, 2017. Support by Smith. Motion carried.

6. **Approval of Smartzone Addendum**
   Molnar gave an update on some of the recent changes at MEDC indicating that Jim Tischler has moved to the Land Bank division and now Lori Mullins will head up the MEDC Smartzone division. Molnar reiterated that MEDC is working on a formal reporting matrix for early 2018 to utilize for 2017 calendar year reporting due in April 2018. Sharp was pleased with the agreement on the quality of reporting moving forward. Molnar referenced the additional text box to indicate where you are pulling your data in the portal.

   Collins made the motion to approve the Smartzone Addendum. Support by Smith. Motion carried. The addendum will now move to City Commission for support on 11.6.17.

7. **Collection of 2016 reporting data and deadlines**
   Laitinen reviewed the necessary pieces to report and deadline to MEDC by December 1st for calendar year 2016. In order to make these deadlines and she requested that SSMart-Eric Becks and City Finance please submit this information to the EDC no later than November 15, 2017. Then as soon as you have calendar year 2017 data please submit that so when MEDC finalizes the new matrix, Laitinen is ready to proceed. Molnar indicated that he did share the Google Docs link w Becks after the call on 10.20.17. Sharp indicated that he will formally request the data be sent to the EDC by 11.15.17. Laitinen will work on drafting the letter this week. Collins already turned in their data necessary to complete 2016 and will email 2017 shortly as the report has already been submitted to Treasury.

8. **Update on Smartzone geography**

Laitinen updated the group on the call with MEDC on 10.20.17 regarding our Smartzone geography. The geography of our Smartzone is the entire City of Sault Ste. Marie. With the loss of principal homestead exemptions we incur a loss of $9000 annually. Mullins indicated that 2 Smartzones have decreased their geography or dumped TIFs altogether including Kalamazoo and TechTown because they couldn't generate the dollars. Molnar noted that there is a policy and process in place to reduce the size of our geography if we so choose. Collins wanted to follow up with the bonding agency and wondered about additional constraints assuming the revenue stream would be acceptable. Removing exempt properties would be ideal. Krouth inquired on the original thought process of including the entire City to which Smith and Collins agreed it was most likely to cast a wide next to support the district. Sharp inquired about possibly shrinking the geography and how this may make things more stable but may also reduce our opportunity for growth. It was agreed that this was an option to keep in mind, but that if we did want to reduce our size moving forward, the EDC working with the MEDC and City Finance, would bring the recommendation to the LDFA.

9. **LDFA budget revisions**

Collins met with the City Assessor since our last meeting and found that the City had an additional loss of approximately 3 million in projected revenue. According to City Assessor Fuller, our tax revenue budget was based on values prior to several major reductions which occurred in the spring but were not entered into our calculations prior to budget approval. These reductions include filings for valuation reductions for Essential Manufacturing Personal Properties, Veterans Exemptions and industrial commercial properties as required by the County Equalization Director. Together, these significant late reductions caused actual revenue to fall below the budget estimate by $11,700, a 37% drop. It was recommended to have the City Assessor recalculate the tax revenue in February and reconvene the LDFA in April to see where we are before adjusting the budget again.

Smith made the motion to approve asking the City to support this projected shortfall at 50% and have the remaining 50% come from TIFA III. Support by Krouth. Motion carried.

Additional follow up and communication will come from City Finance. We will tentatively schedule and LDFA meeting in early April 2018 and have a TIFA III meeting along w EDC mid-April 2018.

10. **Other Matters**

It was recommended by the group that the April meeting be a joint LDFA-Smartzone meeting to increase lines of communication and see how we can better support each other. Laitinen will work on coordinating dates.

11. **Adjournment –** Smith made the motion to adjourn at 1:30 pm, support by Krouth. Motion passed.

No meeting is scheduled at this time but we plan on early April 2018 to revisit the budget

CITY OF SAULT STE. MARIE
PLANNING COMMISSION (Interim Meeting)
April 18, 2018 (THURSDAY) 5:30 P.M.
City Commission Chambers, Third Floor
City Hall, 225 E. Portage Avenue

Pending approval by the Planning Commission

1. CALL TO ORDER:

Clayton Shunk, Chair called the meeting to order at 5:30 p.m.

2. ROLL CALL:

Present:	Clayton Shunk, Chair Charles McCready, Vice Chair Ken Kavanaugh, Secretary Joseph Gallagher Seth Harris Rebecca Bolen Robert Shimmens
Absent:	Derric Knight Wendy Hoffman

Roll call was taken as noted above.

Staff Present:	Kelly Freeman, Community Development Director Melanie McBride, Community Development/Engineering Office Coordinator Greg Collins, City Commission Liaison
Public Present:	Jeremy Gagnon, U.P. Engineers & Architects

It was moved by Charles McCready and supported by Joseph Gallagher to excuse the absent board members. The motion passed unanimously.

3. APPROVAL OF MINUTES: Regular Meeting of March 22, 2018.

It was moved by Ken Kavanaugh and supported by Rebecca Bolen that the minutes from March 22, 2018 Planning Commission meeting be approved as circulated. The motion passed unanimously.

4. AGENDA: CHANGES, ADDITIONS, OR DELETIONS: There was none.

5. UNFINISHED BUSINESS: There was no unfinished business.

6. PUBLIC HEARINGS: There were none.

7. NEW BUSINESS:

A. PC Case #835 Site Plan Review – Immanuel Lutheran Church:

Mr. Freeman began his presentation. The subject property is a church constructed in the 1960's and is located at 615 Washington Way. The Church desires to construct at 60' x 40' addition on the south side of the building to contain the new fellowship hall. The current fellowship hall is located within the basement, which is making use and access challenging. The new addition will also provide food handling, a restroom, and storage facilities. Mr. Freeman displayed the proposed site plan followed by the proposed elevation. The proposed site plan complies with zoning ordinance requirements. No added parking is required because houses of worship are decided by the seats in the sanctuary and that portion remains unchanged. Noted during the review process is an old water main that runs through the building site. City records indicate the 12 inch main has been cut and capped. Extra coordination is necessary between the Department of Public Works and the City Engineer to confirm there are no utility impacts in case it is live. Mr. Freeman displayed a copy of the water atlas for the subject property showing the water line running to the south of the new addition.

Mr. Freeman's recommendation is conditional approval of the proposed site plan, subject to the applicant maintaining close contact with the City Engineer and DPW Director as site utility work is underway.

Mr. Freeman stated that Jeremy Gagnon, from U.P. Engineers and Architects, is representing the applicant. He is in the audience if the Planning Commission has any questions.

There was no public comment.

Ken Kavanaugh stated this new construction is a nice addition to our city.

Joseph Gallagher asked if there would be any existing bicycle parking or if there any plans to put in bicycle parking.

Jeremy Gagnon responded that no bicycle parking has been mentioned, but he is willing to bring it up to the applicant.

It was moved by Charles McCready and supported by Joseph Gallagher to conditionally approve the site plan subject to Mr. Freeman's recommendation. The motion passed unanimously.

8. OTHER BUSINESS:

A. Staff recommended language to increase duration of site plan approvals from 6 months to 12 months:

Mr. Freeman directed the Planning Commission to turn the last page of the packet. Stemming from the conversations during the last meeting about extending the lifespan of site plan approvals from 6 months to 12 months, Mr. Freeman introduced the language change as shown below:

> 10-1.1911 Site Plan Review
> ***
> Expiration, extensions. A site plan review approval or conditional approval expires ~~six (6)~~ twelve (12) months after the Planning Commission or Administration Official action if no building permit is obtained. The original approving authority (the Commission or administrating official) may grant time extensions upon a finding that circumstances have not changed sufficiently to warrant reconsideration of the approval or conditional approval.
> ***

If the Planning Commission wishes to move forward with this language amendment, staff recommends that a public hearing be called for during the regular meeting on May 24, 2018.

There was no public comment.

Robert Shimmens ask if there was a reason the approval duration is currently 6 months. Robert Shimmens concern is that there may be a possible unintended negative consequence.

Mr. Freeman responded that the only negative consequence is if a site plan is approved and then a change occurs to the Zoning Ordinance that would have affected that site plan approval, but it is still within the approval timeline. Mr. Freeman gave an example of the Woda Group project. For instance, if we change the entire downtown zoning district, but the site plan was approved prior to, they are basically grandfathered in. Mr. Freeman does not believe that the risk outweighs giving people the extra 6 months.

Charles McCready added that it is also unlikely that a Zoning regulation would change within a 6 month timeframe.

Mr. Freeman agreed that it would be unlikely, although it is possible.

It was moved by Rebecca Bolen and supported by Charles McCready to call for a Public Hearing on May 24, 2018 to consider a language amendment increasing the duration of site plan approvals from 6 months to 12 months. The motion passed unanimously.

9. STAFF REPORTS:

A. Planning & Zoning News: March 2018
B. Annual Organizational Meeting to occur in May 2018

10. MATTERS TO BE PRESENTED BY THE PUBLIC OR COMMISSION:

Mr. Freeman updated the Planning Commission on the bicycle repair station recommendation. The Woda Group is planning to add the repair station as an amenity on their project.

11. ADJOURNMENT:

There was a motion by Ken Kavanaugh and supported by Charles McCready to adjourn the meeting at 5:40 p.m. The motion carried.

_____
Clayton Shunk, Chair
Sault Ste. Marie Planning Commission

Police and Fire Pension Board
of the City of Sault Ste. Marie
8:00 a.m. Wednesday, March 21, 2018
Third Floor Conference Room, City Hall

Board Members attendance:

Mr. Boger - present
Mr. Henderson – present
Mrs. Oshelski – present
Mr. Sheppard – present
Mrs. Collins – present

Members of the Public attendance:

none

Mr. Henderson called the meeting to order at 8:05.

Treasurer's Report, February 28, 2018

Schwab Value	$15,938,508
Comerica Market Value	29,008
Total Market Value	$15,967,516

Mr. Boger made a motion to accept the minutes from the last meeting and the February Treasurer's report. Mrs. Oshelski supported. The motion carried unanimously.

Matters Presented by the Board

1. Contracts with Graystone Investment Advisor Services

Mrs. Collins explained the changes which were discussed during a conference call the prior Thursday. Participants of the call in addition to Mrs. Collins were Tim Brice and Rebecca Wolfe of Graystone, Tom Michaud and Aaron Castle of Van Overbeke, Timmony & Michaud. Mrs. Collins learned that the arrangement being proposed was called a sub-custody in which Comerica would be the custodian trustee and Graystone/Morgan Stanley would be the sub-custodian. During the call Mr. Michaud asked where the assets would actually be held and the bankers checked and later explained they would be held at Morgan Stanley. The bankers were asked if there were additional fees in connection with this arrangement and the response was no.

Mrs. Oshelski asked about the results from Mr. Michaud's negotiations with Graystone and Comerica, and Mrs. Collins responded that the fees remained the same at 45 basis points for Graystone and 5 for Comerica. The board's attorneys were unable to reduce them further. There was discussion on the topic of Comerica fees and that services provided by Comerica would not be changing but the fees would be significantly increased from around $8,000 to over $15,000 per year. Mrs. Collins explained that the minimum fee of $6,000 per year was increased

to $10,000 per year, and transaction fees were also increased. She distributed a quote for annual fees of $15,188 which was just shared with her on Monday. Mrs. Collins ensured the board that she was not warned that the fees would nearly double and she suggested that the board may wish to not sign the Comerica contract. She passed along that Ms. Ryans of Comerica had stated that fees were being reviewed and were likely to increase either way. Concerns were expressed regarding whether the Graystone/Morgan Stanley contracts would be impacted by this change. The contracts were discussed by the board. Mrs. Collins said that she had emailed Mr. Michaud and Mr. Castle early that morning and was waiting to hear back. The board made an effort to call both attorneys and was unable to reach them. The board decided to move on in the agenda and postpone approval of contracts (agenda items 1 and 2) until later in the meeting.

3. Budget for 2018-19 and 2019-20 Fiscal Years

Mrs. Collins distributed the two year budget for the fund in the packet. She mentioned that there was one budgeted retirement from the Police Department which did not include Detective Sergeant Swanson who she presumed would be deferred. Some discussion followed regarding that topic. Det Sgt Swanson had provided a letter from his prior employer at Cheboygan County Sherriff's Department stating that he had part-time employment there for a period of time just over a year. It was determined that she would need to have more details from Cheboygan County regarding how many hours he had worked to translate it to full time equivalent for service time, and then if they had adopted and were participating in the Reciprocal Retirement Act. His service time would be added to the City time so he may end up qualifying to draw prior to turning 50 if he reached 25 years of service. It was agreed that whichever threshold was met first would apply.

Mrs. Collins said that another item not included in the budget was the increase in banking services and fees for Comerica's addition. Mrs. Collins suggested that this line item in 2018-19 be increased to $15,800 and 2019-20 increased to $16,100. Mr. Boger made the motion to accept the budget with these modifications and received support by Mr. Sheppard. The motion carried unanimously.

1. & 2. Contracts with Graystone and Morgan Stanley, Investment Advisor Services

Mr. Michaud replied to the board via email that the Morgan Stanley agreements would be intact without Comerica. It was agreed that Mr. Sheppard and Mr. Henderson would sign after several questions regarding services and related fees were answered. There was a motion to accept and authorize agreements with Graystone and Morgan Stanley, contingent upon fees not increasing substantially. The board called Graystone and spoke with Rebecca Wolfe and Stephanie Mills and was satisfied that the fees would not change as a result of removing Comerica's agreement. Mr. Henderson suggested the prior motion be struck and then made a motion to execute contracts with Morgan Stanley and Graystone, support by Mr. Sheppard. Motion carried unanimously.

Mrs. Collins would reach out to Comerica with appreciation for the current level of service and explain why the board has opted for no change at this time.

4. Accept Letter of Intent to Retire from T. Swanson

A motion was made by Mr. Sheppard to accept the letter of intent to retire from Detective Sgt. Swanson. It was seconded by Mrs. Oshelski and the motion carried unanimously.

5. Finalized Actuarial Report of 06/30/17 Distributed

The finalized actuarial valuation of 6/30/17 was distributed to the board. No motion was necessary.

6. Other Matters Presented by the Board

Mrs. Oshelski said that she was considering attending the spring MAPERS conference but may have to leave prior to the last sessions on Tuesday. The board was okay with that. Mr. Sheppard said that he may also attend. It would be May 20-22 and held in Mt. Pleasant. Mrs. Collins said she would have a travel form ready and the City credit card ready and would reserve a pool car if Mrs. Oshelski would use it.

Matters Presented by the Public

No matters were presented, no public was present.

Next Meeting

The next meeting was scheduled for Wednesday, April 18, 2018 at 8:00 am at City Hall, 2nd Floor.

Adjournment

A motion to adjourn was made by Mrs. Collins, second by Mr. Sheppard. The motion carried. The meeting was adjourned at 9:35 a.m.

Respectfully submitted,

Kristin M. Collins
Finance Director

SAULT STE. MARIE HOUSING COMMISSION
REGULAR MEETING HELD MARCH 22, 2018
M I N U T E S

President Donn J. Riley called the Regular Board Meeting of the Sault Ste. Marie Housing Commission to order at 12:05 p.m. on March 22, 2018 at 608 Pine Street, Sault Ste. Marie, Michigan.

Commissioner Wm. Dyke Justin arrived at 12:20 pm to the meeting with advance notice of being a little late.

We had two additional guests present for the board meeting: Donald Chastan and Tony Snydra (Village of Ontonagon, Michigan)

Present:	Absent
Donn J. Riley	
Wm. Dyke Justin (tardy)	
Debbie Jones	
David A. Weber	
Larry Campbell	

Also Present: Wendy M. Beaudoin, Executive Director/Secretary
Prudence Anguilm, Resource Manager/Section 8

Commissioner Debbie Jones made a motion to approve the minutes of the Regular Board Meeting held February 15, 2018. Commissioner David A. Weber provided support and the motion carried as follows:

Ayes:	Nays:
Donn J. Riley	None
Debbie Jones	
David A. Weber	
Larry Campbell	

The Financial Reports for month ending January 31, 2018 and February 28, 2018 for Public Housing, Section 8, and Safe Haven were received and placed on file and paid invoices approved upon a motion made by Commissioner Larry Campbell. Commissioner David A. Weber provided support and the motion carried as follows:

Ayes:	Nays:
Donn J. Riley	None

Debbie Jones
David A. Weber
Larry Campbell

NO. 2018 - 01
RESOLUTION APPROVING INVENTORY

Motion by Commissioner Debbie Jones, supported by Commissioner David A. Weber, moved the adoption of the "Resolution Approving Inventory" for Fiscal Year Ending March 31, 2018.

WHEREAS, the Sault Ste. Marie Housing Commission has performed an inventory of all the non-expendable equipment, reconciled it to property ledgers and the card system.

NOW, THEREFORE, BE IT RESOLVED, the inventory as stated in the printout and journal entries provided by Housing Authority Accounting Specialists, Inc. and the inventory card system are hereby adopted as true and correct, with the following exceptions:

Omit the following:

	Original:	Junk:	
1.	Frigidaire Refrigerator/1316 Bingham St. Model #: FRT18HB5DW/Serial #: BA72937269	$465.00	$0
2.	GE Refrigerator/300 Water St., #512 Serial No. GM700792	$430.00	$0
3.	#1998 Swintec 7000 Type. /608 Pine St.	$589.00	$0
4.	#1510 AM/FM Stereo with stand/Hi Rise	?	$0
5.	#1511 20W Mobile P.A. Amplifire/ HR	$195.93	$0
6.	#2095 Office Chair	?	$0
7.	GE Refrigerator/Spare Model #: GTR11AAPARWW/Serial #: GM703465	?	$0
8.	Frigidaire Refrigerator/Spare Model #: FRT15HB3DW8/Serial #: BA72417571	?	$0
9.	2008 Ford F250 4x4 w/plow/salter	$28,953.29	$8000
10.	2006 Ford ¾ Ton Commercial Van	$20,652.52	$5800
11.	#1358 McCullough chain saw	?	$0
12.	#1362 Edger-Power Type	$141.90	$0
13.	Refrigerator/Spare	$440.90	$0
14.	Crosley Refrigerator/Spare	$450.00	$0
15.	#1456 90 cup Enterprise Coffee Pot/ATA	$88.00	$0

Add the following:

	Location:	Original:
1. #2599 Bizhub 3300P Printer	608 Pine St.	$299.00
2. #2479Dell OptiPlex 7040 Small Form	608 Pine St.	$1165.14
3. 83" X 20' Tandem Utility 5200# w/4ft heavy duty fold down gate	608 Pine St.	$3699.00
4. 2018 Ford F-250 ¾ Ton Commercial Van	608 Pine St.	$28,182.53
5. 2017 Ford F-250 XL ¾ ton 4x4 Truck	608 Pine St.	$31,737.00

Adopted at a Regular Meeting of the Sault Ste. Marie Housing Commission held on March 22, 2018 at 12:00 p.m. at 608 Pine Street, Sault Ste. Marie, Michigan.

Ayes:	Nays:	Absent:
Donn J. Riley Debbie Jones David A. Weber Wm. Dyke Justin Larry Campbell	None	None

Certified By: Wendy M. Beaudoin

Wendy M. Beaudoin, P.H.M.
Executive Director/Secretary

Date: March 22, 2018

NO. 2018-02

RESOLUTION APPROVING WRITE-OFF OF DOUBTFUL ACCOUNTS

Commissioner Debbie Jones, supported by Commissioner Wm. Dyke Justin, moved adoption of the Resolution Approving Write-Off of Doubtful Accounts for Fiscal Year Ending March 31, 2018.

Vacated Tenant	Account Number	Amount Owed
Cadreau, Kayla A.	001-0075-10	$ 753.00
Claxton, Annie O.	002-0103-24	$ 606.91
Hill, Lindsey D.	002-0166-13	$ 1047.00
Alspaugh, Renee J	002-0175-24	$ 1147.14
Benson, Katherine L.	002-8228-06	$ 117.00
Kirkpatrick, Angela L.	002-8240-09	$ 854.79
Paquin, Bobbie	002-9253-07	$ 1569.04
Curry, Tabatha E./Russel J. Garrod, Jr.		

	002-9260-06	$ 1700.88
Simpkin, Phillip J.	001-0059-19	$ 377.42
McCaffery, Debra A.	001-0066-17	$ 904.80
Jones, Rachel L.	002-0120-16	$ 148.36
Fry, Sylina M.	002-0122-14	$ 1171.06
Decker, Makisha E.	002-0128-14	$ 223.99
Sawasky, Jenna C./Ward, Amber	002-0140-23	$ 583.45
VanSloten, Collen M.	002-0146-14	$ 1740.22
Root, Annie J.	002-0172-16	$ 1234.33
Livingston, Jennifer R.	002-8212-05	$ 377.40
Clampitt, Amy B.	002-8212-06	$ 1090.08
Fraser, Brittny M.	002-8244-05	$ 363.95
McNamara, Mellisa A.	002-8225-04	$ 2423.93
Cook, Wesley D.	002-8242-07	$ 487.05
Burriesci, Heidi E.	002-8247-09	$ 2039.00
	TOTAL	**$20,960.80**

WHEREAS, the above-stated tenants have vacated their units, and

WHEREAS, the security deposit was inadequate to cover charges owed the Sault Ste. Marie Housing Commission for rent or damages,

NOW, THEREFORE, BE IT RESOLVED, the above stated vacated tenant accounts be written off as doubtful and reported to HUD's Enterprise Income Verification (EIV) system.

ADOPTED at a Regular Meeting of the Sault Ste. Marie Housing Commission held on March 22, 2018 at 12:00 p.m. at 608 Pine Street, Sault Ste. Marie, Michigan

Ayes:	Nays:	Absent:
Donn J. Riley Debbie Jones Wm. Dyke Justin David A. Weber Larry Campbell	None	None

Certified By: Wendy M. Beaudoin

Wendy M. Beaudoin
Executive Director/Secretary

DATE: March 22, 2018

Commissioner David A. Weber made a motion to adopt Resolution No 2018-03 "PHA Board Resolution Approving Operating Budget" commencing April 1, 2018. Commissioner Wm. Dyke Justin provided support and the motion carried as follows:

Ayes:	Nays:	Absent:
Donn J. Riley David A. Weber Larry Campbell Wm. Dyke Justin Debbie Jones	None	None

The Board accepted and placed on file the par-plan renewal from the Hannula Agency, and authorized payment in the amount of $60,234.00 for FY 2018-2019 beginning April 1, 2018. A motion was made to pay the amount due by Commissioner Larry Campbell and supported by Commissioner Debbie Jones. The motion carried as follows:

Ayes:	Nays:
Donn J. Riley David A. Weber Larry Campbell Wm. Dyke Justin Debbie Jones	None

The Executive Director presented the wage comparisons as requested by the Board after tabling the matter at the February 15, 2018 meeting. Commissioner David A. Weber made a motion to approve the wages commencing April 1, 2018 with the revisions discussed. Commissioner Larry Campbell provided support and the motion carried as follows:

Ayes:	Nays:
Donn J. Riley Wm. Dyke Justin Debbie Jones David A. Weber Larry Campbell	None

The Board accepted and approved the submission of Application for Waiver-2017 Request for the Protecting Local Government Retirement and Benefits Act for Retirement Health Benefit Systems. A motion was made to approve and submit the application for Waiver 2017 by Commissioner Wm. Dyke Justin and supported by Commissioner Larry Campbell. The motion carried as follows:

Ayes:	Nays:
Donn J. Riley David A. Weber Larry Campbell Wm. Dyke Justin Debbie Jones	None

Commissioner Larry Campbell moved to approve Payment Requests #2 and #3, respectively, to McGahey Construction, Inc. for CFP 2017 Hi-Rise Modernization in the amount of $94,702.50 (2) and $26,153.10 (3). Commissioner Wm. Dyke Justin provided support and the motion carried as follows:

Ayes:	Nays:
Donn J. Riley David A. Weber Larry Campbell Wm. Dyke Justin Debbie Jones	None

The Director reported the following:

A. 2016 & 2017 CFP – Final obligation must be made by April 12, 2018 for CFP 2016 in order not to jeopardize any further CFP funding. 2017 CFP is moving along and completion of the Hi-Rise modernization is slated for the end of April. We will host an open house so that the Board can tour the newly modernized building.
   We are still waiting to hear about CFP 2018 funding.
B. Housing Update – The Director presented a Public Housing Report and a Section 8 Program Report for February 2018. Public Housing had 256 units under lease. There were 44 Section 8 Housing Choice Vouchers under contract. Tenant and/or PHA terminated 8 contracts and 4 contracts were added. Payments to landlords in February were $11,405 and $0.00 payments were made to tenant(s) for the month. During the month, $0 was recovered from landlords and/or tenants. Internal Application Screening reflected 8 applications received, 32 applications given, 9 approved, 4 rejected, 73 withdrawn (annual purging of the wait list), and 0 that did not follow up. The Safe Haven Report reflects 10 persons currently in shelter, 1 Veteran receiving service, 0 new intakes, 1 discharged. Safe Haven provided 260 bed nights for the month of February. The Collection Report (for vacated units) reflects $5,688.94 collected for the month of February 2018 with a total collected for vacated accounts since October 2004 in the amount of $121,572.72.
C. A copy of March's Section 8 and Public Housing newsletters were provided to the Board.
D. A copy of the FEMA application submitted for funding for the Emergency Food and Shelter Program was provided to the Board (United Way).

E. Fire Suppression Proposal - $1800.00 to check all fire extinguishers. It was brought to our attention that previous inspections of our current extinguishers was not up to par for replacement of obsolete products. The cost would include replacement (change out), refilling and additional where necessary.

Old Business

A. Riverview Terrace Inquiry – the Executive Director received an inquiry from the City Manager to participate in a conference call to discuss interest in the possible purchase of Riverview Terrace by a developer. After inquiries, it was decided not to participate in the call for reasons of HUD does not support the sale, the displacement of 60 households and the requirements of the Housing Commissions to secure housing prior to sale, locking in rent rates for an extended period of time, the construction make-up of the building not allowing for internal structural changes to the existing apartment square footage, the extensive modernization and expenses taking place at this time, and the fact that the Sault Ste. Marie Housing Commission is continually a High Performer. HUD isn't interested in approving Commissions with that status to sell.
B. FreshAir Sensor Pilot Program – The Executive Director reported that the the Housing Commission cannot partake in the pilot program with the FreshAir smoke detecting sensors. There are too many WiFi networks in the building that would slow down the program and not enable accurate exchange of data.
C. Employee wages and wage compensation – See Board action

New Business:

A. A representative Verizon has approached the Executive Director to enter into an agreement to place a tower on top of Riverview Terrace. The Executive Director asked permission of the Board to pursue it further with HUD as it is not a tenant benefitting service therefore requires HUD approval. The Board was all in favor and requested it be pursued.
B. The Executive Director expressed that she will be at an UPHO conference for the regularly scheduled April Board meeting. It was discussed and decided that the April Board meeting would be rescheduled for April 26, 2018 at 12:00 noon.

Matter Presented by the Public:

Matters Presented by the Housing Commission:

The meeting adjourned at 1:00 p.m.

Respectfully submitted,

Wendy M. Beaudoin, PHM
Executive Director/Secretary

Donn J. Riley,
President

MEETING HELD
IN THE CITY COMMISSION CHAMBERS
THIRD FLOOR, 225 E PORTAGE AVENUE
AT 5:30 PM ON THURSDAY, MARCH 15, 2018

Pending approval from by the Zoning Board of Appeals

1. Call to Order:

The Zoning Board of Appeals meeting was called to order by Vice-Chair, Bob Casey at 5:30 p.m.

2. Roll Call of Board Members:

Roll call was taken to reflect the following quorum:

Present:	Bob Casey Beverly McCready (Arrived after roll call) Steve Twardy David Lockhart Ken Dunton Dan Campbell Eric Welch
Absent:	None
Staff Present:	Kelly Freeman (Community Development Director) and Melanie McBride (Community Development Office Coordinator)
Public Present:	Cecil Pavlat Craig Patterson, The Woda Group

3. Excuse absent board members:

It was moved by Ken Dunton and supported by Bob Casey to excuse Beverly McCready's absence. The motion passed unanimously.

**(Beverly McCready arrived shortly after roll call, and prior to agenda item 4)*

4. Acceptance of the Minutes of the Zoning Board of Appeals meeting held on December 21, 2017:

It was moved by Ken Dunton and supported by Steve Twardy to accept the Zoning Board of Appeals Meeting Minutes of December 20, 2017 as circulated. The motion passed unanimously.

5. Election of a Zoning Board of Appeals Chairman & Annual Organization:

Mr. Freeman explained that annually three officer positions are selected: Chair, Vice-Chair, and Secretary. The nomination of officers shall be made from the floor.

Bob Casey made a motion to nominate Ken Dunton for the position of Chair. The motion was supported by Steve Twardy. Ken Dunton accepted the nomination. The motion passed unanimously.

Ken Dunton made a motion to nominate Bob Casey for the position of Vice-Chair. The motion was supported by David Lockhart. Bob Casey accepted the nomination. The motion passed unanimously.

Ken Dunton made a motion to nominate Beverly McCready for the position of Secretary. The motion was supported by Bob Casey. Beverly McCready accepted the nomination. The motion passed unanimously.

Ken Dunton took over as Chair for the remainder of the meeting.

Next, Ken Dunton outlined the procedure for the variance. He explained that first City Staff will present the background information and then the applicant will have an opportunity to provide additional information and explain why he or she feels that the variance is warranted. Next, he said that comment is opened up to the public. If anyone from the public wishes to address the Board, he asked that they state their name and address for the record, and direct their comments to the Chair. After all the members of the public have spoken, the matter comes before the Zoning Board for discussion. He added that members of the Board may ask City staff or the applicant any questions at that time.

6. The Woda Group – Variance Extension:

Mr. Freeman explained to the board that this request is to extend a previously approved variance that was granted on March 16, 2017. The variance will expire on March 16, 2018. The extension will allow an additional year to March 16, 2019.

The property in question is 146 Ridge Street. This project is a 64 unit multi-family apartment building with approximately 1900 square feet of commercial space. The reason that the variance was needed is because our zoning ordinance does not contemplate first floor commercial, and first floor residential existing the same floor. The zoning ordinance allows a building that is all commercial or a building that is all residential. The zoning ordinance also allows commercial and residential on separate floors, but cannot share the same floor. The applicant has been working diligently for state funding for this project, but it is taking additional time.

Mr. Freeman recommends approval for the variance extension.

Mr. Freeman added that Craig Patterson from The Woda Group is in attendance if anyone has any questions for him.

Craig Patterson provided the board with an update on project. The Woda group has been competing for funding through MSHDA and it has taken a few rounds. This investment will be around a 13.1 million dollar investment including 2 market rate units, and 1920 square feet of commercial space. The Woda Group met with the community and has answered questions about the development. Craig displayed for the board the site plan of the project, along with elevation renderings. April 2nd is the submission date for the next round of funding.

There was no other public comment, and no board discussion.

It was moved by Dan Campbell and supported by Steve Twardy to approve the variance extension, subject to Mr. Freeman's conditions. The motion passed unanimously.

7. Pavlat – Setback Variance Request:

The applicant is requesting one foot side setback variance from Section 10-1.1600 of the City's Zoning Ordinance to permit the construction of a 20' x 16' single story addition to the rear of the single family dwelling located at 1047 Maple Street.

Mr. Freeman began his presentation. The subject property is located on the north side of Maple Street just west of Greenough Street. The property consists of two platted lots zoned R-1 (One-Family Residential). There are two structures on the property, a 1.5 story main dwelling and a 24' x 28' detached garage. The applicant is proposing to construct a 16' x 20' addition to the rear of the home in line with the existing side walls. The addition will contain a bedroom, bathroom, and laundry facilities. Like many old homes in the area, the current bedroom and bathroom are upstairs and the laundry facilities are in the basement. The applicant and his wife have been in this home since 1981 and would like to remain in the home as they age. The addition would provide those necessary facilities on a single floor for easier long-term access.

Mr. Freeman displayed a sketch of the addition floor plan. The west wall of the dwelling lies two feet from the property line. Section 10-1.1600 requires a minimum setback of three feet. The plans as designed by the applicant would place the new addition one foot too close to the property line. The existing dwelling is grandfathered, but the new construction must comply with the zoning ordinance regulations. The applicant is concerned about possible impacts on the usability of the driveway if the addition was shifted over one more foot over into the driveway. Mr. Freeman added that after speaking with Mr. Pavlat prior to the meeting, he has made an adjustment to the layout of the new addition. The entry door would be relocated from the bedroom to outside the bathroom. An easterly exterior door would necessitate the construction of a landing and stair projecting toward the driveway. Mr. Freeman noted that the staff analysis was already conducted prior to the door relocation, so it was not included in his report.

The Zoning Board of Appeals can permit a variance when an undue hardship is caused by:

1. Narrowness, shallowness, shape or area of property
2. Topography of property
3. Other extraordinary or exceptional circumstances.

Mr. Freeman's began his analysis of the property. The property has a road frontage width of 75' on Maple Street. The minimum width required by the zoning ordinance is 50'. The depth is uniform within the block. The shape is somewhat unusual due to the second lot, but no hardship was found. The area of the property is 11,325 square feet, which is more than double the 5,000 square foot minimum. The subject property is relatively flat and does not contain any unusual areas due to topography. No hardship was found. In regards to extraordinary or exceptional circumstances, Mr. Freeman had a few points to consider. The house was originally built within the setback, which is common within the City. Both adjacent dwellings to the east and west are located within their required side setbacks. Many dwellings to the rear are also within their required side setback. The driveway configuration does not pose a hardship due to their being an extra five feet between the driveway and the house. The garage being behind the house could cause some maneuverability issues, but Mr. Freeman felt the separation was sufficient. Mr. Freeman also considered structural concerns with the one foot offset in the foundation. Mr. Freeman spoke with the building official and no concerns were expressed. An addition of this size would require a building permit. Overall, Mr. Freeman found no identifiable hardship.

Mr. Freeman received a letter, a note, and a few phone calls in response to public comment. Mr. Pavlat's neighbor to the west, wrote a letter in support of the variance request. He would be the most impacted by the construction. Additionally, he received a note of no objection from the neighbor at 1068 Maple Street. Two phone calls were received asking if they received the letters in error. After a brief explanation, they had no objections to the request.

Mr. Freeman's recommendation is to deny the requested variance due to no hardship being identified.

Mr. Freeman explained that Mr. Pavlat is in the audience and has additional information for the board.

Ken Dunton asked if there were any questions in regards to the staff presentation before public comment.

Bob Casey asked if the same variance was already needed for the current deck on the property.

Mr. Freeman responded that the deck was not researched.

Steve Twardy asked what the distance is between the proposed addition and the front of the garage.

Mr. Freeman explained that it should be 14 feet according to Mr. Pavlat's measurements. The zoning requires 10 feet.

Ken Dunton opened the floor up to Cecil Pavlat.

Cecil Pavlat provided an updated drawing of the proposed addition. They changed the door location to prevent entry directly into the bedroom. The side location makes more sense for a privacy and security reasons. The driveway is 5' away from the house. Due to their ages, they

are anticipating the possibility of having better accessibility for the future. There are also some health and handicap issues and he is thinking there may be a ramp in the future. A landing for a wheelchair ramp is 5 feet square which would take up all of the space to the driveway. Mr. Pavlat mentioned that his wife is "back-up challenged with a vehicle" and he worries about her hitting something. He added that he understands that there wasn't a hardship found, but it will be difficult for him to make the addition small and fit a bedroom, bathroom, and laundry in the smaller space. Mr. Pavlat has been in this home for 37 years and asked for them to consider his request so they can remain in their home.

Bob Casey asked if he could alter the size of the addition to 15' x 22' since he still has additional space towards the garage.

Cecil Pavlat replied that changing it is a possibility, but he already had plans drawn up. If he had been more informed at the time, he probably would have done things differently if he had known variances were granted based on hardship.

Ken Dunton opened up board discussion.

Bob Casey asked for clarity in regards to Mr. Freeman's recommendation of denial when the neighbors already agree to the one foot setback encroachment.

Mr. Freeman responded that his recommendation is based strictly on the lack of hardship found.

It was added that the analysis was not taking into consideration the future need for a ramp. The Zoning Board has heard from approximately three cases in the last few years in regards to people needing ramps to remain in their homes and often these violate setback regulations.

Bob Casey feels that there will be a future hardship and the board should not wait for him to come in with a wheelchair.

It was moved by Bob Casey, and supported by Dan Campbell to approve the variance as requested.

Roll Call Vote:

Bob Casey	Yes
Beverly McCready	Yes
Steve Twardy	Yes
David Lockhart	Yes
Ken Dunton	Yes
Dan Campbell	Yes
Eric Welch	No

8. **<u>Public Comment:</u>** There was no public comment.

9. Other Matters Presented to the Board or Staff:

The board discussed the recent MAP Training that some of the board members attended.

Steve Twardy asked if the city has a decision matrix to aid in the board making decisions.

Mr. Freeman responded that we do not currently have one, but it is something that staff can work on and present to the board. Since working for the City, Mr. Freeman has found that the standards should be reviewed to help make decisions more black and white. Mr. Freeman gave an example of a checklist with criteria, and only if all those are met can a variance be granted.

Ken Dunton added that he understands why Mr. Freeman recommended denial based upon hardship, but some issues aren't as clear as others. Ken based his decision on this not negatively affecting any party.

Beverly McCready asked if the Zoning Board of Appeals has any kind of discretion in terms of commonality in neighborhoods.

The board all agreed that they do have the authority to make those decisions and that what happened at this meeting. The staff does not have that authority and must adhere to the Zoning Ordinance.

Bob Casey asked about short-term vacation rentals and if that can be done within the City.

Mr. Freeman responded that this is currently a really gray issue. There is current legislation that the City is against, which would make short term rentals permitted use by right. The City takes local control very seriously and we want those decisions to come from the locals that live here and not politicians. The City has no current regulations right now.

10. Adjournment:

It was moved by Bob Casey and supported by Steve Twardy for the meeting to be adjourned at 6:13 p.m. The motion carried.

Respectfully submitted,

_____
Ken Dunton, Chair
Zoning Board of Appeals

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 4/26/2018

Subject: Resignation from the Community Services Board. RECOMMENDED ACTION: Accept the resignation of Ken LaJoie from the Community Services Board for a term that is set to expire July 1, 2018 and Send a Letter of Thanks for his Service

Background Information:

Ken LaJoie has submitted a letter of resignation from the Community Services Board from a term that is set to expire on July 1, 2018. A letter of appreciation will be sent to Ken LaJoie for his past service on this Board. There is now one vacancy on the Community Services Board that will need to be filled by a new appointment.

Recommendation:

Accept the resignation from the Community Services Board from Ken LaJoie from a term that is set to expire on July 1, 2018 and send a letter of appreciation for his service on this Board.

Fiscal Effects:

None.

Alternatives:

None recommended.

Respectfully submitted,
Robin Troyer
Assistant City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Parks and Recreation

Submitted By: dwallis

Date: 4/26/2018

Subject: Resignation of Ken LaJoie from Community Services Board

Background Information:

An email was received from Ken LaJoie stating he was resigning his position on the Community Services Board

Fiscal Impact:

G/L Account #:

Recommendation:

Accept Ken LaJoie's resignation from the Community Services Board

Deb Wallis

From: Mark meiners
Sent: Wednesday, April 25, 2018 8:07 AM
To: Deb Wallis
Subject: Fw: Resignation

Deb,

This is ken's letter.

Thanks

Mark

Sent from Surface

From: kennethlajoie@att.net
Sent: Tuesday, April 24, 2018 4:00 PM
To: 'Mark meiners'

Mark Meiners
Chairman Community Services Board

I hereby resign my position on the Community Services Board. It has been an honor and pleasure to serve. I recall many interactions with different board personnel and believe the youth and forward thinking of the current board will bring many great changes for Sault Sainte Marie. Life's path is sending Michelle and I on a new adventure, we are relocating to Marquette for Michelle's work. I hope our community involvement in Marquette will be as pleasurable as it was serving this community. We will miss all of you, and I am excited to follow the progress the Community Services Board will accomplish in the coming years.

Ken LaJoie

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 3/28/2018

Subject: Capital Project Budget Amendment: Light Pole Repairs - Ashmun & Portage

Background Information:

The City Commission approved $4,000 be set aside at the beginning of FY 2018 to cover street light repairs needed throughout Downtown Sault Ste. Marie. The City Street Department recommended to the Downtown Development Authority that an electrical contractor be retained to resolve various electrical issues that were causing Downtown street lights to flicker or malfunction.

A capital project was created at the beginning of the current fiscal in the amount of $4,000 and labeled "Light Pole Repairs - Ashmun and Portage." Roy Electric was hired as contractor and found more than 30 shorts, burnt out ballasts, and bad bulbs. Repairs were made at a cost of approximately $5,000; close to $1,000 more than was estimated at the beginning of the year.

DDA Director Knepper is requesting that $1,000 in additional funding be allocated to the capital project from the City of Sault Ste. Marie General Fund to cover this overage.

Recommendation:

That the City Commission amend the capital project "Light Pole Repairs - Ashmun and Portage" to increase the amount set aside for the project from $4,000 to $5,000 authorizing a corresponding budget amendment.

Fiscal Effects:

An additional $1,000 would be drawn from the General Fund balance.

Alternatives:

As directed by the City Commission.

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 4/2/2018

Department: DDA

Submitted By: jknepper

Date: 3/28/2018

Subject: Capital Project Budget Amendment: Light Pole Repairs - Ashmun & Portage

Background Information:

The City Commission approved $4,000 be set aside at the beginning of FY 2017/18 to cover street light repairs needed throughout Downtown Sault Ste. Marie. The City Street Department suggested that an electrical contractor be hired to trouble shoot various electrical issues that were causing Downtown street lights to flicker or remain dark.

A capital project was created at the beginning of current FY in the amount of $4,000 and labeled "Light Pole Repairs - Ashmun and Portage." Roy Electric was hired as contractor and found more than 30 shorts, burnt out ballasts and bad bulbs. Repairs were made at a cost of approximately $5,000; close to $1,000 more than was was estimated at the beginning of the year.

Director Knepper requests that $1,000 in additional funding be allocated to the capital project from the City of Sault Ste. Marie general fund or other appropriate fund to cover this overage.

Fiscal Impact:

Additional $1,000 from City general fund be allocated to cover light pole repairs G/L Account #: 248-57705-801

Recommendation:

That the City Commission amend the capital project "Light Pole Repairs - Ashmun and Portage" to increase the amount set aside for the project from $4,000 to $5,000.

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/2/2018

Subject: From the Historic Structures Management Committee - Budget Amendment Request

Background Information:

At the Historic Structures Management Committee meeting held on April 25, 2018, a vote was taken and carried recommending the City Commission authorize a budget amendment to cover the cost of completing the John Johnston Historic Structure Dormer Removal Project.

After completing a public bidding process for this project, no quotes were received to complete this project. Various contractors were approached to provide a viable quote to complete this work and Fairview Construction and Roofing of Sault Sainte Marie provided a quote of $7,200.00 to complete this project (please see included).

Currently, $3,000 was budgeted for this work and the funding was provided in the current fiscal year budget through the Osborn Trust Fund. This project is a high priority of the Historic Structures Management Committee and it recommends the following budget amendment to complete the project during this fiscal year.

Allow the budget revision to transfer funds from the Historic Structures Operating Budget to the project as follows:

$2,000 from line item 101-56-800-863 - Maintenance and Repair
$1,000 from line item 101-56-800-817 - Program Performances
$500 from line item 101-56-800-816 - Pest Control
$700 from line item 101-56-800-814 - Brochures & Exhibits

This would still leave sufficient funds to complete the operations of the Historic Structures through this fiscal year and provide the ability to complete this very important project to assist in rehabilitating the structure.

Recommendation:

That the City Commission approve a transfer of $4,200 from Historic Structures operating funds to the Johnston Historic Structure Dormer Removal Project as presented.

Fiscal Effects:

Transfer funds from 101-56-800 Historic Structures Operating Funds to103-56-000-002 Johnston Historic Structure Dormer Removal Project

Alternatives:

No alternative course of action is recommended.

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Parks and Recreation

Submitted By: dwyers

Date: 5/02/2018

Subject: From the Historic Structures Management Committee - Budget Amendment Request

Background Information:

At the Historic Structures Management Committee meeting dated April 25, 2018, a vote was taken and carried recommending the City Commission authorize a budget amendment to cover the cost of completing the John Johnston Historic Structure Dormer Removal Project.

After completing a public bidding process for this project, no quotes were received to complete this project. Various contractors were approached to provide a viable quote to complete this work and Fairview Construction and Roofing of Sault Sainte Marie provided a quote of $7,200.00 to complete this project (please see attached).

Currently, $3,000 was budgeted for this work and the funding was provided in the current fiscal year budget through the Osborn Trust Fund. This project is a high priority of the Historic Structures Management Committee and they recommend the following budget amendment to complete the project during this fiscal year.

Allow the budget revision to transfer funds from the Historic Structures Operating Budget to the project as follows:

$2,000 from line item 101-56-800-863 - Maintenance and Repair
$1,000 from line item 101-56-800-817 - Program Performances
$500 from line item 101-56-800-816 - Pest Control
$700 from line item 101-56-800-814 - Brochures & Exhibits

This would still leave sufficient funds to complete the operations of the Historic Structures through this fiscal year and provide the ability to complete this very important project to assist in rehabilitating the structure.

Fiscal Impact:

Transfer funds from 101-56-800 Historic Structures Operating Funds to103-56-000-002 Johnston Historic Structure Dormer Removal Project G/L Account #: 101-56-800; 103-56-000-002

Recommendation:

To transfer $4,200.00 from Historic Structures operating funds to the Johnston Historic Structure Dormer Removal Project

Fairview Construction and Roofing LLC
3361 s m-129
(906)440-4054
fairviewconst@live.com

ESTIMATE

ADDRESS
City of Sault Ste Marie
water st

ESTIMATE # 1533
DATE 04/23/2018

ACTIVITY	QTY	RATE	AMOUNT
Roofing REMOVAL OF TWO EXISTING DORMERS TO INCLUDE: -Remove and dispose of existing dormers -Frame in openings level with existing roofing surface -Ice and water shield over new roofing surface -Cedar shake to be tied into existing -Cedar shake will not match existing	1	7,200.00	7,200.00

TOTAL **$7,200.00**

Accepted By

Accepted Date

Report Criteria:

Account: 103-56000-002 JOHNSTON HS DORMER/WINDOW REPL

	(04/18) 04/30/2018	(03/18) 03/31/2018	(02/18) 02/28/2018	(01/18) 01/31/2018	(12/17) 12/31/2017	(11/17) 11/30/2017
Encumbrance:	.00	.00	.00	.00	.00	.00
Actual:	.00	.00	.00	.00	.00	.00
Total:	.00	.00	.00	.00	.00	.00
Budget:	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Unexpended:	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Period Amounts						
Encumbrance:	.00	.00	.00	.00	.00	.00
Actual:	.00	.00	.00	.00	.00	.00
Budget:	.00	.00	.00	.00	.00	.00
Unearned:	.00	.00	.00	.00	.00	.00

Historic Structures Management Committee

City

April 25th, 2018

The meeting was called to order at 3:35 P.M. by Chair Mary June

Members Present: Chair Mary June, Roger Blanchard & Patty Olsen & Rich Brawley

Members Absent: Ken LaJoie

Approval of the Minutes of January 31st, 2018

Motion made by Roger Blanchard and supported by Rich Brawley to accept minutes of January 31st, 2018. Motion Carried.

1. **Special Orders of Business/Discussion:**

   ***Discussion*: Johnston House Roof (dormer/window) Replacement Project #103-56-000-002**

   Action: Rich Brawley made a motion and Roger Blanchard supported and vote taken and carried that with the anticipation these line items in their current existing budget could be allocated towards the Johnston House Roof (dormer/window replacement) Project which would cover the current and only bid of $7,200.00 from Fairview Construction with the $3,000.00 from the Osborn Operating Fund. See breakdown below.

   - $2,000.00 for line item 101-56-800-863 **Maintenance & Repair**
   - $1,000.00 from line item 101-56-800-817 **Program Performances**
   - $500.0 from line item 101-56-800-816 **Pest Control**
   - $700.00 from line item 101-56-800-814 **Brochures & Exhibits**

   $4200.00 (from above line items) + $3000.00 (Osborn Operating Fund)= $7200.00 which is the current and only bid from Fairview Construction for this project #103-56-000-002 Johnston House Roof (dormer/window replacement) Project.

2. **Staff Report:**

   Dan gave quick overview and report will be placed on file

3. **Communications:** None

4. **Matters Presented by the Public:** None

5. **Matters Presented by the Board:** Dan Wyers to check on the $5,000.00 the HDC promised for the start of the Baraga House Windows Replacement Project for two (2) windows per Chair Mary June. Patty Olsen wanted to let members know that History Camp is June 18-June 22nd. Members agreed that two (2) docents should be in front of the Johnston House taking admission on Engineer's Day. Have the historic homes checked on to see how they came through the winter and Rich will check and assess on those for members.

6. **Adjournment:**

Next Meeting Date: Wednesday, May 30th if needed and alternate date of June 27th, 2018
Action: Motion was made by Roger Blanchard and supported by Patty Olsen to adjourn the meeting at approximately 5:05 PM. Motion carried.

Minutes Prepared By: Debbie Wallis, DPW/Parks Office Coordinator

CITY OF SAULT STE. MARIE

REQUEST FOR PROPOSAL

John Johnston Home - Dormer Removal Project

Q-3-18

The City of Sault Ste. Marie will receive quotes in the office of the City Clerk, City Hall - 225 East Portage Ave., Sault Ste. Marie, Michigan 49783, for John Johnston Home - Dormer Removal Project.

Quotes will be publically opened on **Friday, March 9, 2018 at 4:00 p.m.** in the City Clerk's office.

To order bid documents or for questions regarding the bidding process please contact the City Clerk's Office at (906) 632-5715 or visit www.saultcity.com .

The City reserves the right to reject any and all bids and to waive irregularities in bids and to accept any bids which in the opinion of the City Commission may be most advantageous to the City of Sault Ste. Marie and in accordance with the City's "Award Process" and other bidding documents.

ROBIN R. TROYER MMC, CITY CLERK

Request for Quotes
Q-3-18

John Johnston Home - Dormer Removal Project

The City of Sault Sainte Marie (City) is accepting quotes from Insured and Licensed Contractors interested in the removal of two (2) existing roof dormers of the John Johnston Home.

1. Roof dormers on the south side of the roof are to be removed in accordance with building code specifications and in the following manner:

    - Remove and dispose of all materials utilized in the construction of the existing dormers on the roof
    - Frame in the gap to match the existing attic framing
    - Reroof by providing and installing new ½" OSB sheathing over the new openings in roof
    - Install Ice and Water Barrier (Shield), underlayment and new roofing material (Cedar Shake Shingles) over the new sheathing per shingle manufacturer recommendations
    - Provide and install new cedar shake shingles that best match the existing cedar shake shingles on the existing roof to blend in to seal the roof

2. Please state material, labor and warranty

3. This quote is contingent on site visit and site verification prior to bid approval

4. Statement of licensed contractor's qualifications form must be completed and submitted as part of this RFQ

5. Insured and Licensed contractor shall provide Workers' Compensation Insurance, and Commercial General Liability and Umbrella Liability Insurance as prescribed by requirements of the City of Sault Sainte Marie

6. All permits are the responsibility of the contractor

7. RFQ to be submitted to the City Clerk by 4:00 pm Friday, March 9, 2018

8. All work must be completed by no later than April 27, 2018

9. Quotes received by the city for review will be evaluated based on the amount of proposal and the ability of the proposed contractor to complete the work prescribed

10. Contact the Department of Public Works/Parks office at 906-632-5768 to make an appointment to visit the site

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/1/2018

Subject: Scheduling a Public Hearing for SL-1N-18 and SL-1W-18 to Confirm Single Lot Special Assessments. RECOMMENDED ACTION: Set a Public Hearing date on the confirmation of SL-1N-18 and SL-1W-18 for June 4, 2018

Background Information:

Attached are the preliminary single lot special assessments for property maintenance issues, late rental registration fees, and delinquent water and sewer bills related to individual properties located within the City of Sault Ste. Marie. Please note that the amounts on the assessment rolls are based on the expenses up to this date plus a $20 late fee. If any of these bills are paid prior to Monday night's City Commission meeting, that $20 is reduced from the amount listed here. If the bills remain unpaid at the time the amounts are posted to the tax roll then an additional $50 fee is assessed to these property owners.

Finance Director/City Treasurer Kristin Collins will provide a revised listing of the unpaid amounts for the Commission for Monday night's meeting based on any payments received through Monday.

Recommendation:

I recommend that the City Commission set a public hearing date for the confirmation of Special Assessment Rolls SL-1N-18 and SL-1W-18 for June 4, 2018.

Fiscal Effects:

None by setting the public hearing. Approval of the final assessment roll will authorize City Administration to place any unpaid amounts on the tax bill with an additional $50 charge to the property owners.

Alternatives:

None recommended.

Respectfully submitted,
Robin Troyer
Assistant City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Finance

Submitted By: kcollins

Date: 5/01/2018

Subject: Single Lot Assessment Rolls SL-1N-18 and SL-1W-18

Background Information:

Attached is a listing of preliminary single lot property assessments for property maintenance issues, late rental registration fees, and delinquent water and sewer bills related to individual properties located within the City of Sault Ste. Marie. If approved, these charges will be placed on the July tax bills. Please note the amount listed on the assessment rolls is based on charges to date and which have remained unpaid.

Pursuant to Chapter 21 Article 5 of the City's Code of Ordinances property owners will be given not less than 30 days' notice of the amount owed and the property affected. Subsequently, a public hearing will be scheduled at which objections to such roll as prepared may be heard.

For code enforcement billings, property owners have been sent monthly statements during this time. For sewer and water accounts, there is no service at these properties, and repeated efforts at collection have been made. All property owners of record were sent a notice of this action on April 5, 2018.

A late fee of $20.00 is listed separately and will be added to the total amount to be rolled onto the tax bill for each parcel, however this fee will waived for payments received prior to the meeting and the list will be updated to exclude bills paid prior to Monday's meeting. An additional fee of $50.00 will be added to the bills which are rolled onto the next tax bill.

Fiscal Impact:

The amounts eventually confirmed will be collected under property tax collection procedures as opposed to non-tax billing and collection efforts. No budget amendment is requested for this action. G/L Account #: n/a

Recommendation:

I recommend the Commission schedule a public hearing on June 4, 2018 for the purpose of hearing objections to Single Lot Assessment Rolls SL-1N-18 and SL-1W-18.

Summer 2018 Single Lot Special Assessment Roll

Water and Sewer Arrears for Single Lot Special Assessments

SL-1W-18

Parcel #	Owner Name & Billing Address	Service Address	Customer #	Due	Penalties	Assessment fee	Roll Fee	Total to roll
051-722-003-00	JAMES & DONNA BENOIT 706 CEDAR ST SAULT SAINTE MARIE, MI 49783	805 W 24TH AVE	7-001180-06	269.98		20.00	50.00	339.98
051-094-001-00	ANGELA KIPLING & NANCY VICTORSON 401 E ANN ST SAULT SAINTE MARIE, MI 49783	401 E ANN ST	1-012600-05	49.30		20.00	50.00	119.30
051-395-008-00	BENJAMIN & KATRINA CYMBALIST GILBERT & VIRGINIA CYMBALIST 718 CARRIE ST SAULT SAINTE MARIE, MI 49783	718 CARRIE ST	5-000560-00	102.54		20.00	50.00	172.54
051-298-003-00	SPROESSIG, DANIELLE 1178 COUNTY RD 477 MCMILLAN MI 49853	424 CEDAR ST	1-004380-01	179.97		20.00	50.00	249.97
051-028-023-00	DARYL PASTUSZAK & JULIE MATTEAU 1054 CEDAR ST SAULT SAINTE MARIE, MI 49783	1054 CEDAR ST	5-004960-04	89.76		20.00	50.00	159.76
051-332-005-00	MARY JOAN & ALICE ANNE MALONEY 2091 W STONEY CORNERS RD MCBAIN, MI 49657	908 E EASTERDAY AVE	4-000020-00	82.20		20.00	50.00	152.20
051-192-009-00	SCALLEN, GARY 3905 SHALLLOWS BEACH AVE SAULT SAINTE MARIE, MI 49783	817 PINE ST	2-011060-06	266.35		20.00	50.00	336.35
051-081-008-00	FEDERAL HOME LOAN MORTGAGE CO C/O TROTT LAW PC 31440 NORTHWESTERN HWY STE 200 FARMINGTON, MI 48334	806 SUPERIOR	3-008760-01	317.19		20.00	50.00	387.19
051-336-004-00	LAURA A COOK 10812 W THERESA ST RUDYARD, MI 49780	905 SWINTON ST	4-001020-04	19.62		20.00	50.00	89.62
051-037-004-00	TENDERCARE SAULT SAINTE MARIE 111 W MICHIGAN ST MILWAUKEE, WI 53203	1011 MERIDIAN	7-007920-01	5,201.11		20.00	50.00	5,271.11
Total water Billing Arrears for Single Lot Special Assessments				**$ 6,578.02**	**$ -**	**$ 200.00**	**$ 500.00**	**$ 7,278.02**

SL-1N-18

Parcel #	Owner Name & Billing Address	Service Address	Invoice number	Due	Penalties	Assessment fee	Roll Fee	Total to roll
051-107-005-00	JOHN MCCLELLAN 1123 E 9TH AVE SSM MI 49783	909 YOUNG ST GRASS	5541	100.00	10.08	20.00	50.00	180.08
051-096-002-00	ANDREW BURNETT C/O JEFFREY BURNETT PO BOX 1482 SSM MI 49783	705 COURT ST INSPECTION TITLE SEARCH	5601 5615	150.00 250.00	27.06	20.00	50.00	497.06
051-063-013-00	ATTO USA DEVELOPMENT LLC 513 W 27TH SSM MI 49783	3290 I-75 BUS SPUR TITLE SEARCH	5662	250.00	15.00	20.00	50.00	335.00
051-192-008-00	DANIEL MULLIN C/O CHARLES MULLIN 5753 S COREY ROAD PERRY MI 48872	815 PINE ST RENTAL REGISTRATION	5127 5665	15.00 36.53	2.06	20.00	50.00	87.06
051-671-001-00	ELMER MULLINS 1707 ASHMUN AVE SSM MI 49783	722 E PORTAGE AVE RENTAL VIOLATION	5653	350.00	14.00	20.00	50.00	434.00
051-546-001-00	ANN BEHNKE C/O JERRY STEPHENS 5805 S WEST POINT LOOP BRIMLEY MI 49715	1800 ASHMUN AVE GRASS	5532	100.00	12.20	20.00	50.00	182.20
051-333-020-50	JERRY MULLINS 1712 ASHMUN ST SSM MI 49783	1003 ADAMS AVE GRASS TITLE SEARCH	5538 5612	290.00 250.00	55.49	20.00	50.00	665.49
051-334-016-00	GRANT ROGERS 807 LIZZIE STREET SSM MI 49783	807 LIZZIE	5543	300.00	36.60	20.00	50.00	406.60
051-391-003-50	JAMES ZIMMERMAN 308 E EASTERDAY SSM MI 49783	812 E SPRUCE ST JUNK	5965	100.00		20.00	50.00	170.00
051-162-018-00	WALTER SANDRA KONARNIZKI 2218 W 4TH AVE SSM MI 49783	2218 W 4TH AVE JUNK	6067	100.00		20.00	50.00	170.00
051-142-110-00	THOMAS PILCHER MITCHELL 231 ARLINGTON ST SSM MI 49783	231 ARLINGTON ST JUNK	6086	100.00		20.00	50.00	170.00
051-417-049-00	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608	529 RIDGE ST TITLE SEARCH	5742	250.00	10.00	20.00	50.00	330.00

Summer 2018 Single Lot Special Assessment Roll

	SSM MI 49783							
051-417-048-00	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	RIDGE ST TITLE SEARCH	5743	250.00	10.00	20.00	50.00	330.00
051-417-049-30	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	527 RIDGE ST TITLE SEARCH	5744	250.00	10.00	20.00	50.00	330.00
051-417-049-60	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	RIDGE ST TITLE SEARCH	5745	250.00	10.00	20.00	50.00	330.00
051-417-051-00	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	519 RIDGE ST TITLE SEARCH	5746	250.00	10.00	20.00	50.00	330.00
051-417-052-00	ST MARYS RIVER 20 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	517 RIDGE ST TITLE SEARCH	5747	250.00	10.00	20.00	50.00	330.00
051-143-175-00	WILLIAM & JILL CLEARY PO BOX 608 SSM MI 49783	123 E PORTAGE AVE TITLE SEARCH	5609	250.00	20.10	20.00	50.00	340.10
051-141-030-00	ST MARYS RIVER 1 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	120 RIDGE ST TITLE SEARCH	5610	250.00	20.10	20.00	50.00	340.10
051-865-004-00	ST MARYS RIVER 19 REAL ESTATE TRUST PO BOX 608 SSM MI 49783	501 RIDGE ST TITLE SEARCH	5611	250.00	20.10	20.00	50.00	340.10
Total Building Department Billing Arrears for Single Lot Special Assessments				**4,641.53**	**292.79**	**400.00**	**1,000.00**	**6,297.79**

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/2/2018

Subject: Budget Introduction and Scheduling of Public Hearings

Background Information:

Section 8.2 of the City Charter provides that the City Manager will submit a budget to the City Commission on the third Monday in April of each year. Accordingly, on Monday, April 16, 2018 the City Manager and City Administration submitted a budget for both the 2018-2019 and the 2019-2020 Fiscal Years to the City Commission.

The City Commission thereafter reviewed the budget at a work session held on Tuesday, April 16, 2018 at 4:15 p.m. At this work session, individual Commissioners were able to propose possible modifications to the budget. Any proposed modifications were evaluated by City Administration and included in a report for the full Commission's consideration at a special meeting that was held on Monday, April 23, 2018 at 4:15 p.m.

The City Commission reviewed, discussed, and took action on these proposed modifications to the recommended budget. The reconciled budget is subsequently being presented to the City Commission at the May 7, 2018 City Commission meeting, where the Commission can formally propose the budget for adoption and schedule the necessary public hearings for the May 21, 2018 City Commission meeting. Final approval by the City Commission can occur at the May 21, 2018 Commission meeting following necessary public hearings.

The recommended budget is a result of efforts by City Administration dating back to November 2017. Over recent months department heads and staff provided various information as requested by the Finance Department in order to develop a requested budget for review by the City Manager. In February, the City Commission held a goal setting session to identify any specific priorities for consideration in this process.

As such, the budget is developed through a rigorous process that requires numerous hours from the City Commission as well as City Administration. This year marks the third presentation of a two year budget, and the inclusion of that extra year is anticipated to continue to be a helpful guide for decision makers in current and future years. The implementation of a two year budgeting structure has also been viewed favorably during ratings of the City's credit through which the City has been deemed to have 'good financial management and practices' (S&P Global).

The 2018-2019 Fiscal Year recommended budget estimates that the City will retain an approximate General Fund balance of about $2,669,400; this includes an estimated unreserved

fund balance in an amount just exceeding $539,500. The 2019-2020 Fiscal Year recommended budget estimates that the City will retain an approximate General Fund balance of about $2,742,100; this includes an estimated unreserved fund balance in an amount just exceeding $631,900.

Critically, the unrestricted fund balance is estimated to be above the parameters of the City's minimum fund balance policy (which calls for a 15-20% minimum fund balance) at approximately 25.1% and 23.6% for each respective fiscal year. However, City Administration is aware of trends that must be evaluated and monitored diligently within the next 3-5 years to sustain the City's overall fiscal strength.

As in past years, the Major and Local Street Funds continue to present fiscal challenges for the City in that the structure of transportation funding within the State of Michigan has not been sufficient to meet the needs of a modern economy. Recent legislation is a positive step, but recovery of these funds to a healthier position will take time and further investment from the State of Michigan.

Of note, the State of Michigan spends $171 per capita in roads investments. Regionally, this compares to investments of $285 per capita in Ohio, $264 per capita in Indiana; $479 per capita in Illinois; $327 per capita in Wisconsin; $543 per capita in Pennsylvania; and $342 per capita in Minnesota (MML, US Government Spending, 2018). These figures factor in the additional revenues received from recently adopted transportation legislation through the 2017 calendar year. This disparity has a real and tangible impact on the quality of Michigan roads.

The Roads & Bridges Annual Report issued by the Transportation Asset Management Council in 2016 notes that during the next ten years the percentage of lane miles of paved federal-aid roads in poor condition in the State will increase from 48% to 64%. According to the Michigan Municipal League, the transportation funding package approved in 2015 will only have the impact of slowing the rate of this decline. These factors reinforce the grade of 'D-' issued by the American Society of Civil Engineers in its 2017 Infrastructure Report Card.

The weight of history also factors into the current state of transportation within the State of Michigan. As many are aware, in 1997 the gas tax in the State was increased from $0.15 per gallon to $0.19 per gallon. However, at the time of the change, no mechanism was enacted for transportation revenues to automatically increase over time. Between the time of the gas tax increase being approved in 1997 and the approval of the 2015 transportation legislation, the purchasing power of revenues from the gas tax was eroded. Construction costs increased and revenues were further impacted by progressions in fuel efficiencies and fluctuations in the per gallon cost of gas. This impacted the condition of roads throughout the State of Michigan over the last several years, setting the stage for a host of demands to be made against the additional revenues to be gained from recent legislation at the same time new transportation needs arise.

At the local level, strong asset management techniques as well as the thoughtful use of critical gaming revenues received from the Sault Ste. Marie Tribe of Chippewa Indians and the road millage have provided the City of Sault Ste. Marie with an ability to invest in its road infrastructure. However, without further support from the State of Michigan, the condition of roads throughout the City will likely decline in line with the projected decline in condition of roads throughout the entire State of Michigan throughout the next ten years.

Similarly, the downtown Tax Increment Financing Authority Districts and the Parking Structure Fund continue to face financial challenges. Issues within the downtown tax capture districts

have been primarily driven by a pronounced decrease of these values within these districts in recent years. During this period of time expenditures and payments toward commitments have continued to increase as the community embraces a Michigan Main Street model. Concurrently, it will be critical for the Downtown Development Authority to evaluate its current model of operation within the coming fiscal years to maximize efficiencies and creatively pursue additional funding.

Additionally, the Police-Fire Pension Board has initiated a number of positive changes in assumptions that will, in the long run, help to stabilize the Pension Fund. These assumptions do require additional millage support in order to stabilize this fund. The proposed budget includes an increase that is just under 0.6264 mills to the Police-Fire Pension Fund millage in order to meet actuarial requirements for this fund. This amounts to a 2.75% increase in the overall property tax rate for the City. Significantly, these changes are necessary to promote the long term stability of the fund, as the funding level for the Police-Fire Pension fund as of its most recent valuation has adjusted to just 52%.

As well, there has been a significant amount of attention given to long term legacy costs of the City of Sault Ste. Marie's Municipal Employees' Retirement System of Michigan (MERS) pension program which covers general administrative, clerical and department of public works staff; the program will be monitored closely within coming years. Up until 2003, the MERS pension plan was funded in excess of 100%. In other words, assets held by the plan were more than the estimated cost future obligations to retirees and their beneficiaries. With the recession of 2008, the investment market downturn propelled the funding level down to 89%. Since that time the funded level dropped each year to the most recent valuation of 70%. The annual actuarial valuation report as of December 31, 2016 showed assets totaling $21,386,892 while liabilities of the fund were $30,547,088. MERS also provides a projection for future employer contributions that show annual increases over the next five years. This will bring the annual cost up from $738,960 budgeted for the upcoming fiscal year to $1,140,000 in the fiscal year ending June 30, 2024, a 54% increase. Over the same period of time, the funded ratio is expected to drop from 70% to 64% as the projected liability increases.

Actuaries use a series of assumptions to estimate this liability. The assumption which has a major effect on the valuation is the assumed rate of return. Over time, this has been reduced to 7.75% to reflect changes that have taken place in the investment markets since 2008. In 2012, a new and less costly retirement benefit package was created for employees hired after this date. The cost savings will be realized over time proceeding into the future, but it is a proactive measure of cost containment. The MERS pension system covers 178 participants including 78 active employees (with 18 of these being post-2012 hires) and 100 retirees, beneficiaries and/or deferred participants. The City of Sault Ste. Marie continues to advocate for legislation that will permit the City to more effectively address these matters at a local level.

These challenges are framed by historic issues involving structural reductions in State revenue sharing. Revenue sharing has been an important source of revenue to fund General Fund operations such as police, fire, recreation, and other activities within the City of Sault Ste. Marie. Sault Ste. Marie's revenue sharing peaked during the 2000-01 fiscal year with revenue sharing equaling $2,121,096. The Michigan Department of Treasury's published estimate for the City's revenue sharing for the 2018-2019 Fiscal Year is $1,621,600. Over 17 years, this is a drop in annual state revenue sharing to the City of Sault Ste. Marie of around $447,200 (21.1%) without considering inflation. The Governor's upcoming fiscal year budget is projecting a modest increase in constitutional revenue sharing based on sales tax projections with statutory revenue sharing (CVTRS) remaining static.

Critically, it is estimated that the City of Sault Ste. Marie has lost $7,289,000 in total revenue sharing since these cuts were aggressively implemented by the State within the past 15 years. To emphasize this point, according to a study from Michigan State University, since 2002, the State of Michigan has led the nation in cuts to municipalities; the Census of Governments published every five years by the U.S. Census Bureau reported that from 2002 to 2012, municipal revenue from state sources increased in forty-five states and the average increase was 48.1 percent whereas in Michigan, municipal revenue from state sources declined 56.9 percent from 2002 to 2012. To emphasize the matte further, the House Fiscal Agency has in the past even tied reductions in revenue sharing to the balancing of the State of Michigan's General Fund/General Purpose Budget.

In recent years the City has taken a number of proactive steps to address such fiscal constraints. The City and its seven bargaining units negotiated hard caps on the City's participation in health care and health care plans are selected within those limits by a Special Health Determining Committee made up of representatives from each of the City's bargaining units as well as non-union staff and the City Manager and City Attorney. This is done by either selecting plans that cost the same or less than the threshold cost or having the employees participate in the premiums over and above the threshold cost. This has accomplished two things. First, it has stabilized the City's cost for health care coverage for its employees. Secondly, it has directly involved the employees in understanding the challenges in providing health care to employees when costs escalate at rates well above the cost of living. This plan has undoubtedly saved a number of jobs in the City of Sault Ste. Marie that would have been eliminated in order to pay for continuously increasing health care costs.

In addition to controlling health care costs, the reduction in nearly 10% of the City's positions in 2004 has historically helped the City remain financially stable through this current fiscal year. The City also instituted a second round of reductions which reduced administrative and labor positions in the City during the 2011-12 Fiscal Year. However, as new challenges have arisen and fiscal pressures persist, particularly owing to issues such as the increase in required contributions to MERS, staffing levels must be carefully monitored and appropriately structured to keep the City in stable fiscal condition throughout the next 3-5 years and beyond. For example, recent budgets have reflected the continued elimination of a Human Resources position, the duties of which have been absorbed by the City Manager, City Attorney, and primarily on a day-to-day basis, the Deputy City Manager.

Despite the detailed fiscal challenges that the City will continue to meet directly, the City of Sault Ste. Marie is continuing to complete critical infrastructure improvements and purchase much needed capital equipment to continue effectively servicing its citizens. Budgeted purchases include the purchase of portable radios and ballistic vests for the Police Department; the purchase of bunker gear, self-contained breathing apparatuses, portable radios, a diesel exhaust system, a cardiac monitor, and hydraulic cots for Fire/EMS services; snow tubes for the Sault Seal Recreational Area; utility related equipment purchases; and funding for a grader with a wing, a vehicle to support leaf collection, a production mower to increase operational efficiencies, a mini-loader for enhancing sidewalk snow removal services, and two vehicles for the Police Department.

Additionally, the budget proposes the completion of critical capital infrastructure projects such as sidewalk improvements, the reconstruction of West 8th Avenue from Meridian to Ryan, maintenance on the parking deck, a booster station upgrade, electrical upgrades at the water

treatment plant, a filter media replacement project at the water treatment plant, masonry repairs at the water treatment plant, the improvement of public works facilities to increase employee safety, maintenance at the Fire Hall, critical repairs at the George Kemp downtown marina, improvements to Lynn Trail, and improvements to Locey Field at Malcolm Park.

Finally, the Water and Sewer Fund is performing in accordance with expectations, but consumption continues to decline. There is a moderate increase proposed in water and sewer rates for the next fiscal year. This rate increase for customers using 700 cubic feet of water a month is just about 3.9% more than last year's rate. Rates will be evaluated again with the next budget cycle.

In conclusion, the financial challenges facing a majority of municipalities within the State of Michigan are numerous. However, the financial framework of the City of Sault Ste. Marie has served the community well. The guiding financial principles, the implementation of a two year budgeting process, improved long-term forecasting, the implementation of a six-year capital improvement planning process, the adoption of a debt policy, the adoption of a minimum fund balance policy, the continued use of financial management practices verified by independent agencies, a developed goal setting process, solid community collaboration and support for strategic projects, and the hard work of many talented employees have served as a reliable foundation for continued stability in the delivery of municipal services, and in certain areas, an expansion of the City's service delivery model. In addition, recent growth and investment in the community has supported the efforts of the community to progress in efforts of talent attraction and cultivating entrepreneurialism.

I would like to thank everyone that was involved in the development of the budget for the current fiscal year as well as the development of the 2018-2019 Fiscal Year and the 2019-2020 Fiscal Year proposed budget. In particular, I would like to thank Finance Director/Treasurer Collins for her efforts and constant dedication to a fiscally prudent municipal operation as well as all of the Department Heads and employees engaged in this process. Finally, the administration appreciates the work of former City Commissioner Bill Munsell as well as the City Commission during this process which has spanned several months.

Recommendation:

That the City Commission take the following actions:

1. Formally introduce for adoption the proposed budget for the Fiscal Year beginning July 1, 2018 and ending June 30, 2019 (including proposed tax levies, utility rates, fee schedules, and general appropriations with capital outlay and equipment purchases);

2. Receive and introduce the budget as conceptually proposed for the 2019-2020 Fiscal Year;

3. Schedule a public hearing for Monday, May 21, 2018 at 7:00 p.m. in the City Commission Chambers on a final resolution for purposes of establishing a 2018 tax levy, maintaining the millage for charter operations at 16.8139 mills; maintaining the millage for solid waste collection at 0.5632 mills; and increasing the millage for the police/fire pension fund by 0.6264 mills from 5.4502 mills to 6.0766 mills in order to meet actuarial requirements for the police/fire pension fund;

4. Schedule a public hearing for Monday, May 21, 2018 at 7:00 p.m. in the City Commission Chambers on the adoption of water and sewer rates for the fiscal year beginning July 1, 2018 and ending June 30, 2019 that would thereby establish rates for monthly administrative charges, commodity charges and capital charges for water and sewer users;

5. Schedule a public hearing for Monday, May 21, 2018 at 7:00 p.m. in the City Commission Chambers on a resolution adopting a fee schedule for the fiscal year beginning July 1, 2018 and ending June 30, 2019 that establishes various fees as set forth by the City Commission;

6. And schedule a public hearing for Monday, May 21, 2018 at 7:00 p.m. in the City Commission Chambers on the general appropriations act for the fiscal year beginning July 1, 2018 and ending June 30, 2019 projecting revenues and establishing appropriations for various governmental functions in the City's operating funds as well as proposed equipment purchases and capital outlay projects.

Fiscal Effects:

As detailed within budget materials, as uploaded on the City's website.

Alternatives:

None recommended at this current point in time.

Respectfully submitted,
Oliver Turner
City Manager

EXECUTIVE SUMMARY

Section 8.2 of the City Charter provides that the City Manager will submit a budget to the City Commission on the third Monday in April of each year. Accordingly, on Monday, April 16, 2018 the City Manager and City Administration submitted a budget for both the 2018-2019 and the 2019-2020 Fiscal Years to the City Commission. The City Commission thereafter reviewed the budget at a work session held on Tuesday, April 17, 2018 at 4:15 p.m. At this work session, individual Commissioners were able to propose possible modifications to the budget. Any proposed modifications were evaluated by City Administration and included in a report for the full Commission's consideration at a special meeting that was held on Monday, April 23, 2018 at 4:15 p.m. The City Commission reviewed and discussed these proposed modifications to the recommended budget. The reconciled budget was subsequently presented to the City Commission at the May 7, 2018 City Commission meeting, where the Commission formally proposed the budget for adoption and scheduled the necessary public hearings for the May 21, 2018 City Commission meeting. Final approval by the City Commission was slated for the May 21, 2018 Commission meeting following necessary public hearings.

The recommended budget is a result of efforts by City administrative staff dating back to November. Over the past several months department heads and staff provided various information as requested by the Finance Department in order to develop a requested budget for review by the City Manager. In February, the City Commission held a goal setting session to identify any specific priorities for consideration in this process.

This year marks the third presentation of a two year budget, and the inclusion of that extra year is anticipated to be a helpful guide for decision makers in current and future years. The 2018-2019 and 2019-2020 Fiscal Years recommended budget is based on continued slow to moderate improvements in the State and Federal economies. It should be noted that revenues to local units of government tend to lag any economic changes at the State or National level.

The recommended budget was built upon a 3.97% increase in taxable value for the 2018-2019 Fiscal Year. It should be noted that this increase follows a 0.06% decrease in taxable value experienced the year before. Furthermore, Sault Ste. Marie continues to deal with the impact of significant losses in State revenue sharing that have occurred within the past nearly twenty years, which at the highest point provided annual funds to the City of $2.1 million. The recommended budget reflects revenue sharing at approximately $1,621,600. This is an increase over last year's revenue sharing but substantially lower than the amount of revenue sharing the City used to be able to use to provide local services within this community.

In response to these significant changes in funding, the City has worked hard to reduce expenses through various means including the implementation of reductions in structural expenses, enacting reductions in staffing, building in hard caps for

DRAFT

employee health insurance costs, modifying pension provisions, and negotiating contracts with modest wage increases.

The 2018-2019 Fiscal Year approved budget estimates that the City will retain an approximate General Fund balance of about $2,669,400; this includes an estimated unreserved fund balance in an amount just exceeding $539,500. The 2019-2020 Fiscal Year approved budget estimates that the City will retain an approximate General Fund balance of about $2,742,100; this includes an estimated unreserved fund balance in an amount just exceeding $631,900, although the second year does not include capital expenditures.

Critically, the unrestricted fund balance is estimated to be within the parameters of the City's minimum fund balance policy at approximately 25.1% and 23.6% for FY 2019 and FY 2020, respectively. City Administration is aware of trends that must be evaluated and monitored diligently within the next 3-5 years to sustain the City's overall fiscal strength.

Specifically, the General Fund has continued to assume a significant portion of the debt associated with the construction of the Osborn Boulevard parking structure. The assumption of this debt has resulted in funds other than the General Fund supporting the Major Street and Local Street Funds. As in past years, the Major and Local Street Funds continue to present fiscal challenges for the City in that the structure of transportation funding within the State of Michigan has not been sufficient to meet the needs of a modern economy. Recent legislation is a positive step, but recovery of these funds to a healthier position will take time and even further investment by the State of Michigan.

Similarly, the downtown Tax Increment Financing Authority Districts and the Parking Structure Fund continue to face serious financial challenges. Issues within the downtown tax capture districts have been primarily driven by the flat property values that the City has experienced since the 2007-08 Fiscal Year and a more pronounced decrease of these values within these districts in recent years, and yet during that period of time expenditures and payments toward historic commitments continue to increase. It will be critical for the Downtown Development Authority to evaluate its current model of operation within the coming fiscal years to maximize efficiencies and build upon recent fundraising successes to creatively pursue outside funding.

The Parking Structure Fund is bound by debt service payments which scale upward each year until the bond is fully paid in 2027. This has reduced the amount of capture in the TIFA Districts while the annual debt service grows. However, despite these challenges, the City is continuing to invest in critical capital equipment and infrastructure improvement projects, as outlined elsewhere within this message, and is currently able to fulfill existing service levels that benefit the entire community.

DRAFT

Additionally, the Police-Fire Pension Board has initiated a number of positive changes in assumptions that will, in the long run, help to stabilize the Pension Fund. These assumptions do require additional millage support in order to stabilize this fund. The proposed budget includes an increase that is approximately 0.6264 mills to the Police-Fire Pension Fund millage in order to meet actuarial requirements for this fund. This amounts to a 2.75% increase in the overall property tax rate for the City. Significantly, these changes are necessary to promote the long term stability of the fund, as the funding level for the Police-Fire Pension fund as of its most recent valuation had dropped to just 52%.

Finally, the Water and Sewer Fund is performing in accordance with expectations, but consumption continues to decline. There is a moderate increase proposed in water and sewer rates for the next fiscal year. This rate increase for customers using 700 cubic feet of water a month is just about 3.9% more than last year's rate. Rates will be evaluated again with the next budget cycle.

The budget expenses reflect the changes that have been made in organizational structure during the last few fiscal years. Staffing levels have remained stable, if not decreasing slightly, thereby enabling consistency in municipal service delivery. The City also developed a six year capital outlay budget to help plan future capital outlay and equipment needs and this tool has been proven to be of great assistance in planning for these long-term future expenses. The capital outlay and equipment purchases are detailed in the back section of the 2018-2019 and 2019-2020 Fiscal Year budget detail book. Overall, the approved revenues for the 2018-2019 Fiscal Year for all funds total $26,461,200 with the proposed expenditures for all funds being $26,373,600 in the recommended budget plan. Revenues for the second year (2019-2020) for all funds total $27,059,000 with the proposed expenditures for all funds being $24,359,200. A summary of all funds is located in the addendum of this booklet.

I would like to express my appreciation to everyone that was involved in the development of the budget for the current fiscal year as well as the development of the recommended 2018-2019 and 2019-2020 budgets. I would in particular like to thank Deputy City Manager Robin Troyer for her valuable input and Finance Director/Treasurer Kristin Collins for her efforts and constant dedication to an effective and fiscally prudent municipal operation. As well, I would acknowledge the extra effort and input of the various Department Heads of the City throughout this process, and for their willingness to continue to add that extra budget year to their workload. Finally, I would like to thank former City Commissioner Bill Munsell for facilitating the budget development process and the City Commission. The complete budget message from the City Manager follows the budget detail in this document.

Proposed Budget

The City Commission met on Tuesday, April 17, 2018 at 4:15 p.m. to review the budget as recommended by the City Manager. Former City Commissioner Bill

DRAFT

Munsell was requested to facilitate the budget review at the work session. The City Commission utilized a "Hit and Wish List" which allowed any individual Commissioner to propose the addition or deletion of items from those recommended by the City manager for the fiscal years beginning July 1, 2018 and July 1, 2019. During the budget review items were identified for further review by the City Commission at a special City Commission meeting.

On Monday, April 23, 2018 at 4:15 p.m. the City Commission met to reconcile the budget. The Commission reviewed the items identified during the budget work session on April 17, 2018 for possible changes to the recommended budget. The Commission voted individually on each of the following items to determine whether they would be included as a change to the recommended budget for the fiscal year beginning July 1, 2018 and/or the fiscal year beginning July 1, 2019. The decisions made by at least a majority of City Commissioners regarding the budget and in particular the hit and wish list items included:

1. The reinstatement of user fees at Malcolm Park;
2. The rejection of additional funds for City Commission continuing education;
3. The receipt of a report from the Economic Development Corporation regarding operations;
4. The rejection of the elimination of expenses related to advertising at the Pullar Community Building;
5. The holding of a discussion regarding user fees at Sault Seal Recreational Area;
6. The holding of a discussion regarding equipment repair and maintenance at the Pullar Community Building;
7. The deferment of action on the funding of a full-time events coordinator for the Downtown Development Authority;
8. The receipt of a report on Treasury bills;
9. The approval of matching funds from the Seal Operating Fund for a kickball tournament being organized for the improvement of Malcolm Park contingent on the project meeting all requirements;
10. The receipt of a report pertaining millage rates;
11. The rejection of additional funds for tubes for the Sault Seal Recreational Area;
12. The rejection of additional funds related to a downtown flagpole project;
13. The rejection of a budget amendment related to the construction of a downtown splash pad;
14. The returning to City Administration of action related to fees at the parking garage;
15. The elimination of a seasonal pass for Historic Homes (note: in the past no seasonal passes were sold);
16. The holding of discussion regarding rates at the Pullar Community Building;

DRAFT

17. The holding of discussion regarding public skating at the Pullar Community Building;
18. And the increasing of user fees for fire scene reports/photos.

Budget Adoption

On Monday, May 21, 2018 the City Commission met in a regular session to conduct public hearings on the proposed budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019. Four public hearings were held regarding the proposed budget, which included the 2018-2019 tax levy, the 2018-2019 water and sewer utility rates and the 2018-2019 fee schedule, and the general appropriations act for the 2018-2019 fiscal year. Following the public hearings and considering any comments made, the Commission approved resolutions adopting the proposed 2018 tax levy, the 2018-2019 water and sewer utility rates, the 2018-2019 user fee schedule, and the general appropriations act for the 2018-2019 fiscal year. The proposed budget is available for review at the City Clerk's office, the Superior District Library and on the City of Sault Ste. Marie website – www.saultcity.com

DRAFT

BUDGET PROCESS

As noted herein, Section 8.2 of the City Charter provides that the City Manager shall annually submit a recommended budget on the third Monday in April to the City Commission for the Commission's review and action. Work on the annual budget is initiated following the completion of the annual audit process for the previous fiscal year. Since November, the Finance Director, Deputy City Manager, Department Heads, my Executive Assistant, and I have been working on various aspects of the budget recommended for the City Commission's consideration for the fiscal year beginning July 1, 2018 and the fiscal year beginning July 1, 2019.

Budget Schedule

The City Commission's first direct involvement with the development of the budget was through a goal setting session that was held on Monday, February 12, 2018. During this day-long session, the City Commission reviewed various issues impacting the City in both the 2017-18 Fiscal Year and identified those items of importance to be considered at budget time. The Commission then prioritized goals for the 2018-19 fiscal year. The goals were formally adopted by the City Commission at the February 19, 2018 Commission meeting. The complete schedule for the preparation and approval of the 2018-19 Fiscal Year budget follows.

FISCAL YEAR 2018-19 BUDGET PREPARATION SCHEDULE

TASK	COMPLETION DATE
Capital Outlay Forms Distributed by Finance	December 8, 2017
Personnel Services Forms Distributed by Finance to Dept Heads	December 21, 2017
User Fee Schedule Distributed by Finance to Dept Heads	December 29, 2017
City Commission Approval of the 6-Year Capital Outlay Plan	January 15, 2018
Operational Budget Worksheets Distributed to Dept Heads	January 17, 2018
Capital Outlay Requests Due from Departments	January 19, 2018
Personnel Budget Forms Due from Departments	January 26, 2018
User Fee Schedule Due from Departments	February 8, 2018
City Commission Goal Setting Work Session	February 12, 2018
Department Head Meeting to Review Capital Outlay	February 20, 2018
Operating Budget Worksheets Due from Department Heads	February 16, 2018
Department Budget Meetings with City Manager	March 5-16, 2018
City Manager Submission to City Commission of Annual Budget	April 16, 2018
Commission Budget Work Session	April 17, 2018
Special Meeting to Reconcile Budget	April 23, 2018
Introduction of the Budget as Proposed by the City Commission	May 7, 2018
Public Hearing and Budget Approval	May 21, 2018
Latest Date for Budget Approval by Charter	June 1, 2018

As noted, the City Commission has approved a six year Capital Improvements Plan (CIP) for the years 2018 through 2024. This plan was developed by having the

DRAFT

various departments submit projects for consideration on forms that were distributed in December. An internal committee of staff reviewed and prioritized each project to develop the draft plan. The plan was reviewed by the Historic Development Commission for any impact on historic resources at its meeting on December 12, 2017. It was also reviewed and approved on December 7, 2017 by the Planning Commission. The City Commission formally approved the plan on January 15, 2017.

Budget Documents

The budget book includes detailed budget worksheets for each operational fund of the City. Each fund has a cover sheet outlining a summary of the activity contained in the detailed line item budget that follows each cover sheet. On the detailed budget worksheet, there is information by line item of the actual revenues and expenditures for the 2018-19 and 2019-20 fiscal years. For the current fiscal year the budget, as proposed and amended through February of 2018 is provided. Please note that the significant budget amendments approved since February are not included in these numbers. The revenues and expenditures through eight months (July – February) as well as an estimate of the total revenues and expenditures that are anticipated at the close of the fiscal year on June 30, 2018 are also included. For the upcoming fiscal year there is a column that indicates the City Manager recommended budget, and a column for the final budget as may be approved by the City Commission for the fiscal year beginning July 1, 2018. The second budget year will remain at a Department Requested budget level until it is modified and formally approved by the City Commission next year at this time.

At the end of this detailed budget book there is an equipment purchase budget, capital outlay budget, as well as the proposed water and sewer rates recommended for the fiscal year beginning July 1, 2018 and for the fiscal year beginning July 1, 2019. The final budget document includes a schedule showing the fees for the current fiscal year as well as the fees proposed for the 2018-19 fiscal year. The Fee Schedule contains most of the fees that are established by resolution by the City Commission for various services provided at a charge to citizens. This includes fees such as ambulance charges, building permit fees, various parking fines, and other fees charged by the City.

All budget documents are available on the City's web site at www.saultcity.com.

Governmental Accounting

In order to understand the budget process, it is helpful to have some understanding of the requirements for local governments to utilize various types of funds for budgetary and accounting purposes. Many of the funds utilized by the City of Sault Ste. Marie are required by state law while other funds are required due to bond covenants, Charter requirements, or for financial management purposes. The first set of funds used is called governmental funds. These are used to account for

DRAFT

various operational costs and revenues for local government programs. Governmental funds include the General Fund, Major Street Fund, Local Street Fund, the Capital Project Fund, and other similar funds. In these funds, the balance at the end of the year (fund balance) represents cash and investments that are available to fund programs.

The next set of funds is proprietary funds. These are the funds that are generally self-supporting through charges for services. The most substantial proprietary fund is the Water and Sewer Fund. Also, internal service funds such as the Stock and Equipment Fund and the Information System Funds are considered to be proprietary funds. In addition to the cash that is available in these types of funds, it is required that all assets and liabilities, both financial, capital, and short-term long-term, are reflected in the fund balances. Therefore, when you see a fund balance of over $27 million in the Water and Sewer Fund, it is important to note that required debt service reserves, depreciation reserves, and the values of assets (water plants, wastewater plant, and water and sewer mains) less depreciation are included in these funds. This is a significant difference from Governmental Funds where assets and liabilities are not included in the fund balance. For your reference, cash balances are shown for all proprietary funds. Please note that from a budgetary standpoint in the proprietary fund the proposed revenues and expenditures are typically shown on a cash basis in this budget. At fiscal year-end, depreciation, equipment purchases and other adjustments are made to the assets and liabilities to comply with proprietary fund accounting standards.

The third set of funds is fiduciary funds. In this case, the City is a trustee of the funds that are being held as a result of a trust arrangement for the use of the beneficiary. City fiduciary funds include the Seal Trust Fund, Osborn Trust Fund, Perpetual Care Fund, Police-Fire Pension Fund, and the Post-Employment Healthcare Fund. You will note that the Seal Trust (Fund 709) and the Osborn Estate Trust (Fund 710) hold the principal for these two trusts. When earnings from the fiduciary funds are used to fund recreation or historical operations, those interest dollars are transferred to the Seal Operating Fund (Fund 102) or the Osborn Operating Fund (Fund 103) which are governmental funds. The amount of money that is shown in the governmental funds (102 and 103) are available funds that can be spent by the City Commission for a public improvement which is recreational or historic in nature. However, the balance in the two trust funds (709 and 710) cannot be expended by the City of Sault Ste. Marie.

Having a basic understanding of fund accounting is necessary to fully understand the budgeting and finance system the City is required to utilize, and the administration is willing to discuss the contents of this document with any interest stakeholder or member of the community.

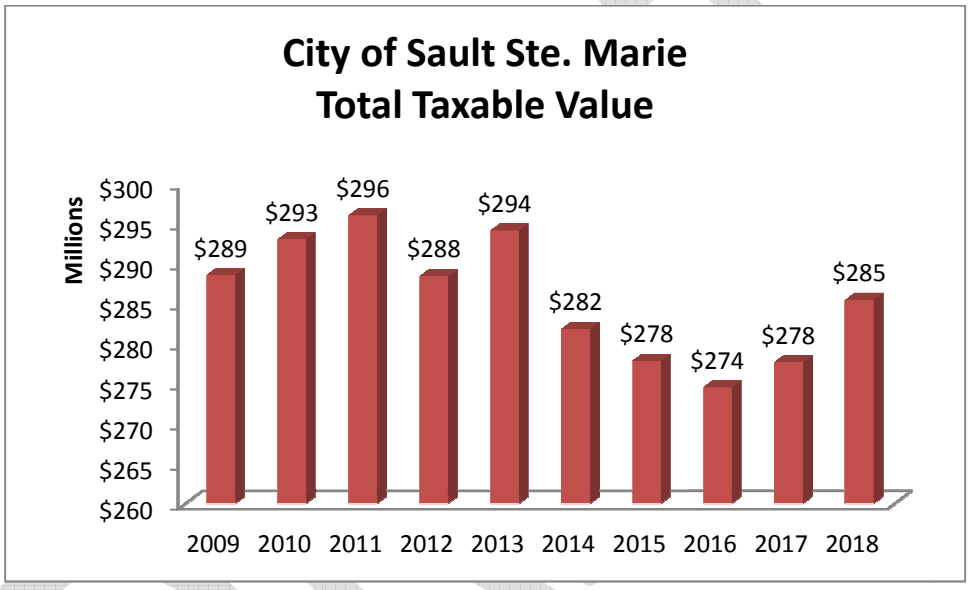
DRAFT

BUDGETARY TRENDS

Property Taxes

The City's largest single source of revenue for General Fund operations are through the collection of property taxes. The City has been fortunate not to experience the double digit declines facing many Lower Michigan cities for their taxable values in past years, but has seen gains and losses ranging from -4.2% to +4.0%, with a total loss of 1.1% over the span of ten years shown below. The 2018 valuation shows a gain of just under 4.0% to a taxable value of $ 285,405,675.

Taxable Values

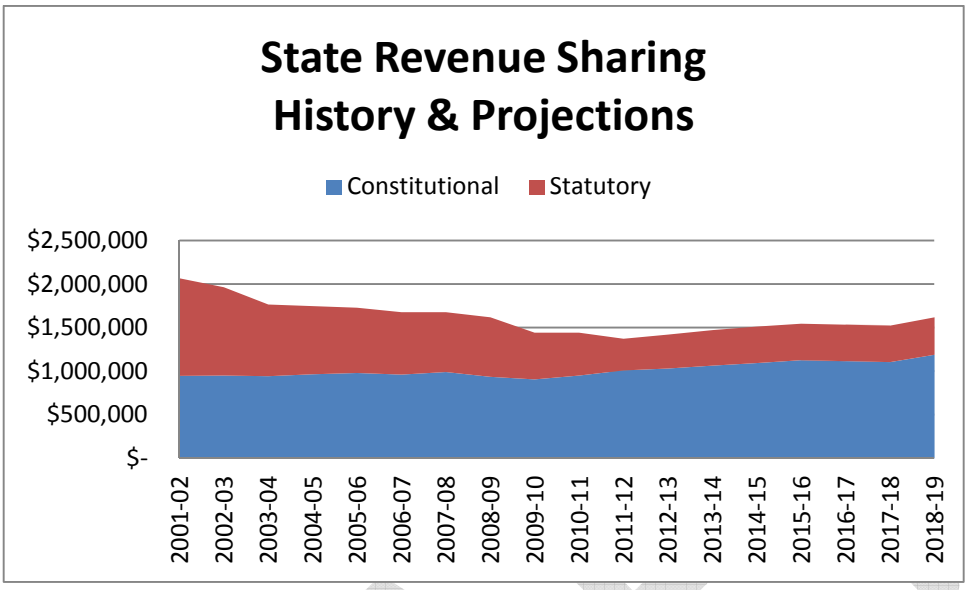


Revenue Sharing

The most significant area that has impacted the ability of the City to fund services is state revenue sharing.

Revenue sharing has been an important source of revenue to fund General Fund operations such as police, fire, recreation, and other activities within the City of Sault Ste. Marie. Sault Ste. Marie's revenue sharing peaked out during the 2000-01 fiscal year with revenue sharing equaling $2,121,096. The Michigan Department of Treasury's published estimate for the City's revenue sharing for the 2018-2019 Fiscal Year is $ $1,621,600. Over 17 years, this is a drop in annual revenue through state revenue sharing to the City of Sault Ste. Marie of around $447,200 (21.1%) without considering inflation. Below is revenue sharing history for the City of Sault Ste. Marie during this period of time. The Governor's upcoming fiscal year

budget is projecting a 6.2% increase, with constitutional revenue sharing based on sales tax projections and statutory revenue sharing (CVTRS) remaining static.



Revenue sharing for the City of Sault Ste. Marie is divided between constitutional revenue sharing and statutory revenue sharing. Constitutional revenue sharing is guaranteed as a percentage of the State's collection of sales tax due to cities and villages by the State Constitution whereas statutory revenue sharing was formerly allocated based on a formula that included relative tax effort, which was a basis to determine need. These amounts have been fixed with proportional reductions over the years. During the time that constitutional revenue sharing has gone from $947,412 in 2000-01 to $1,117,600 in 2016-17, statutory revenue (now CVTRS) has decreased from $1,121,398 in 2000-01 to $419,900 next year. This is a 62% decrease for statutory revenue sharing for the City of Sault Ste. Marie, which far exceeds cuts experienced in other parts of the state budget during the past decade.

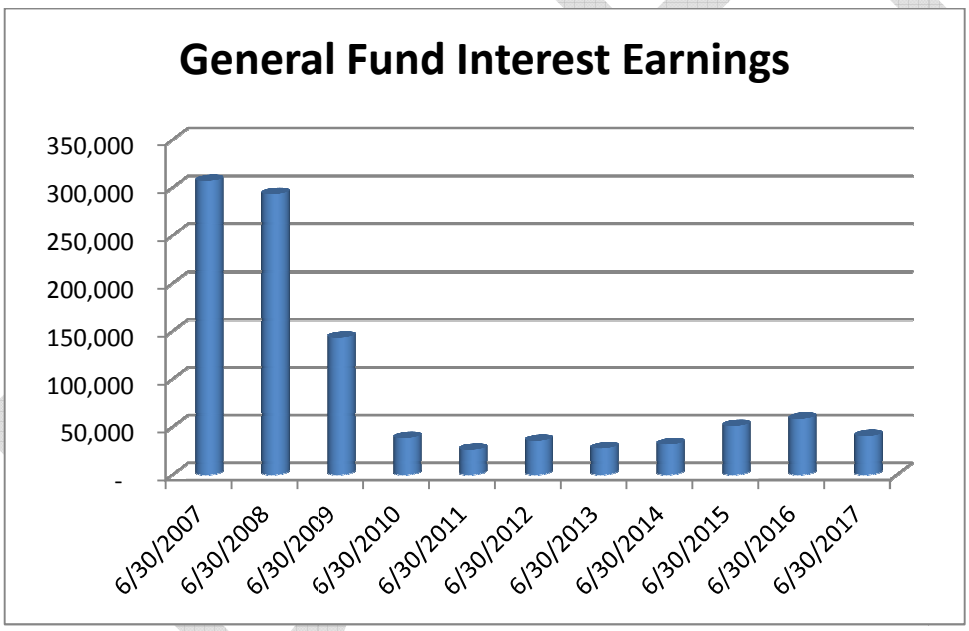
Historically, statutory revenue sharing worked in some of the same ways that school aid works. Unlike constitutional revenue sharing, which is distributed as a per capita basis, statutory revenue sharing compensated communities with lower State Equalized Valuation and higher tax millage rates at a higher rate. For example, Sault Ste. Marie's taxable value for December 31, 2009 was $292,979,483 with our population of 14,324, and the taxable value per capita was $20,454. Compare this with Traverse City with a taxable value of $763,062,692 and a population of 14,532 and Traverse City's taxable value per capita is $52,509. In other words, for the City of Sault Ste. Marie to generate property taxes of $5,000,000 to provide services to our 14,324 residents, we need to levy 17.07 mills. For Traverse City to raise the same $5,000,000 for its 14,532 residents, they only need to levy 6.5 mills. Statutory revenue sharing attempted to help those communities that had to levy higher millages at a higher rate than those communities that had higher S.E.V's. (or today, taxable values) and lower millage rates. The elimination or reduction of

statutory revenue sharing typically hurts lower S.E.V. communities harder than higher S.E.V. communities.

Statutory Revenue Sharing is now referred to as the City, Village, Township Revenue Sharing Program (CVTRS) which requires the City to meet certain accountability and transparency requirements. The City has met all criteria established by the Legislature to receive its full allotment of CVTRS funds. Revenue sharing is the City's third largest single source of revenue for the City's general fund after property taxes and fees for services.

Interest Earnings

Another significant area that has affected the City's budget is historically low interest rates. Interest earnings in the General Fund in 2006-07 were $306,799. We are conservatively projecting interest revenue in the current fiscal year of $58,500. Any gain in rates in the next few years will directly benefit the City's operating revenues in its various funds.



Expenditure Trends

As with any service driven organization, personnel costs are of primary consideration as they are the largest component of expenditures. Increasing fringe benefits cost has been the subject of many discussions regarding the City's fiscal projections and resultant cost control measures. The City has been successful in working together (Commission, employee groups, and administration) to stabilize expenditures for labor in regards to health insurance.

The City and its seven bargaining units negotiated caps on the City's participation in health care. Once the health care costs exceeded those caps, a Special Health

Determining Committee made up of representatives from each of the City's bargaining units, non-union, department heads, City Manager, and City Attorney have been authorized by the Commission to select health plans for the City employees at or below the threshold cost. This is done by either selecting plans that cost the same or less than the threshold cost or having the employees participate in the premiums over and above the threshold cost.

This has accomplished two things. First, it has stabilized the City's cost for health care coverage for its employees. Secondly, it has directly involved the employees in understanding the challenges in providing health care to employees when costs escalate at rates well above the cost of living. While it is also unfortunate that the employees are burdened with a greater share of their health care costs, this plan has undoubtedly saved a number of jobs in the City of Sault Ste. Marie that would have been eliminated in order to pay for the uncontrolled, skyrocketing health care plan costs that the City was previously subject to. The City is unique in that it does not have the costly obligation of healthcare for retirees which has become a financial crisis for many governmental organizations across the state and country. Instead, the City offers a fixed annual contribution to a healthcare plan from which retirees may utilize for eligible expenses, tax free. With the 2018-2019 budget, the City has increased the number of employees with access to this valuable post-employment healthcare savings vehicle.

In the world of financial information, there has been a significant amount of attention given to long term legacy costs of pension programs. The City of Sault Ste. Marie has two separate pension plans. The first pension system is the Municipal Employees' Retirement System of Michigan (MERS) which covers general administrative, clerical and department of public works staff. The second pension system covers police and fire personnel. Both of the City's pension systems have received contributions in accordance with actuarial recommendations but continue to struggle to improve funding levels. While total assets have increased annually, total liabilities climb at a significantly faster pace. Part of this is due to changes in actuarial assumptions both for the funds and in the industry as a whole.

Up until 2003, the MERS pension plan was funded in excess of 100%. In other words, assets held by the plan were more than the estimated cost future obligations to retirees and their beneficiaries. With the recession of 2008, the investment market downturn propelled the funding level down to 89%. Since that time the funded level dropped each year to the most recent valuation of 70%. The annual actuarial valuation report as of December 31, 2016 showed assets totaling $21,386,892 while liabilities of the fund were $30,547,088. MERS also provides a projection for future employer contributions that show annual increases over the next five years. This will bring the annual cost up from $738,960 budgeted for the upcoming fiscal year to $1,140,000 in the fiscal year ending June 30, 2024, a 54% increase. Over the same period of time, the funded ratio is expected to drop from 70% to 64% as the projected liability increases.

DRAFT

Actuaries use a series of assumptions to estimate this liability. The assumption which has a major effect on the valuation is the assumed rate of return. Over time, this has been reduced to 7.75% to reflect changes that have taken place in the investment markets since 2008. In 2012, a new and less costly retirement benefit package was created for employees hired after this date. The cost savings will not be realized until further into the future, but it is a proactive measure of cost containment. The MERS pension system covers 178 participants including 78 active employees (with 18 of these being post-2012 hires) and 100 retirees, beneficiaries and/or deferred participants.

The City of Sault Ste. Marie Firemen and Policemen's Retirement System is the second pension plan which is regulated under Act No. 345 of Public Acts of 1937, as amended in the Michigan Constitution. As a result of this legislation, the City is able to levy a millage specifically to fund the pension system. With the recession of 2008, the investment market downturn propelled the funding level from 60% at that time down to 51%. After that the funded level dropped down to 48% in 2012, and worked its way up to 52% with the most recent valuation. The annual actuarial valuation report as of June 30, 2017 showed assets totaling $16,476,892 while liabilities of the fund were $31,723,188. The Police and Fire pension system covers 102 participants in total, with 41 active employees and 61 retirees, beneficiaries and/or deferred participants.

The City is not alone as public and private pensions across the country are facing similar and worse scenarios. The City will continue to deal with its pension obligations by utilization of actuarial estimates to provide a sound basis for cost projections and a reasonable estimate of the full liability. It will continue to plan for future contributions to both plans which are built into each annual budget. As with other long term assets and liabilities, accounting standards require the cost to be spread over the life of the asset, and in the case of an employment benefit, the length of a career. The City will continue to use forecasting and other planning tools in order to meet this and all of its long term obligations.

The other major expense that the City must keep a watchful eye on is the cost for various forms of energy for the City. The City is a large consumer of gasoline and fuel as well as electricity and natural gas for the processing of drinking water and the treatment of wastewater.

Projections

A budget projection has been prepared that outlines the impacts that the Manager's recommended budget for the 2018-19 fiscal year would have on future budgets for the City based on projected assumptions for various categories of revenues and expenditures. This process helps to determine the impacts that various changes in either revenues or expenditures will have on the City of Sault Ste. Marie in the future. It is very important to make sure that an adequate portion of the budget is available to continue significant capital outlay projects in the City. Financial

DRAFT

modeling that does not take into account the critical need to continue rebuilding infrastructure is not realistic and will not lead to the quality type of community where employers, employees, retirees, and others will want to reside in future years. Based on the projections, continued efforts will need to be made in future years to assure the fiscal stability of the City of Sault Ste. Marie. This can be done by reducing expenditures and/or increasing revenues.

The projections for the General Fund, Major and Local Street Funds, Sewer and Water Fund and Stock and Equipment Fund can be found in the attachments to this budget message.

REVIEW OF THE FINANCIAL ACTIVITY FOR THE 2017-18 FISCAL YEAR

As part of the budget preparation process, department heads are requested to estimate their expenditures for various line items in the current fiscal year budget based on eight months of actual data (through February 2018). In addition, the Finance Director completed projections of the various revenues that fund City services for the current fiscal year. Please note that the 2017-18 Final Total Estimated column for the various departments assumes that capital outlay items will be expended prior to the end of the fiscal year. Therefore, on the revenue side it also assumes that all transfers will be made into the appropriate fund to cover that expenditure. In reality, a number of these projects will be carried over in part or totally to the next fiscal year. If a capital outlay project has already been budgeted, those budgets will carry over into the next fiscal year until such time as a decision is made to cancel the project or the project is completed and the remaining funds can revert back to the appropriate sources. The Commission receives a summary report on this topic annually. Over the past few years, capital projects have been eliminated from primary operating funds such as the General Fund and Major and Local Street Funds, since it tends to skew the budget process for general operations by overstating both projected revenues and expenditures for a given year. For this reason, capital projects are held in funds specific to this function, and presented in summary form by project at the end of the budget document. Capital equipment, however, continues to be shown in the operational fund to which it will benefit.

General Fund

There have been a number of significant changes that have occurred since the City Commission adopted the budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018. The 2017-18 General Fund budget was based on the General Fund finishing 2017 with a $2,489,407 fund balance, with revenues over expenditures estimated at $10,000. The actual ending fund balance for the fiscal year ending June 30, 2017 was $2,893,938 with revenues over expenditures of $344,663. Of course, this was the position for the fund at the start of the current fiscal year.

DRAFT

Changes from the original 2017-18 budget include unspent funding for capital equipment totaling $242,800, an increase to charges for services revenue of $92,600, an increase in public safety expenditures of $252,500, a decrease in personnel costs of $67,700 in Engineering due to a vacancy, and a decrease in DPW General Services of $61,700. Tax revenues are expected to close the year $53,300 under budget, with both Boards of Review completed and settlement with the County nearing completion, tax revenue amounts are unlikely to change. Overall, the year is expected to close with approximately $178,300 more in the General Fund fund balance than the Commission originally anticipated in its approved budget, however, this is subject to significant change as the fiscal year concludes.

Other Funds

In the Major and Local Street funds, receipts from the build Michigan and gas and weight tax are running at the amount anticipated for the budget, with new state road funding incorporated into these line items. Major Street will provide support for the Local Street Fund this year in the amount of $156,000 this year, and is expected to close the year with a fund balance of $35,600, which is $61,800 lower than the original budget. The Local Street Fund revenue is anticipated to be $114,100 higher than originally budgeted which will help to offset some of the need for support from other City funds, however support is still needed over the next two fiscal years. In addition to Major Street Fund, operational support will be provided by the Road Contingency Fund.

The Downtown Development Association funds, including DDA Operating, Tax Increment Financing Authorities (TIFA) 1 and 2, and the two parking funds, are struggling under the weight of Parking Deck debt and with revenue unable to sustain operational expenditures. Expenditures are estimated to be 8% above originally budgeted amounts in the DDA with heavy reliance on support from the General Fund, DDA Capital Projects Fund, and Parking Fund. The Parking Deck Fund took on a needed capital maintenance program, shown as transfers out (to a capital projects fund) with current year amount of $35,400 and next fiscal year commitment of $65,000. The current year capital project was intended to improve lighting in the garage with the benefit of decreasing electricity costs, which ran just over $31,600 last year. The Parking Deck fund operating expenses are expected to close the year 5% over the original budget and with a negligible cash balance.

The Water and Sewer Fund revenue is expected to close the year on target with budgeted expectations with consumption projected to be slightly ahead of estimated amounts. Future year budgeted revenue projects continued reductions in water usage. On the expenses side, the fund is performing on target with final total estimates coming in just a little under the amount originally budgeted. The Water and Sewer Fund will close the year with over $128,900 in uncommitted operational cash, $4.3 million is debt service reserves which will be paid out during the upcoming year, and $440,600 in capital project reserves.

DRAFT

The Stock and Equipment Fund revenue is on track, with operational expenses expected to be $58,000 lower than originally budgeted. Overall, the fund is expected to close the year with just under $80,000 in operating cash and $293,100 in its capital reserves. Capital reserves are expected to be utilized for a variety of equipment during next fiscal year.

DRAFT

CITY COMMISSION GOALS FOR THE 2017-18 FISCAL YEAR
Annual Goal-Setting Session – February 12, 2018
Goals Adopted February 19, 2018

The Sault Ste. Marie City Commission met in an annual Goal Setting Session on Monday, February 12, 2018 beginning at 9:00 a.m. and running until approximately 3:00 p.m. The meeting was held in the City Commission Chambers located in City Hall at 225 East Portage Avenue. The Commission reviewed the Mission Statement and the 2020 vision for the City of Sault Ste. Marie as well as the Guiding Financial Principles as part of the Goal Setting Session.

In addition the City Commission reviewed the minimum fund balance policy for the City; relevant financial information; departmental facts sheets that included current staffing, total budgets, descriptions of primary services delivered, discussions on any potential changes proposed in the coming year, technology needs, other departmental needs, and any suggestions for the City Commission as to other potential City goals.

The City Commission also reviewed the current legislative priorities of the City, and the progress that was made on the completion of those goals adopted for the 2017-18 Fiscal Year. Finally, the Commission identified and prioritized goals for the upcoming 2018-2019 Fiscal Year.

2018-2019 City Commission Goals

Throughout the course of the Goal Setting Session, Commissioners identified various goals that the City Commission could consider adopting for the 2018-2019 Fiscal Year. The various ideas were noted on index cards. Once the cards were collected they were organized in various groupings for the Commission's review. Commissioners were provided with 4 stickers which could be placed on possible goals identified through the course of the work session.

Those proposed goals that were marked with 4 or more stickers were included as goals for the next fiscal year. One of the goals that had been reestablished for the 2017-2018 Fiscal Year (Supporting Light Up the Soo) was removed as it was determined that the City could engage Sault Events or an appropriate outside entity in the management of this event. In addition, the verbiage of four of the goals was modified. Additionally, six new goals were established. The goals retained, modified or established follow on the next page.

DRAFT

A. Administration

A-1. Prioritize resources to support and enhance public works service.

A-2. Divest select City-owned properties, responsibly returning as many as practicable to the tax rolls.

A-3 Pursue a robust integration of the U.S. Coast Guard into the fabric of the Sault Ste. Marie community.

A-4. Continue to increase the focus on safety for City employees, and for the public utilizing City buildings and facilities.

A-5. Create a committee that includes members of the business community and community partners (as appropriate) to reevaluate every City ordinance that is at least 50 years old.

A-6. Focus on the Police & Fire Pension Fund as well as Municipal Employees' Retirement System pension plans by holding annual City Commission work sessions and exploring alternatives to reduce unfunded liabilities.

A-7. Establish a 'Blue Ribbon Finance Committee' to explore municipal revenue alternatives.

A-8. Focus on an organization-wide implementation of the Citizen Service Philosophy.

B. Economic Development

B-1. Support Lake Superior State University (LSSU) and its students as they are of paramount importance to the vitality and prosperity of the City of Sault Ste. Marie.

B-2. Foster an outstanding and comprehensive business-friendly climate that supports wealth creation, business growth, and entrepreneurial activity.

B-3. Support the redevelopment of the Moloney's Alley vicinity.

B-4. Continue to improve downtown properties and explore options to free up Tax Increment Financing District 1 and Tax Increment Financing District 2 funds for development.

DRAFT

B-5. Stimulate and accommodate tourism by researching and establishing downtown restroom facilities.

B-6. Increase funding for the Downtown Development Authority so that full-time support personnel can be hired and/or retained.

C. Infrastructure and Equipment

C-1. Pursue funding from State and Federal sources for the reconstruction of the Carbide Dock.

C-2. Continue with the making of visual improvements throughout the entire City.

C-3. Improve pedestrian safety so that it is safe and convenient for children and their parents/guardians to walk to school.

D. Recreation

D-1. Continue to establish and support outdoor recreational opportunities.

D-2. Complete improvements at the Aune-Osborn Campground and at the Sherman Park Campground to greatly enhance the quality of amenities and improve drainage.

D-3. Pursue the construction of a walkway along the Power Canal.

D-4. Integrate bicycle-friendly amenities and features into the established transportation network and plans of the City of Sault Ste. Marie.

D-5. Expand resources that are dedicated for the improvement of Malcolm Field.

D-6. Support the expanded use of All-Terrain Vehicles on City Streets.

D-7. Aggressively market park facilities (including the Pullar Community Building and Malcolm Park) for expanded revenue opportunities.

DRAFT

RECOMMENDED BUDGET FOR FISCAL YEAR 2018-19 AND 2019-20

In developing a recommended budget for the 2018-19 and 2019-20 fiscal years the City is building its budget on a slightly stronger fund balance in the General Fund than what was projected at the beginning of last year's budget. Based on estimated revenues and expenditures for the current fiscal year we are projecting that our beginning fund balance on July 1, 2018 will be $2,667,700. As is our practice, this amount assumes that we will spend all funds appropriated for capital outlay projects. If any of these projects are not completed in the current fiscal year, the grant revenues (if any) and capital expenditures will be carried over into the new year leaving the City with a higher than estimated fund balance at year end.

The City Commission approved its first Fund Balance Policy at its December 2, 2013 meeting. This established the minimum unrestricted fund balance in the General Fund to be from 15 to 20 percent of the current fiscal year's operational expenditures and routine outgoing transfers. Please note these percentages have been provided at the bottom of the cover sheet for the General Fund, and are below thresholds. As of June 30, 2013 the minimum unrestricted fund balance was 18.55%, and for years ending 2014, 2015 and 2016 it was 21.75%, 24.17% and 23.10% respectively. The final total estimate as of June 30, 2017 anticipates it will be 21.44%, and the Manager's recommended budget projects it to be 21.60% and then 21.35% for the next two years. The movement of this ratio downward would be an indication that the City has been spending beyond its means, and depleting its General Fund balance over time, and therefore a relatively flat trend, and upward, would be preferable. The Fund Balance Policy has measures to replenish this deficiency, with the first strategy being to reduce recurring expenditures to eliminate any structural deficit or increase revenues or pursue other funding sources. This objective has been addressed in the recommended budget by making many difficult decisions to bring the bottom line to positive $5,000 revenue over expenditures as of June 30, 2018. Secondly, the minimum unassigned fund balance plus accrued compensated absences was to be above 8 percent in the adopted policy. It is at 9.4% and 9.1% in the recommended budgets, and will react similarly to the other measure given future decisions.

Recommended Revenues

The City's State Equalized Value (S.E.V.) for 2018 is set at $321,381,600 (including IFT's). This compares to $314,777,500 in 2017. The City's taxable value (TV) is established at $285,405,675, which is an increase from 2017's TV of $277,636,006 (including TIFA's and IFT's at half the value). The operating millages for the City of Sault Ste. Marie over past years and recommended for 2018 are as follows:

DRAFT

Review of City Property Tax Millages

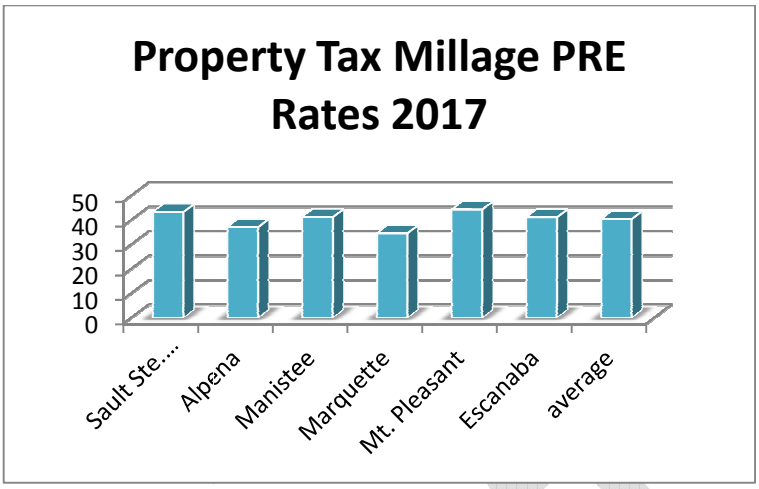
	1990	2000	2010	2015	2017	2018
City Operating	19.7100	16.8139	16.8139	16.8139	16.8139	16.8139
City Police Fire	1.4100	2.4000	3.7147	5.2115	5.4502	6.0766
Solid Waste	0.5000	0.7500	0.6298	0.5632	0.5632	0.5632
Total	21.6200	19.9639	21.1584	22.5886	22.8273	23.4537

Up until 2012, there was a City library millage for the Bayliss Public Library which ranged between 0.5 and 0.8 mills. The Bayliss Library became the Superior District Library in 2013, at which time the millage was established at 0.5. The Library millage is excluded from the chart above for comparison purposes.

The City bills taxes for all taxing units beginning with the summer bill issued on July 1st and a winter bill is sent on December 1st. Collections run through the last day in February and unpaid bills are transferred as delinquent to Chippewa County for collection. The average taxable value for a residential home within the City is $31,200, which equates to a true value of $62,400. In 2017, property taxes for typical residence with principal residence exemption (PRE) totaled $1,335.40. Spread evenly over twelve months, City, County Schools and Library services are available to all residences this is $111.28 per month. 53% of this bill is revenue to the City and the rest goes to other taxing units. Property taxes are computed by multiplying the taxable value of the property by the number of mills levied. Millage rate is the rate at which property taxes are levied on property. A mill is 1/1000 of a dollar. The City operating millage is restricted and cannot be raised, but the others are tied to a specific expenditure.

Millages for the City of Sault Ste. Marie are comparable to other cities in Michigan of a similar size/population although each city has a unique set of services and financial challenges. With total mills for a principal residence for the City of Sault Ste. Marie of 43.2721, residents will pay over the average of 40.3052, but pay less than residents of Mt. Pleasant at 44.3581. 2018 comparison data is not yet available.

DRAFT



Please note from the recommended tax millage rates that the millage rates for General Operations, and Solid Waste are proposed to remain the same in the 2018-19 fiscal year. There is a millage change that is proposed in the Police–Fire Retirement millage in order to meet the employer contribution as calculated by actuaries. It is recommended that the millage be increased from 5.4502 mills to 6.0766 mills to cover the actuarial obligations for this system for the 2018-19 fiscal year. This change in Police-Fire pension millage would result in an increase in taxes on a home with a taxable value of $50,000 (true cash value of $100,000) of $ $15.66 for the upcoming year. The Police-Fire Pension Fund and its management are aware of the impact of increasing this millage rate. For additional information regarding the City's pensions and what administration is doing to control costs in this area, please refer to the Expenditure Trends section of this report.

Recommended Water and Sewer Utility Rates

Water and sewer rates are calculated annually in order to recover all projected costs related to operating the City's water and sewer systems in accordance with the City Charter and the Michigan Department of Natural Resources and Environment requirements for low interest bonds utilized for the Combined Sewer Overflow project. There are three components to the water and sewer rates, which include an administrative charge, a commodity charge, and a capital charge. The administrative charge includes charges related to billing water customers, which include postage, cost allocation for the computer services, insurance, as well as the cost for reading, repairing, and replacing meters throughout the City water system. The administrative charges are recovered on a flat amount charged on each monthly bill. These costs are divided based on the number of water customers and the number of sewer customers.

The commodity charges recover the cost for operating the Water Treatment Plant and the Wastewater Plant as well as the cost relating to the transmission and distribution of water and sewage throughout the entire utility system. The commodity charges include salaries and wages, utilities, purchase of various chemicals for treatment, repair and maintenance, and other similar charges.

The final category of costs recovered through the water and sewer rates are for capital costs. Capital costs include all debt payments required for the water and sewer utility system, including all of the Combined Sewer Overflow control program expenses. Capital costs would also include any construction costs for improvements to the water and sewer system that are included in the budget. The costs used by the Finance Director are based on the recommended budget for the Water and Sewer Fund. The administrative charge is a fixed fee that is allocated equally on a per month basis amongst all customers of the City. The commodity charge and capital charge are based on each 100 cubic feet of water used by the customer. The Finance Director utilizes average water consumption over a multiple year period to determine the probable amount of water that would be sold during the course of this next year. The method of calculating water and sewer rates was approved as a requirement for the Department of Environmental Quality in exchange for subsidized interest rates on many of our CSO projects that have been done to date. This rate setting procedure is currently being evaluated as part of the SAW grant project and if there are any recommended improvements to the process they will be implemented next year.

Please note that the City charges sewer customers in neighboring Soo Township twice the capital charge that City residents pay (and the same rate for administrative and commodity charges as City residents pay for sewer rates), and Soo Township customers pay twice the commodity charge and capital charge for water purchased from the City and used in Soo Township. The only exception to this is in regards to the remedial clean-up efforts that occurred on Radar Road for existing homes at that location and for the Odenaang Housing Development where the Sault Tribe arranged for its customers to pay a monthly fee to maintain the distribution system in the development which is based on budgeted cost of transmission and distribution. These homes pay inside City rates for water service and also pay a service fee which is detailed in the water rates section of the budget.

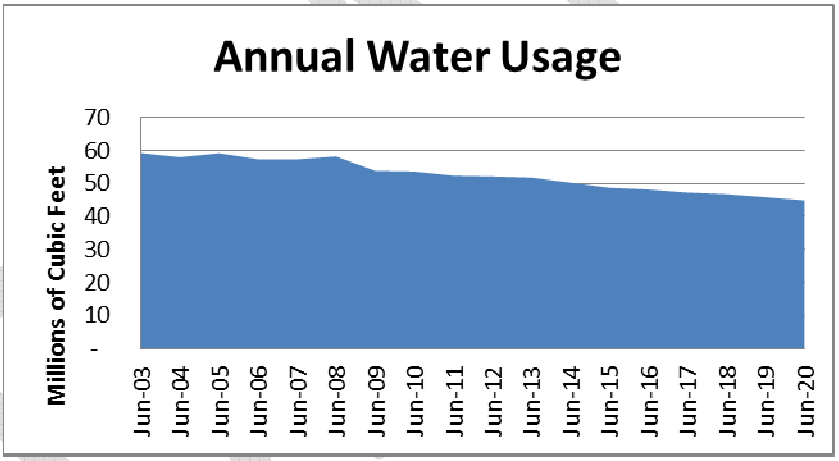
Finally, the City also has a raw water charge, which is used by non-profit organizations such as the I-500 when water is used in an outdoor setting and does not enter the sanitary sewer system. The raw water charge includes the incremental costs of the chemical, utilities, and other costs necessary to produce this extra water. The only recurring customer for this raw water charge is the I-500 Committee for water used at the track.

This year's water and sewer rates are being increased by 3.9% for customers utilizing 700 cubic feet of water for water and sewer services. As part of this rate structure we have been able to provide for funds going into the capital reserves for the water and sewer system which are important to keep for the maintenance of and repairs to the water and sewer system. The recommended water and sewer rates for the 2018-19 and 2019-20 fiscal years are provided in the water rates section near the end of the budget document.

DRAFT

Nearly half of the sewer and water collections are used to repay principal and interest on this Fund's debt. This is an amount that is paid by schedule, and the City is obligated to cover that financial obligation strictly through water and sewer user rates and without support from property tax revenue. In addition to the debt cost for the system, the City must collect a sufficient amount to cover the cost for treating water and sewer, building water and sewer lines to connect homes and businesses to provide high quality and safe water to each location within the City, and to collect and treat sewage prior to discharging effluent into the St. Marys River. In addition, funds are set aside to replace portions of our aging, underground infrastructure and plants as part of this and future budgets.

While a majority of the City's cost for providing water and sewer services are fixed, the quantity of water and sewer services sold is variable. Since the rates need to cover the financial obligations, when usage decreases, the fixed costs have to be allocated on fewer units sold. Number of units sold is impacted by many factors, including the price of the service, replacement of less efficient appliances, fluctuations in tourism and weather which could impact water needed for lawns and gardens. The following chart exhibits the steady reduction of water usage levels from 2003, a reduction of 1.03%, to the present and forecasted amounts for next fiscal year.



The City has been successful in reducing the operating costs over the years by reducing positions in the Water and Sewer Fund. This has included the elimination of 2.5 supervisory positions over the past decade. Staff has taken great efforts to minimize energy costs and other operational costs without sacrificing the critical maintenance necessary to efficiently and effectively preserve and operate the City's utility system.

Recommended Capital Outlay and Equipment Purchases

The Capital Equipment and Project Outlays for the 2018-19 and 2019-20 fiscal years can be found in the back of the detailed budget booklet beginning on page 89. This includes a detailed list of the various items of equipment and then projects that

were requested and with a recommendation from the City Manager to either fund or not fund those requests. Furthermore, as you are going through the various funds, you can identify various capital outlay equipment items for a particular department by account numbers that are 101-57xxx-xxx or 592-67xxx-xxx. Projects which are eventually approved by the City Commission will be assigned a general ledger account within the applicable capital project fund. Capital outlay budgets will be reviewed annually and carried over each fiscal year until completion. If there is residual funding upon completion, it will be returned to the source fund or may be re-directed to another project. Each of these actions is presented to the Commission for authorization.

Recommendation

This budget has been developed incorporating the guiding principles from the report from the City Commission's Task Force on City Finances and is responsive to the goals identified by the City Commission for the fiscal year beginning July 1, 2018. The budget also takes into account many of the ideas and suggestions that were raised as far as past budget stabilization ideas that were prioritized by the City Commission. It is my recommendation that this budget be approved in its presented form, which reflects the detailed months of work by the City Administration, City Commission, and many others.

DRAFT

GUIDING FINANCIAL PRINCIPLES

In 2003, the City Commission appointed a Task Force on City Finances that reviewed many existing practices and provided a series of recommendations for addressing the structural deficit that was occurring in 2003. Many of these recommendations have since been implemented by the City Commission. At the time the Task Force recommended and the City Commission adopted the following Guiding Financial Principals, which have been utilized in the preparation of the budget for the current fiscal year. These Guiding Principles are as follows:

A. The City should continue being pro-active in addressing financial situations before they become a crisis.

The City should take steps to address future shortfalls when it is apparent that these shortfalls will indeed occur. The City should carefully evaluate the filling of any vacant positions within City staff. Vacancies create an opportunity to consolidate duties or reassign responsibilities in a tighter economic climate.

B. Involve Department Heads and Employees in the Various Discussions Regarding Budget Shortfalls and Adjustments.

One of the leading causes of organizational stress are budget constraints, financial pressures, and lay-offs/reduction in staffing - all of which can be exasperated by poor communications. All employees should understand the full picture of the City's finances. Department heads and employees should be challenged to come up with solutions providing services with less resources for any department, not just their own.

C. Avoid Quick Fixes.

Implementing wage freezes or across the board, indiscriminate budget cuts are politically expedient but not well suited for long range adjustments to the City's organization and services provided to its citizens.

D. Stick with the Basics.

Understand and remember which basic services are most important to your citizens.

E. Stay True to the Capital Plan.

It is often tempting to sacrifice capital improvements to relieve stress on the operating budget. Some adjustments may be necessary, but giving up the capital plan will have long term consequences.

DRAFT

F. Invest in the Future.

It is critical for the City to continue investing in economic and employee development. Economic development is key to future financial stability and the hope for prosperity for the community. Local businesses and industry need as much support from the community as can be provided in order that they can help spur economic growth in that community. Employee development is necessary to assure that the citizens are being served by a local government who is utilizing the best practices in delivering services to its citizens.

G. Hierarchy of Long Term Reduction of Costs.

Generally, the City should reduce costs: first through implementation of better operations efficiencies, then by eliminating positions through attrition, if possible. If further cuts are necessary, the City will need to eliminate positions in those areas where service cuts are deemed appropriate. If a short term financial adjustment is necessary, capital outlay projects could be deferred.

I have utilized these guiding principles in developing my budget recommendations to the City Commission for the Commission's consideration. I believe that our long term financial situation requires more than a quick fix. I believe we also must remain committed to proceeding with various capital improvements that will enhance the City's future. We must provide sufficient resources in order to make the long term investments to move the community in a forward direction. With this in mind, the City will also need to be cognizant of the very significant current state, federal, and global economic downturn. We will need to react smartly to both a projected structural deficit and the recession that is severely impacting the global, national, state, and local economy. The City Commission and City staff will need to size this organization so that we can not only live within the revenue resources available to the City, but still continue moving forward on street and utility reconstruction and other projects that will generate future growth and provide an acceptable standard of living to the residents of this community.

DRAFT

CITY OF SAULT STE. MARIE ORGANIZATIONAL STRUCTURE

Chapter 4 of the City Charter provides that the City of Sault Ste. Marie shall operate with a Commission-Manager form of government. Under this system, the citizens of Sault Ste. Marie elect a Commission consisting of six City Commissioners and the Mayor. The Commission constitutes the legislative and governing body of the City and shall have the power and authority, except as otherwise provided in this Charter or by state statute, to exercise all powers conferred upon or possessed by the City including the right to adopt laws, ordinances, and resolutions. The City Commission appoints the City Manager and City Attorney to be responsible to and serve at the pleasure of the Commission.

The City Charter provides that the City Manager shall prepare and submit to the City Commission on the third Monday in April a recommended budget covering the next fiscal year, which will include detailed estimates and supporting explanation of all proposed expenditures, revenues, and fund balances for the City's various operating funds. Following a public hearing and implementing any changes in the budget that are agreed upon by the Commission, the Commission shall formally propose the budget for a public hearing and adopt the budget no later than the first day of June.

The City Charter provides that the administrative officers of the City shall be the City Manager, Attorney, Clerk, Treasurer, Assessor, Police Chief, Fire Chief, Accountant, Superintendent of Water, Superintendent of Public Works or Engineer. Appointment of the administrative officers of the City, except for the City Manager and City Attorney, are by the City Manager subject to confirmation by the City Commission. The City Manager may terminate the service of any department head without confirmation of the City Commission.

The City Charter provides that the City Commission shall be responsible for public infrastructure such as roads, streets, alleys, sidewalks, and parking facilities, the City can operate various utilities, the City shall establish various regulations of land uses through zoning, the City can regulate trades and occupations, and the City is responsible for the prevention of injuries or annoyances to the inhabitants of the City among other activities. (To read the provisions of the City Charter, please see the City's web site, www.saultcity.com and click on City Code of Ordinances that is provided by the Municipal Code Corporation for the City of Sault Ste. Marie, Michigan.)

The City Commission has further refined a Mission Statement for the City of Sault Ste. Marie, which is as follows: "The mission of the City of Sault Ste. Marie is to provide a sustainable small urban environment in an international setting for the well-being of its citizens by planning for and managing its physical environment in an environmentally friendly manner, by fostering an economy to support its public and private infrastructure, and by nurturing historical, cultural, and recreational activities that enhance the quality of life within it."

DRAFT

To meet the various service requirements required by the City Charter and as authorized by the City Commission, the City is organized in the various departments to meet these various responsibilities as is illustrated in the Organizational Chart which follows.

DRAFT

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/2/2018

Subject: From Ordinance Evaluation Committee - First Reading on Ordinances Enacting Changes to Chapter 15 and Chapter 16 of the City Code

Background Information:

As Commissioners are aware, the City Commission took action at its February 12, 2018 goal setting session to support the reestablishment of the goal of 'Creating a committee that includes members of the business community and community partners (as appropriate) to reevaluate every City ordinance that is at least 50 years old.'

As noted previously, the goal of this committee is to review the codified ordinances on a chapter by chapter basis in an effort to review existing ordinances, repeal unnecessary ordinances, and ensure that efficiencies are continuing to be maximized in municipal operations.

As a result of the work of the committee, a comprehensive review of Chapter 15 (Minors), Chapter 16 (Miscellaneous Offenses and Provisions), and Chapter 17 (Mobile Homes) of the City of Sault Ste. Marie's codified ordinances has been completed.

Following are proposed changes that could be made to the Code of Ordinances, as recommended by the Ordinance Evaluation Committee (note: sections proposed to be retained are also noted):

- Retain Section 15-1, local minor curfew regulations;

- Retain Section 15-2, regarding misrepresentation of age by minors;

- Remove Section 15-3, regarding soliciting and peddling, as it has been determined other existing provisions would be sufficient and this section is duplicative;

- Retain Section 15-4, regarding responsibility of parents and guardians, as it is used frequently by prosecutors;

- Retain Section 15-5, regarding complaints under juvenile laws, as it is used frequently by prosecutors;

- Remove Article II of Chapter 15, providing for a local youth services board, as such a board is not currently established, there are other organizations which provide a venue for

engaging youth, and the City may best support such efforts by collaborating with existing efforts rather than duplicating existing efforts;

- Retain Section 16-1, Section 16-2, and Section 16-3 which define a public place and addresses loitering;

- Remove Section 16-4 but retain Section 16-5, addressing illegal businesses and the frequenting of unlawful establishments, respectively, based upon advice from Chief Riley;

- Remove Section 16-6, pertaining to inciting, inducing or exhorting a commission of an offense, as this section is duplicative and offenses can be addressed under State law;

- Remove Section 16-7, regarding obstructing or resisting officers, as this section is duplicative and offenses can be addressed under State law;

- Retain Section 16-8, as it can be used to prevent impersonations of public officers including local officers;

- Retain Section 16-9, regarding spitting in public, as it has been used by the City in the past and can promote cleaner environments in services such as Dial-A-Ride;

- Remove Section 16-10, regarding playing in streets, as obstruction of traffic can be covered under other regulations;

- Remove Section 16-11, regarding the possession of instruments for the possession of a crime as this section is duplicative and can be covered under State law;

- Retain Section 16-12, regarding the possession or consumption of alcoholic beverages, as it is used by the City;

- Retain Section 16-13 and Section 16-14, regarding the unlawful entry onto school grounds, on advice of the City Attorney;

- Remove Section 16-15, regarding borrowing from students, as it has been determined this section is unnecessary;

- Retain Section 16-16, regarding abandoned refrigerators, on advice from the Chief of Police;

- Retain Section 16-17, making catching fish by ‘snagging’ unlawful, on advice of the City Attorney;

- Retain Section 16-18, establishing a maximum age for fishing in Rotary Park;

- Remove Section 16-28, regarding assault and battery, as Chief Riley has indicated that State laws can address such charges more completely and offer more resources for same;

- Retain Section 16-29, regarding fighting, as it is frequently used by the City;

- Remove Section 16-30, regarding the annoyance of others, as the City Attorney has deemed it to be unconstitutional;

- Remove Section 16-31, regarding the unlawful use of a telephone, as such actions are covered under Federal and State laws and this section is duplicative;

- Remove Section 16-32, regarding nonsupport of family members, as this is addressed by State law and in Circuit Court;

- Retain Section 16-33, regarding unlawful discrimination in housing and/or real property (note: this section was added more recently and must be maintained under the terms of grants received by the City);

- Remove Section 16-44 and Section 16-45, regarding malicious mischief and larceny, as these charges can be addressed under State law and these provisions are duplicative;

- Retain Section 16-46 and Section 16-47, regarding trespassing and littering in waterways, as these provisions are used by the City;

- Retain Section 16-59 and Section 16-60, regarding the disturbance of peace and fireworks, as these provisions are used by the City;

- Remove Section 16-61 and Section 16-62, regarding open intoxication in a public place and jostling, upon advice from the City Attorney;

- Remove Section 16-63, Section 16-64, and Section 16-65, regarding unlawful assemblies, riots, and incitements to riot as the City Attorney has deemed these provisions unconstitutional;

- Retain Section 16-66 and Section 16-67 but remove Section 16-68, regarding disorders, disturbances, and window peeping, respectively, as the first two provisions have been used by the City regularly and the third is effectively covered under State statute;

- Remove Section 16-69, regarding indecent language and conduct, as the City Attorney has deemed this provision to be unconstitutional;

- Retain Section 16-70, regarding indecent exposure, as this provision is utilized frequently by the City;

- Remove Section 16-71, regarding nude swimming in public, as this provision is rarely if ever utilized;

- Retain Section 16-72, regarding burlesque shows and live entertainment, as this provision is required for integration with Michigan Liquor Control Commission permits;

- Remove Section 16-83, Section 16-84, and Section 16-85, regarding elements of prostitution, as State statutes sufficiently address same;

- Remove Section 16-99, Section 16-100, and Section 16-102 from Article VI (Weapons) while retaining the balance of the Article as the provisions proposed for removal are unnecessary or otherwise addressed by State statute;

- Remove Article VII (Controlled Substances) as the regulated activity is addressed under State statute;

- Remove Article VIII (Model Glue), as the provision is necessary and applicable State statutes would control;

- And retain the entirety of Chapter 17, relating to Mobile Homes, as this Chapter integrates with the zoning ordinance.

As the Commissioner is aware, in order to ensure the opportunity for public input, and to engage the City's business community and partners, a thirty (30) day period of time was established to receive public input about these proposed changes. No public feedback was received in response to the proposed changes.

Accordingly, the City Commission took action during the April 16, 2018 Regular Meeting to direct City Administration to prepare ordinances which would codify the proposed changes. Both related ordinances, as prepared by City Attorney Cannello, have been included for review and consideration by the City Commission.

Finally, it should be noted that the committee is currently planning to undertake a comprehensive review of Chapter 1 (General Provisions), Chapter 2 (Administration), Chapter 3 (Advertising), and Chapter 18 (Nuisances) of the Code of Ordinances by the end of the second quarter of 2018.

Recommendation:

That the City Commission take the two following actions:

1. Hold a first reading of the presented ordinance enacting proposed changes to Chapter 15 of the City Code of Ordinances;

2. Hold a first reading of the presented ordinance enacting proposed changes to Chapter 16 of the City Code of Ordinances.

Fiscal Effects:

No budget amendments associated with this recommendation.

Alternatives:

As directed by the City Commission.

Respectfully submitted,
Oliver Turner
City Manager

ORDINANCE NO. _____
ORDINANCE OF THE CITY OF SAULT STE. MARIE MICHIGAN

AN ORDINANCE TO REPEAL PORTIONS OF CHAPTER 15 MINORS AS FOLLOWS: SECTIONS 15-3, AND 15-17 THROUGH 15-26 INCLUSIVE OF THE SAULT STE. MARIE CODE OF ORDINANCES.

The City of Sault Ste. Marie ordains:

Section 1.

A. That: PORTIONS OF CHAPTER 15 MINORS AS FOLLOWS: SECTIONS 15-3, AND 15-17 THROUGH 15-26 INCLUSIVE OF THE SAULT STE. MARIE CODE OF ORDINANCES BE REPEALED.

Section 2. This ordinance shall take effect ten days after its adoption and publication.

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Commission of the City of Sault Ste. Marie, Michigan on the day of , 2018.

_____

ANTHONY BOSBOUS, MAYOR ROBIN TROYER, CITY CLERK

I HEREBY CERTIFY that the foregoing ordinance was published in the Evening News, a newspaper printed and circulated in the City of Sault Ste. Marie, Michigan on _____.

_____

ROBIN TROYER, CITY CLERK

ORDINANCE NO. _____
ORDINANCE OF THE CITY OF SAULT STE. MARIE MICHIGAN

AN ORDINANCE TO REPEAL PORTIONS OF CHAPTER 16 MISCELLANEOUS OFFENSES AND PROVISIONS AS FOLLOWS: SECTIONS 16-4, 16-6, 16-7, 16-10, 16-11, 16-15, 16-28, 16-30, 16-31, 16-32, 16-44, 16-45, 16-61, 16-62, 16-63, 16-64, 16-65, 16-68, 16-69, 16-71, 16-83, 16-84, 16-85, 16-99, 16-100, 16-102, AND ALL OF ARTICLE VII SECTIONS 16-116 THROUGH 16-126 INCLUSIVE, AND ALL OF ARTICLE VIII SECTIONS 16-138 THROUGH 16-142 INCLUSIVE, OF THE SAULT STE. MARIE CODE OF ORDINANCES.

The City of Sault Ste. Marie ordains:

Section 1.

A. That: PORTIONS OF CHAPTER 16 MISCELLANEOUS OFFENSES AND PROVISIONS AS FOLLOWS: SECTIONS 16-4, 16-6, 16-7, 16-10, 16-11, 16-15, 16-28, 16-30, 16-31, 16-32, 16-44, 16-45, 16-61, 16-62, 16-63, 16-64, 16-65, 16-68, 16-69, 16-71, 16-83, 16-84, 16-85, 16-99, 16-100, 16-102, AND ALL OF ARTICLE VII SECTIONS 16-116 THROUGH 16-126 INCLUSIVE, AND ALL OF ARTICLE VIII SECTIONS 16-138 THROUGH 16-142 INCLUSIVE, OF THE SAULT STE. MARIE CODE OF ORDINANCES BE REPEALED.

Section 2. This ordinance shall take effect ten days after its adoption and publication.

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Commission of the City of Sault Ste. Marie, Michigan on the day of , 2018.

_____

ANTHONY BOSBOUS, MAYOR ROBIN TROYER, CITY CLERK

I HEREBY CERTIFY that the foregoing ordinance was published in the Evening News, a newspaper printed and circulated in the City of Sault Ste. Marie, Michigan on _____.

_____

ROBIN TROYER, CITY CLERK

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/3/2018

Subject: From the Planning Commission - Recommendation to Adopt the 2018-2038 City of Sault Ste. Marie Master Plan

Background Information:

After several years of work and the involvement of a number of citizens, the City of Sault Ste. Marie 2018-2038 Master Plan is ready for review and consideration by the City Commission.

The Master Plan serves as the guiding document to help the City make informed decisions relating to the City's future, particularly as it relates to physical development and growth. The City's current Master Plan was adopted in 1995 and is no longer responsive to the needs of the community. The effort to replace it began in earnest in 2014 when a comprehensive community survey was conducted to determine the position of the community at large on a number of issues.

After the community survey was conducted, a number of public open houses were held to again to allow members of the community an opportunity to comment on items of importance which are directly impacted by the Master Plan, among them the various types of zoning (residential, commercial, and industrial) as well as areas of critical interest such as housing, transportation, the downtown, and LSSU. With that information in-hand, a first draft of the Plan was created by the contracted consultants, EUP Regional Planning and Megan Olds of Parallel Solutions. That first draft was presented to the Planning Commission for its review and comment. After reviewing the first draft, the Planning Commission directed the Community Development Director to continue to move forward.

With the Planning Commission's approval to proceed to the next step, the draft plan was released for its state mandated 63-day review period. During this time, the plan was provided to internal and surrounding governmental entities, utility providers, educational institutions, and transportation providers with requests for comment. With feedback from those groups in-hand and reviewed by the Planning Commission, adjustments were made to the plan and a second draft of the plan was created. That draft was placed before the public for review for an approximately 30-day period with another round of open houses occurring to solicit public comment. Comments received on this second draft of the plan were again forwarded to the Planning Commission for review. The members of the Planning Commission provided direction on how to address the public comments received as well as made any comments of their own before unanimously recommending to the City Commission that the Plan be approved. Those adjustments were made by staff and the final draft of the plan is included with this memorandum.

As to the plan itself, it is divided into a number of sections. Certainly before recommendations may be made on the future of any community, the past and present day must be understood. The plan begins with an introduction to the community before diving into the many areas which make Sault Ste. Marie a unique place such as our history, geography, culture, and economy. Other areas speak to the present day situation using census population data as well as our own internal information to discuss our physical infrastructure assets like sewer, water, and transportation systems and our educational system.

Land use is a major topic discussed within the plan, both current and future. Within the Future Land Use Map, readers of the plan will find that the City is divided up into a number of sub-areas based upon the uses likely to occur there in the future. The future land use portions of the plan are always consulted by staff when rezoning applications are submitted to determine their suitability. Another area within the plan which is of significant importance to help make sound decisions is the elements and goals section. Within this section broad goals are set forth for the City in terms of community and economic development, transportation, housing, nature and the environment, and food.

At its February 22, 2018 meeting, the Planning Commission unanimously recommended adoption of the Master Plan subject to a small number of changes which have subsequently been incorporated into the plan.

Recommendation:

That the City Commission adopt the 2018-2038 City of Sault Ste. Marie Master Plan as presented.

Fiscal Effects:

No budget amendments would be associated with this action.

Alternatives:

As directed by the City Commission.

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Community Dev/Engineering

Submitted By: kfreeman

Date: 5/03/2018

Subject: From the Planning Commission - Recommendation to Adopt the 2018-2038 City of Sault Ste. Marie Master Plan

Background Information:

After several years of work and the involvement of a number of citizens, the City of Sault Ste. Marie 2018-2038 Master Plan is ready for review by the City Commission.

The Master Plan serves as the guiding document to help us make informed decisions relating to the City's future, particularly as it relates to physical development and growth. The City's current Master Plan was adopted in 1995 and is no longer responsive to the needs of the community. The effort to replace it began in earnest in 2014 when a comprehensive community survey was conducted to determine the position of the community at large on a number of issues. After the community survey was conducted, a number of public open houses were held to again allow members of the community an opportunity to comment on items of importance which are directly impacted by the Master Plan, among them the various types of zoning (residential, commercial, and industrial) as well as areas of critical interest such as housing, transportation, the downtown, and LSSU. With that information in-hand, a first draft of the Plan was created by our consultants, EUP Regional Planning and Megan Olds of Parallel Solutions. That draft was presented to the Planning Commission for their review and comment. After reviewing the first draft, the Planning Commission directed staff to continue to move forward.

With the Planning Commission's approval to proceed to the next step, the draft plan was released for its state mandated 63-day review period. During this time, the plan was provided to internal and surrounding governmental entities, utility providers, educational institutions, and transportation providers with requests for comment. With feedback from those groups in-hand and reviewed by the Planning Commission, adjustments were made to the plan and a second draft of the plan was created. That draft was placed before the public for review for an approximately 30-day period with another round of open houses occurring to solicit public comment. Comments received on this second draft of the plan were again forwarded to the Planning Commission for review. The members of the Planning Commission provided direction on how to address the public comments received as well as made any comments of their own before unanimously recommending to the City Commission that the Plan be approved. Those adjustments were made by staff and the final draft of the plan is included with this memorandum.

As to the plan itself, it is divided into a number of sections. Certainly before recommendations may be made on the future of any community, the past and present day must be understood. The plan begins with an introduction to the community before diving into the many areas which make Sault Ste. Marie a unique place such as our history, geography, culture, and economy. Other areas speak to the present day situation using census population data as well as our own internal information to discuss our physical infrastructure assets like sewer, water, and transportation systems and our educational system.

Land use is a major topic discussed within the plan, both current and future. Within the Future Land Use Map, readers of the plan will find that the City is divided up into a number of sub-areas based upon the uses likely to occur there in the future. The future land use portions of the plan are always consulted by staff when rezoning applications are submitted to determine their suitability. Another area within the plan which is of significant importance to help make sound decisions is the elements and goals section. Within this section broad goals are set forth for the City in terms of community and economic development, transportation, housing, nature and the environment, and food.

Fiscal Impact:

No fiscal impact. G/L Account #: N/A

Recommendation:

At their February 22, 2018 meeting, the Planning Commission unanimously recommended adoption of the Master Plan subject to a small number of changes which have subsequently been incorporated into the plan.

City Administration recommends that the 2018-2038 City of Sault Ste. Marie Master Plan be adopted by the City Commission as presented.

SAULT STE. MARIE MASTER PLAN

PLAN DURATION: 2018-2038 | SAULT STE. MARIE, CHIPPEWA COUNTY, MICHIGAN

THE CITY OF SAULT STE. MARIE'S MASTER PLAN DEFINES THE VISIONS AND THE VALUES OF ITS PEOPLE AND THEIR GOVERNMENT FOR THE NEXT 20 YEARS. THE DOCUMENT WILL HELP TO INFORM FUTURE INVESTMENTS, DEVELOPMENT AND GROWTH, AND PROVIDE A BASIS FOR LAND USE REGULATIONS.

DOCUMENT GUIDE

Contents:

Introduction
- About this Plan ____ 5
- Our City: Then & Now ____ 6
- Master Plan Vision & Values ____ 7

Community Characteristics
- Location & Geographic Context ____ 9
- History & Cultural Heritage ____ 10
- Natural Resources ____ 11
- Population, Housing, & Income ____ 14
- Economy ____ 25

Infrastructure, Services & Assets
- Government Facilities & Offices ____ 28
- Medical Facilities ____ 30
- Educational Facilities ____ 31
- Transportation System ____ 32
- Water & Sanitary Services ____ 38
- Arts & Cultural Resources ____ 39
- Parks & Recreation Resources ____ 41

Existing Land Use & Zoning
- Land Uses in the City ____ 51
- Existing Zoning ____ 52
- Existing Land Use ____ 54

Elements & Goals
- 1. Community & Economic Development ____ 58
- 2. Transportation ____ 61
- 3. Housing ____ 62
- 4. Nature & Environment ____ 63
- 5. Food ____ 64

Future Land Use
- Future Land Use Districts ____ 66

Appendices
- Public Input: Open House Comments ____ 74
- Public Input: Visual Preferences ____ 76
- Public Input: Survey ____ 80
- Public Input: Outreach ____ 82

Figures:

Age Distribution - 2010 ____ 15
City-Owned Community Parks & Large Urban Parks ____ 46
City-Owned Natural Resources Areas ____ 45
City-Owned or Leased Mini-Parks & Neighborhood Parks ____ 45
City-Owned or Leased Special-Use Facilities ____ 47
Community Recreational Facilities (in Acres) ____ 42
Gross Monthly Rent Payments ____ 23
Gross Rent as a Percentage of Household Income ____ 23
Household Income & Assistance ____ 19
Housing Tenure by Census Block Group ____ 23
Income by Households & Families ____ 19
Labor Statistics of Sault Ste. Marie ____ 25
Lake Superior State University Enrollment Data ____ 26
Land Use by Zoning Designation ____ 52
Major Employer Sample ____ 25
Major Road Classifications ____ 32
Mean Temperature ____ 13
Median Household Income ____ 18
Number of Housing Units ____ 20
Population Density Trend ____ 24
Population Estimates & Projections ____ 15
Population Trends & Projections ____ 14
Privately-Owned recreation Facilities ____ 48
Proposed Non-Motorized Improvements ____ 36
Racial Distribution ____ 18
Rating Comparison without State Trunklines ____ 35
Rating Comparison with State Trunklines ____ 35
Sault Area Schools' Enrollment ____ 31
School-Owned Recreation Facilities ____ 48
Sites of Environmental Contamination ____ 11
Total Population ____ 14
Total Population by Age Group ____ 15
Total Recorded Snowfall ____ 13
Tribal-, Federal-, and State-Owned/Operated Recreation Facilities ____ 49
Values of Housing Units with a Mortgage ____ 20

Maps:

Bodies of Water ____ 12
Census Divisions of Sault Ste. Marie ____ 21
Existing Land Use - Activity ____ 54
Existing Land Use - Function ____ 55
Existing Land Use - Structures ____ 56
Future Land Use Map ____ 67
Location of Sault Ste. Marie ____ 9
Park Location & Jurisdiction ____ 43
Park Location, Walkability ____ 44
PASER-Rated Roads ____ 34
Percent of Rental Units by Census Block ____ 22
Population Over 62 Years Old by Census Block ____ 17
Population Under 18 Years Old by Census Block ____ 16
Sidewalk Location Map ____ 36
Vehicular Transportation Network ____ 33
Zoning Map as of 2018 ____ 53

1. INTRODUCTION

ABOUT THIS PLAN

Authority to Plan

Michigan Public Act 33 of 2008, the Michigan Planning Enabling Act, authorizes units of government to plan, create planning commissions, and regulate and subdivide land. The act permits and mandates the planning commission to create and adopt a master plan. The master plan is the basis for land use regulations and zoning. For units of government that have and enforce zoning, that zoning must be based on a plan. The purpose of this master plan is to guide future development towards an economic and efficient use of the land; promote public health, safety, and the general welfare; and provide for a framework for adequate transportation systems and infrastructure, public utilities, housing, and recreation opportunities.

Past Planning

The last City Master Plan was adopted in 1995. Since that time, the City has developed and adopted a detailed City Recreation Plan, a Non-Motorized Transportation Plan, and an Access Management Study. Annually, the City updates and amends its 6-year capital improvement plan. These plans and studies serve as guiding documents for the City, and provide information and content for this Master Plan.

Public Involvement

Community participation is an important part of the planning process. A community survey was sent out to over 3,500 City addresses. The City hosted several public input meetings and shared media releases with area publications and radio stations, and promoted public meetings via social media. Two open houses enabled the public to review maps and data, offer ideas about needs and priorities, and share preferences for different types of building designs.

Local Coordination

The City Planning Commission formed a sub-committee to help guide the development of the plan. The City shared information with key stakeholders including Lake Superior State University, Sault Tribe of Chippewa Indians, local civic groups, state agencies, and the U.S. Army Corps of Engineers. Planners met with representatives from the Downtown Development Authority and Lake Superior State University to discuss goals for specific streets and neighborhoods. The city will also share this plan with surround municipalities and Sault Ste. Marie, Ontario, as is required by the Michigan Planning Enabling Act.

The City is grateful to members of the public who chose to participate in this process and who shared their visions and ideas for the future growth and development of the community.

Acknowledgements

The development of this plan involved the leadership and work of many individuals, agencies, and partners.

City Commission:

Mayor Anthony G. Bosbous, Mayor Pro Tem/Commissioner Don Gerrie, Commissioner Greg Collins, Commissioner Jay Gage, Commissioner Abby Baker, Commissioner Tim Talentino, Commissioner Kathleen Twardy, Commissioner Shane Miller

City Staff:

Oliver Turner, City Manager; Kelly Freeman, Community Development Director; Joe Miller, GIS Technician

Planning Commission:

Regular Members: Rick Barck, Marla Bunker, Anthony Perry, Charles McCready, Ken Kavanaugh, Carol Boger, Bonita Peters, Wendy Hoffman, Clayton Shunk, Megan Kelly, Robert Shimmens, Kristina Somes, Derric Knight, Rebecca Bolen, Seth Harris, Joseph Gallagher

City Commission Liasons: Commissioner Particia Shimmens, Commissioner Brent Osterhout, Commissioner Abby Baker, Commissioner Greg Collins

Master Plan Sub-Committee:

Rick Barck, Wendy Hoffman, Bonita Peters, Scott Nason

Plan developed with support from:

Eastern Upper Peninsula Regional Planning & Development Commission; Parallel Solutions LLC

Photographs were taken by Gary Howe, the Sault Ste. Marie Convention & Visitor's Bureau, and the Sault Ste. Marie Economic Development Corporation.

OUR CITY: THEN & NOW

Historically, planners have worked to separate land uses in order to protect public health – creating distance between industrial activities and places where people lived in order to protect people from noxious fumes, loud machinery, dust and dirt, and heavy vehicle traffic. By classifying and regulating uses in this way, planning has served some public health and safety goals well. But, in other instances, this approach has created new problems. Many people are increasingly separated from basic amenities and services - like places to buy food, go to school or work, get haircuts, see a doctor, patronize a local institution, visit a friend or a family member, or enjoy recreational spaces. Because of the separation of land uses, people must drive for even the most basic needs. In some ways, this model of designing a city ends up inadvertently going against some its most cherished values related to the way people want and need to access services, and the way they want to be connected to each other.

A Strong Foundation to Build Our Future

A close inspection of the City of Sault Ste. Marie's neighborhoods reveals an important observation and insight: The solution for some of our neighborhoods is rooted in our past, and problems of incompatible uses have more to do with the level of intensity of an activity in a neighborhood, not with the activity itself. For example, a small local market on the edge of a residential neighborhood may serve neighbors' needs by providing a place to buy bread, milk or butter. Its size and building type fit in with the surrounding buildings, and people who live in the neighborhood can walk a short while on the sidewalk or ride their bikes to run this short errand. However, a large-scale retail store with no windows on the first floor and a large parking lot located adjacent to or within a residential neighborhood would change the character of the neighborhood by creating a need for more frequent car trips and perhaps more neighborhood congestion. The building's size and type would be out of proportion with the buildings and homes around it. With fewer windows and storefronts at eye level, people in the neighborhood may not feel as safe or comfortable walking to or through this area. In short, the old land use planning model may not account for, or protect, some core community values and preferences.

This Plan offers a framework and a tool for decision-making based on some of the City of Sault Ste. Marie's historic neighborhood land use patterns as well as a new vision for some neighborhoods and districts. Rather than dictate uses, this Plan describes the character and the desired intensity of activity for and within each of these districts and places. It places high priority on developing uses that are in scale and in proportion with each neighborhood's vision and desired future.

By embracing these and other Place-Making principles, our neighborhoods and our community as a whole will display the charatcheristics which make them unique, as well as inspire and attact new talent.

No neighborhood is an island. We realize that neighborhoods are strong when they live in harmony with one another and when the needs of one neighborhood are balanced against the needs of all neighborhoods. This Plan looks at the needs in specific neighborhoods and districts as well as at the needs of the City as a whole. Goals and action steps for each neighborhood and district, as well as for City-wide services and infrastructure, are included in this Plan.

MASTER PLAN VISION & VALUES

Master Plan Vision

The City of Sault Ste. Marie, Michigan is a vibrant community comprised of connected and related neighborhoods and districts. This plan promotes and protects the vitality, diversity, and improvement of our neighborhoods, our City, our region, and the State of Michigan.

Master Plan Values

The City of Sault Ste. Marie will plan for and invest in City services and infrastructure that support the health and well-being of its residents, respects and nurtures local history and cultures, and fosters a strong economy and healthy environment.

Our Values:

1. Social, economic, and residential diversity and stability are essential to our City's future.

2. Transportation choices are important for our residents' mobility and our City's vitality and environmental health.

3. The intensity of any land use should be the focus of land use decisions.

4. Services should be conveniently located.

5. Design matters, and investments we make should support our City's values and citizens' health.

6. We will honor the heritage of neighborhoods as they evolve.

7. We will plan with our international setting in mind.

8. We will protect our natural resources.

2. COMMUNITY CHARACTERISTICS

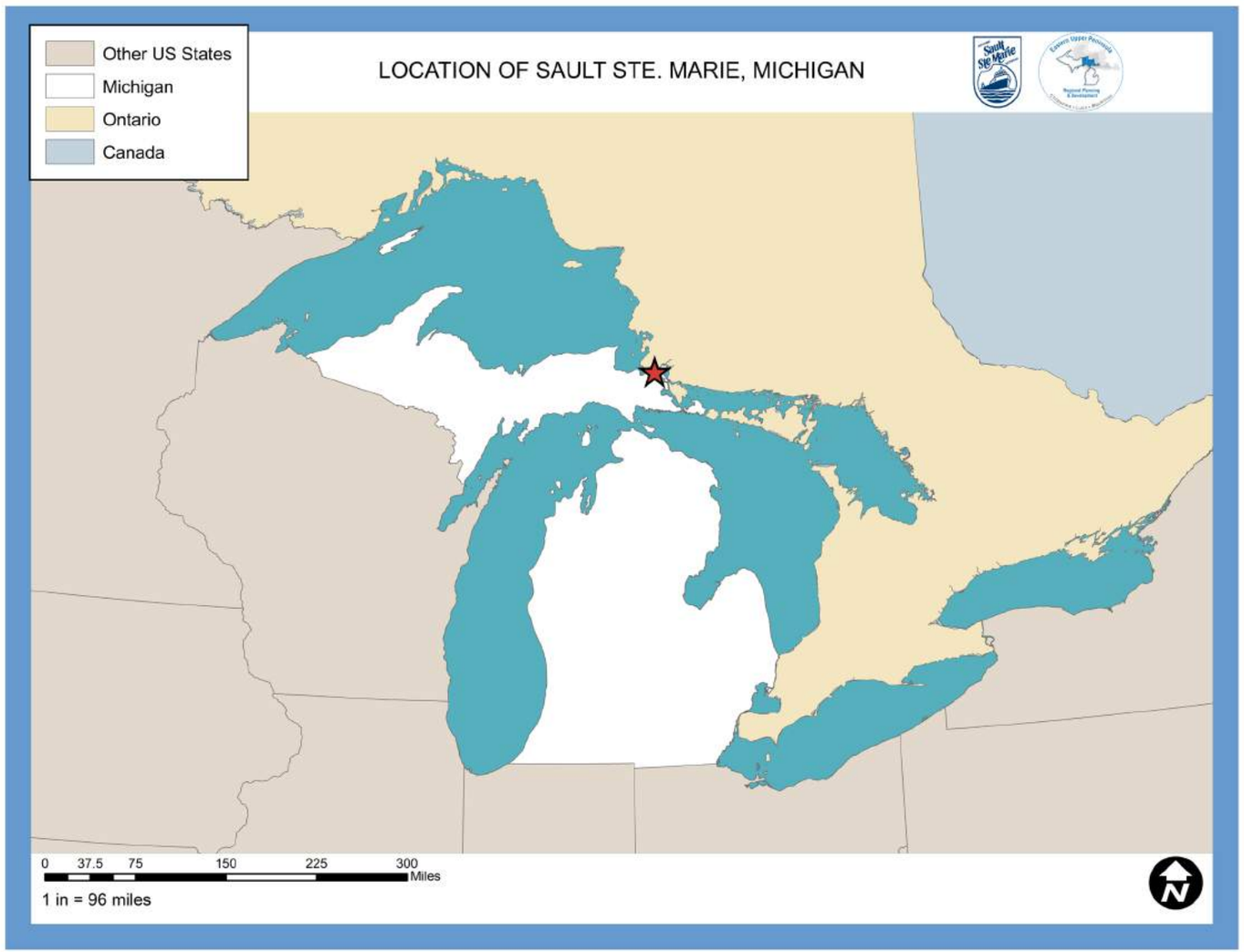
LOCATION & GEOGRAPHIC CONTEXT

Sault Ste. Marie, Michigan, is located at the northern tip of the eastern edge of Michigan's Upper Peninsula. The City is strategically situated on the south bank of the St. Marys River. The incorporated limits of the City encompass an area of approximately sixteen square miles, measuring approximately three miles from north to south and six miles from east to west at its widest points. The City's 2010 U.S. Census population is 14,144, with an estimated 2013 population of 14,098. The City's population has remained between 14,000 and 15,000 since 1980.

The St. Marys River is a significant international waterway, connecting Lake Superior to Lakes Huron and Michigan and serving as a hub in the Great Lakes shipping transportation system via the Soo Locks. The river and the rapids have been central to the community's heritage, culture, health, and growth.

Sault Ste. Marie has a rich and unique history. It is the oldest European settlement in Michigan and one of the very earliest continuously settled communities in the nation. The Sault Ste. Marie Tribe of Chippewa Indians called this place Baaweting, which translated means "the gathering place." French settled in the area in 1668 and gave the city the name "Sault Ste. Marie," which translates to "Saint Mary's Falls." The City's long and rich history can be experienced today via the area's architecture, museums, walkways and community events and programs.

Directly to the north of the City on the opposite bank of the St. Marys River is the Sault's sister city, Sault Ste. Marie, Ontario, a community of 75,000 people. Its economy is fueled by one of Canada's largest steel mills. The Canadian Sault complements the Michigan Sault's facilities and services and offers a wide array of parks and recreation opportunities, shopping areas, cultural facilities, health care services and other community amenities. The two communities have entered into collaborative economic development agreements and maintain close binational ties.



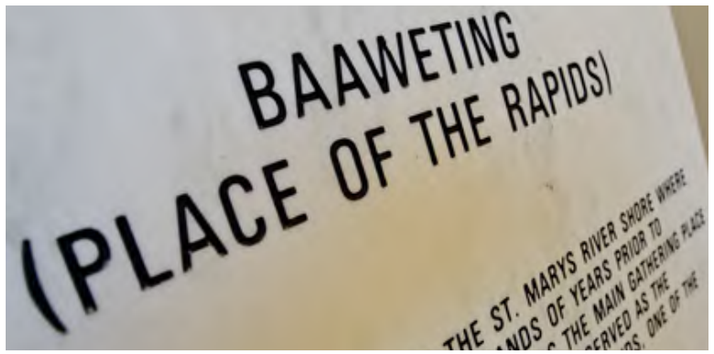
HISTORY & CULTURAL HERITAGE

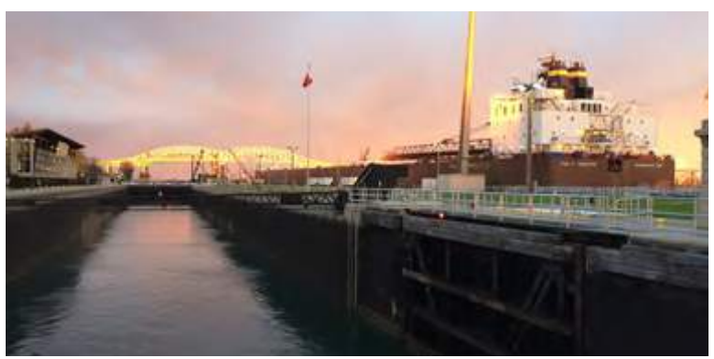
Sault Area History

The Sault area is one of the oldest settled areas in the United States and has long been an important community in the Midwest, prized for its waterways and for fishing opportunities. For approximately 2,000 years prior to the arrival of Europeans, the Anishinaabeg ('The People' in Ojibwe/Chippewa) community lived along this waterway in the place that linked the Great Lakes of Superior and Huron. The Anishinaabeg called the area "Baaweting," or "The Gathering Place."

French explorer Étienne Brûlé was the first European to document the area in 1618. In 1668, a French Jesuit missionary, Father Jacques Marquette, created the first European settlement and named it "Sault Ste. Marie" in honor of his faith's Virgin Mary. The first fort was built in the area in 1751. The British had possession in 1792 and occupied the area until after the War of 1812. The U.S. Army constructed Fort Brady in Sault Ste. Marie in 1823.

Logging, fishing and farming were primary economic activities from the mid 1880's to the early 1900's. Both lumber and agriculture have declined in more recent times. The area's importance in commercial shipping has continued and expanded. Tourism plays an important role in Sault Ste. Marie's economy.





Soo Locks History

The St. Marys River is the only water connection between Lake Superior and the other Great Lakes. Before the construction of the Locks, the St. Marys Rapids presented a difference of 21 feet between Lake Superior and the lower lakes. This proved a barrier for transportation and led to the construction of a navigational locks project known as the St. Marys Falls Canal.

In 1797, the Northwest Fur Company constructed a 38-foot long navigation lock on the Canadian side of the river for small boats. This lock remained in use until it was destroyed during the War of 1812. For a time, freight and boats were again portaged around the rapids.

In 1852, the U.S. Congress passed an Act granting 750,000 acres of public land to the State of Michigan in order to build a lock to permit waterborne commerce between Lake Superior and the other Great Lakes. The Fairbanks Scale Company, which had extensive mining interests in the Upper Peninsula, began construction on the new locks project in 1853. Fairbanks completed the construction of two 350 feet locks within the two-year deadline set by the State of Michigan. On May 31, 1855, the locks were turned over to the State and designated as the State Lock.

Within a few years, commerce through the canal grew and the need for new locks became clear. The funds required exceeded the State's capabilities. In 1881, the locks' ownership was transferred to the United States government, and they were placed under the jurisdiction of the U.S. Army Corps of Engineers. The Corps has operated the Soo Locks, toll free, since that time.

NATURAL RESOURCES

Geology Soils

The City of Sault Ste. Marie's geology is typified by the same type of glacial deposits found over much of Michigan. These glacial deposits range from a few feet deep to over 300 feet near the intersection of 3 Mile Road and Riverside Drive. These deposits are mainly clay, and include silty sand loams and clay loams. These surface deposits overlay a clay sub-stratum. The glacial material sits on top of Cambrian bedrock known locally as "red rock" or "sandstone." This formation is 1500 feet thick and overlies a foundation of Pre-Cambrian igneous rocks.

The U.S. Department of Agriculture's Soil Conservation Service has identified over 50 types of soils in the City. The Soil Survey for Chippewa County and City of Sault Ste. Marie includes maps and details regarding the acreage and extend of soils, soil features and classifications, prime farmland and land capacity for crops, woodland management and productivity, equipment limitations for woodlands, water features and limitations for water management, wildlife habitat, recreation development, building site development, and the physical and chemical properties of soils.

Topography

Two major glacial lake levels influenced Chippewa County and the City of Sault Ste. Marie: Lake Algonquin and Lake Nipissing. Remnant shoreline from the latter lake stage can be seen in Ashmun Hill in the City. The elevation of the City varies. The highest point is located along 3 Mile Road with an elevation of 760 feet above mean sea level. The lowest point is along Riverside Drive at 585 feet. There is a triangularly shaped upland area extending between 20th Street west and Seymour long 3 Mile Road.

The airport is located at one of the high points in the City at 722 feet. The area near Lake Superior State University's campus is 700 feet. The south side of the City is 635 feet. The east end and islands are 600 feet. The lakeshore area and Shallows neighborhood are at 615 feet.

Sites of Environmental Contamination

The State of Michigan has identified 12 environmental contamination sites under Act 307 within the City and Chippewa County. See Figure 1 below.

Figure 1: Sites of Environmental Contamination

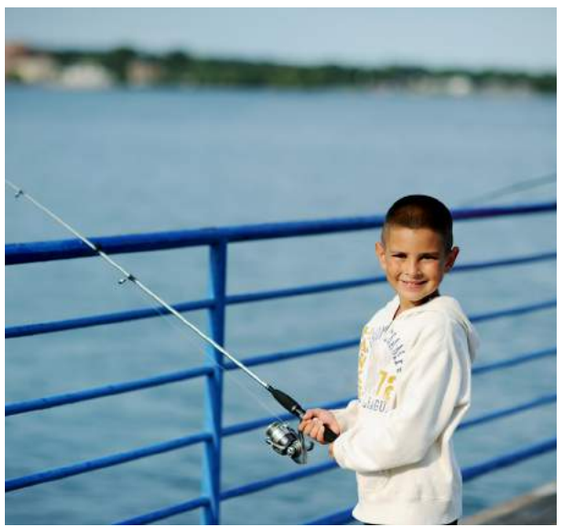
Common Site Name*	Location Code	Pollutants
CATEGORY 1 - Inactive, No Actions Taken		
Sault Ste. Marie Big Boy	17-47N-01E-07CB	BTEX (Benzene, Toluene, Ethylbenzene, and Xylenes) and TPH (Total Petroleum Hydrocarbons)
CATEGORY 2 - Cleanup Action Take or in Progress: Evaluation/Interim Response-Fund		
None within city limits		
CATEGORY 3 - Cleanup Actions Taken or in Progress: Evaluation/Interim Response - PRP/Other		
Amoco Terminal Sault Ste Marie	17-47N-01E-05DC	Gasoline, Diesel Fuel
Cannelton Indus. Tannery Disp.	17-47N-01W-11BB	Chromium, Mercury, Lead, Cyanide, Zinc
Fomer Cadillac Soo Lumber Plant (owned by local gov)	17-47N01W-12B	Benzene, Fluorene, Napthalene, Cresol
MICHCON - Easterday Avenue - Soo	17-47N-01E-05CC	BTEX
Sault Ste. Marie Disp. Union Carbide (owned by local gov)	17-47N-01E-08BA	Lead, Nickle, Arsenic, Cadmium
Soo Motors Tank Farm	17-47N-01E-6BC	Xylene, Napthalene
*Common Site Name is for identification only and is not necessarily a party responsible for contamination.		
SOURCE: Michigan Department of Natural Resources		

Vegetation

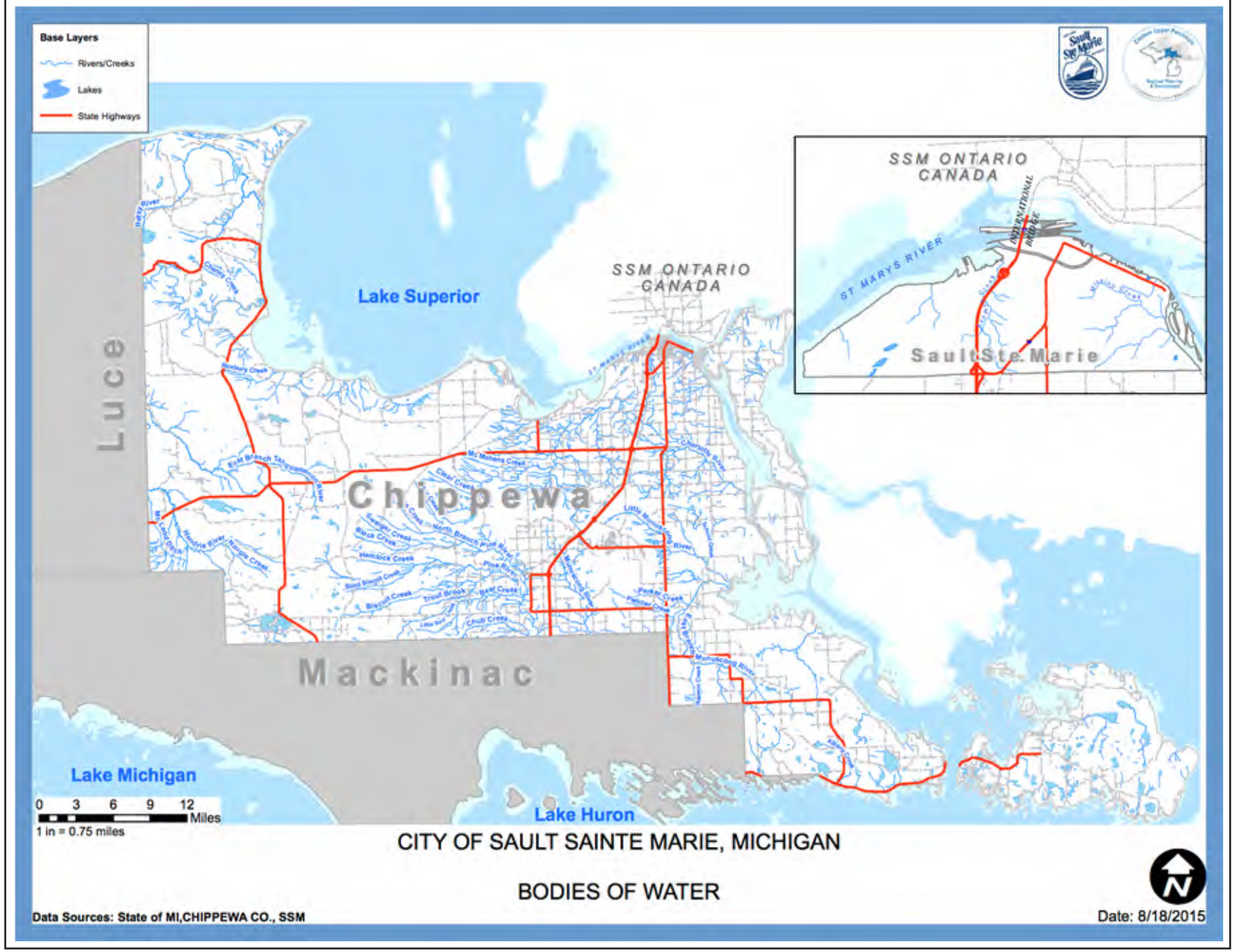
The City of Sault Ste. Marie is located in the U.S. Department of Agriculture's Hardiness Zone 4b. This Zone refers to a defined geographic region that can support specific plants, flowers, and trees. The zones define a minimum range of temperatures that a plant or tree can survive safely in that zone. Native vegetation in the Sault area includes deciduous and coniferous trees. Hardwood tree species include Birch, Maple, Aspen, and Poplar. Evergreens are numerous and diverse. The Chippewa-Luce-Mackinac Conservation District offers programs and services for landowners to support private land management and forestry practices.

Water & Wetlands

The City of Sault Ste. Marie is bounded on three sides by the St Marys River. There are several small creeks within the City that also drain to the river. Map 2 to the right shows surface water bodies.



Map 1: Bodies of Water



Climate & Weather

Sault Ste. Marie's relatively high latitude leads to relatively long summer days (16 hours daylight) and relatively short winter days (9 hours daylight). Temperatures rarely exceed 90 degrees Fahrenheit in the summer. Lows in the winter average 5-10 degrees Fahrenheit. Figure 2 to the right shows the average mean temperature by decade.

Winds prevail from the West/Northwest, and average wind speeds are highest in April with an average wind speed of 10.5 miles per hour. The sun shines 60% of the time in the summer and 36% of the time in the winter. The Sault typically experiences winter weather for six months or more out of the year, from November to April. January and December are typically the months with the highest levels of snowfall. Figure 3 down and to the right shows the snowfall by decade in the City since 1950, using historic recorded weather data provided by the National Oceanic and Atmospheric Administration. As shown, the 70's and 80's saw roughly 108 feet of total snowfall over the course of 10 years.

In March 2015, the Washington Post named the Sault the "Snowiest City in the Nation." Snowfall data from the National Weather Service put the Sault ahead of cities such as Boston and New York, which also experienced record-breaking snow events for the 2014/2015 winter season. The average date of the last spring frost in Sault Ste. Marie is May 28.

Athough Sault Ste. Marie tends to experience long winters, which can reach bitter cold at times, residents have learned to make the most of it. Each year, Sault Ste. Marie hosts the reknowned I-500 snowmobile race, which draws people from across the county - and border - to the City. Sault Ste. Marie is connected throughout the Eastern Upper Peninsula by snowmobiling trail systems. Residents also enjoy the abundance of non-motorized winter recreational activities in the city and surround area: snowshoeing, cross-country skiing, ice fishing, and snowboarding and skiiing at Minneanapolis Woods all help to turn the winter into one of the City's most enjoyable seasons.

Figure 2: Mean Temperature

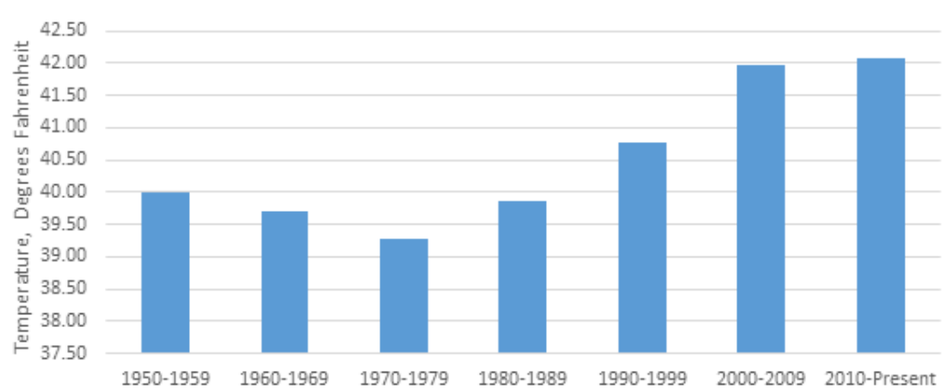
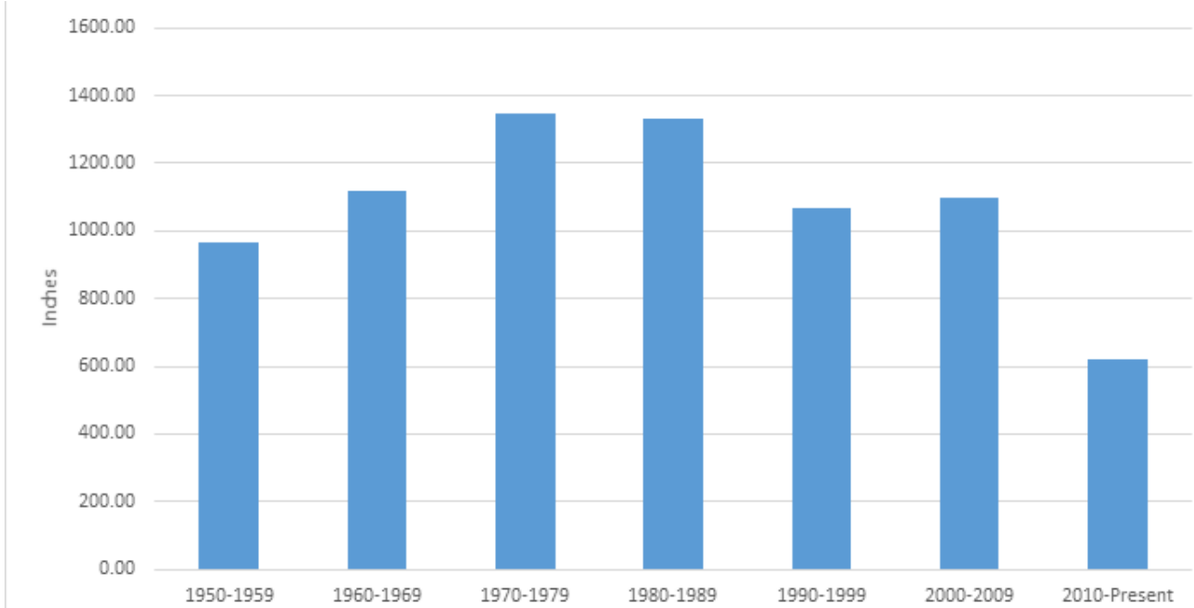


Figure 3: Total Recorded Snowfall



POPULATION, HOUSING, & INCOME

Population Trends

The population of Sault Ste. Marie was 14,144 as reported in the 2010 U.S. Census. The total population decreased by 1.3% from the 2000 Census. As shown in Figure 4 below, the population of Sault Ste. Marie rose steadily until the 1970's, fell sharply, and has since plateaued with relatively minor changes in total population. The earlier relatively dramatic shift in population can be attributed to changes in employment opportunities at the Kincheloe Air Force Base located twenty (20) miles to the south of the City, including the closure of that Base in the late 1977.

Figure 5 below and Figure 8 on the next page include a 30-year trend line. This trend line was derived from a mathematical formula and does not account for all possible population factors, such as birth/death rate, migration, economics, environment, etc.

The trend line is based on historical trends and is an estimate of the future population's potential growth.

Figure 5 below compares the population trends of Sault Ste. Marie with two of Michigan's other Upper Peninsula cities – Marquette and Escanaba.

Figure 4: Total Population

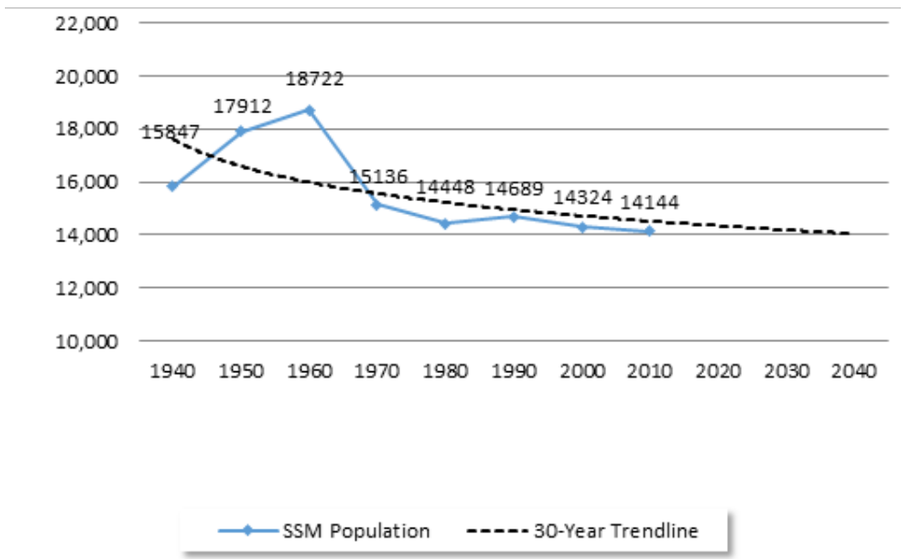
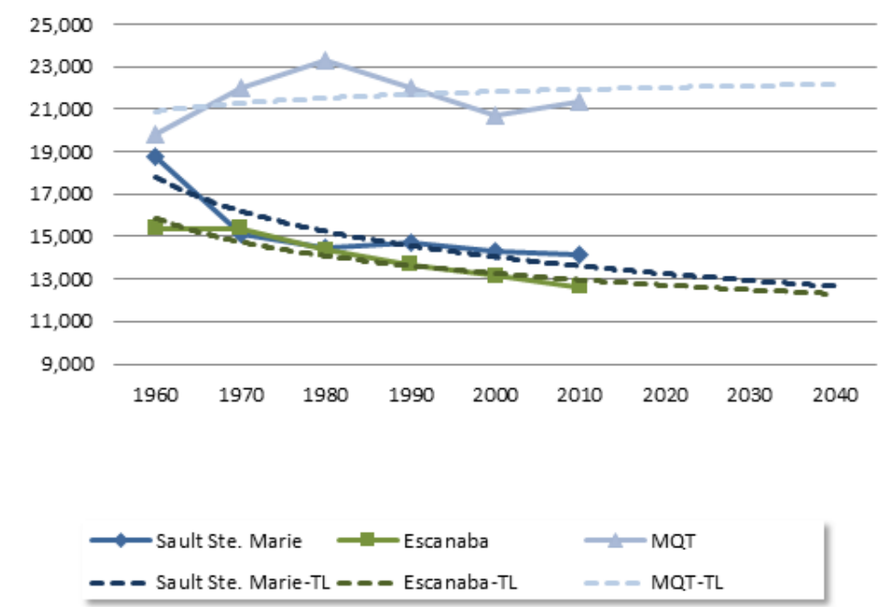


Figure 5: Population Trends & Projections



Age distribution by gender from the 2010 Census is shown in Figure 6 below. Overall, gender division is fairly split for most age groups. However, the 5 – 19 age group has a relatively higher percentage of males, while the 65 and over age group includes a relatively higher percentage of females. The 2010 median age was 34.3 years, up from 32.8 in 2000, 30.4 in 1990, and 25.5 in 1980. This reflects an expected upward trend as the "baby-boom" generation ages.

Figure 7 to the right displays a breakdown of age group sizes from 1990 to 2010. The population of those age 19 and under has decreased, the population of those in the 18 – 64 age range has increased slightly, and the number of those age 65 and over has remained fairly steady. The largest change in the age distribution of the community was within the 35 – 44 age group, which decreased in total population by almost 40%. The population of the 55 – 59 age group increased by almost 50% in the same period.

There are relatively large concentrations of those under 18 years of age on the west side of the City. Other relatively high-concentrations of those 18 and younger include West Pier neighborhood near the International Bridge, and in Bridge Village near Lake Superior State University. The community's apartment complexes also house a relatively high concentration of residents who are aged 62 and over.

Maps showing Under 18 and Over 62 by Census Block are on the pages 16 and 17, respectively.

Population Projections

Figure 8 to the right shows 2010 U.S. Census population figures and U.S. Census Bureau population estimates for 2014 for the City of Sault Ste. Marie and Chippewa County. Projections through 2019 for Chippewa County were developed based on recent trends. The 2010-2019 projections for the City of Sault Ste. Marie were calculated using the same ratio relative to Chippewa County as the 2014 Census Bureau population projections.

Although trends would indicate future population reductions, it is the goal of the City to retain and expand its population base with appropriate development, and by supporting an expanded presence of Lake Superior State University with a targeted effort to retain graduates while strengthening the local economy.

Figure 8: Population Estimates & Projections

	2010 Census	2014 Estimate	2019 Projection
Sault Ste. Marie	14,144	13,939	13,758
Chippewa County	38,520	38,321	37,976

Figure 6: Age Distribution - 2010

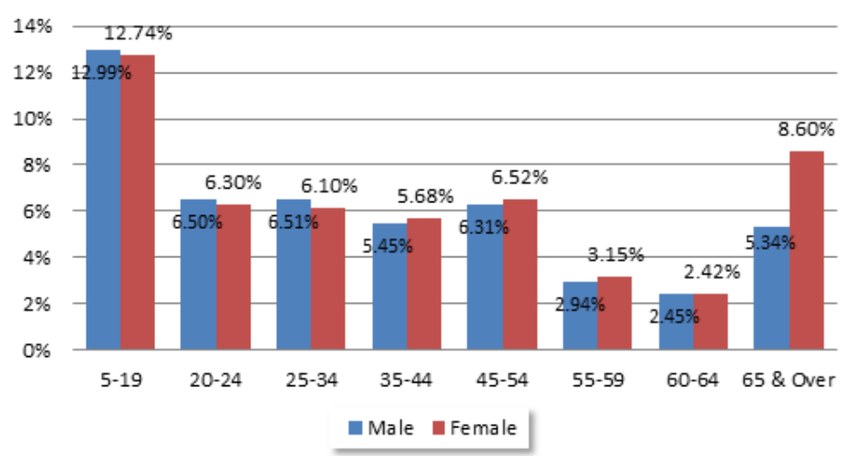
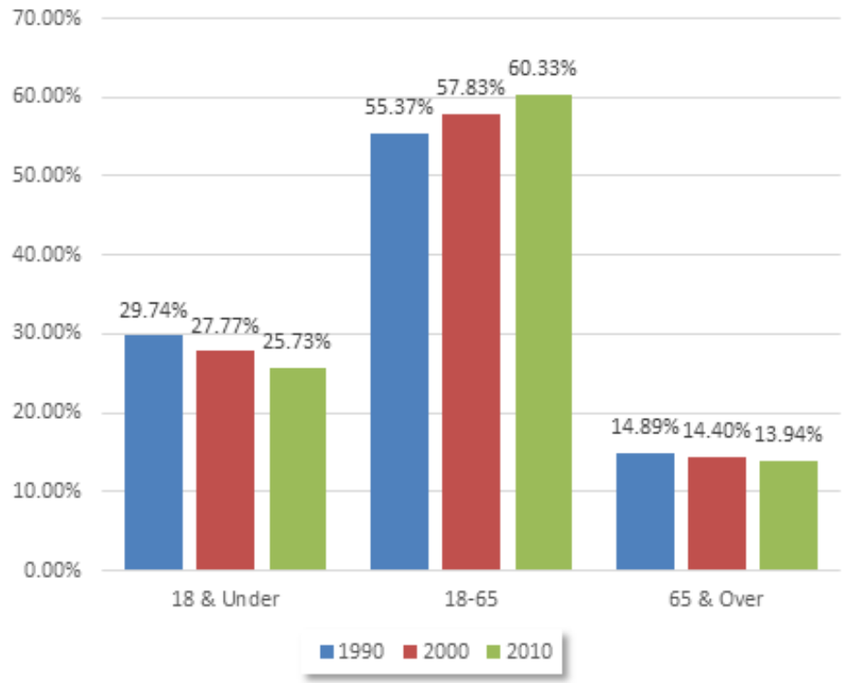
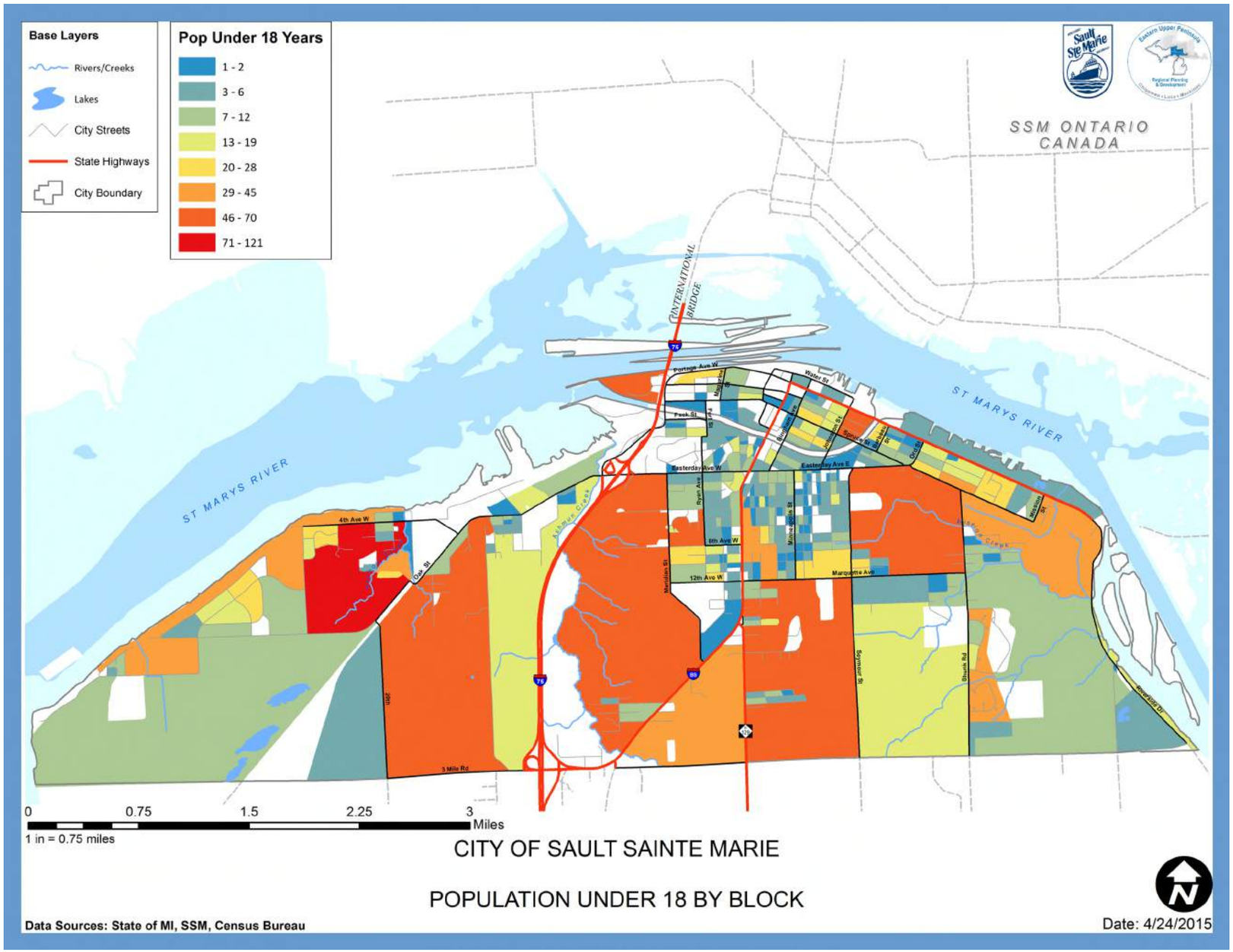


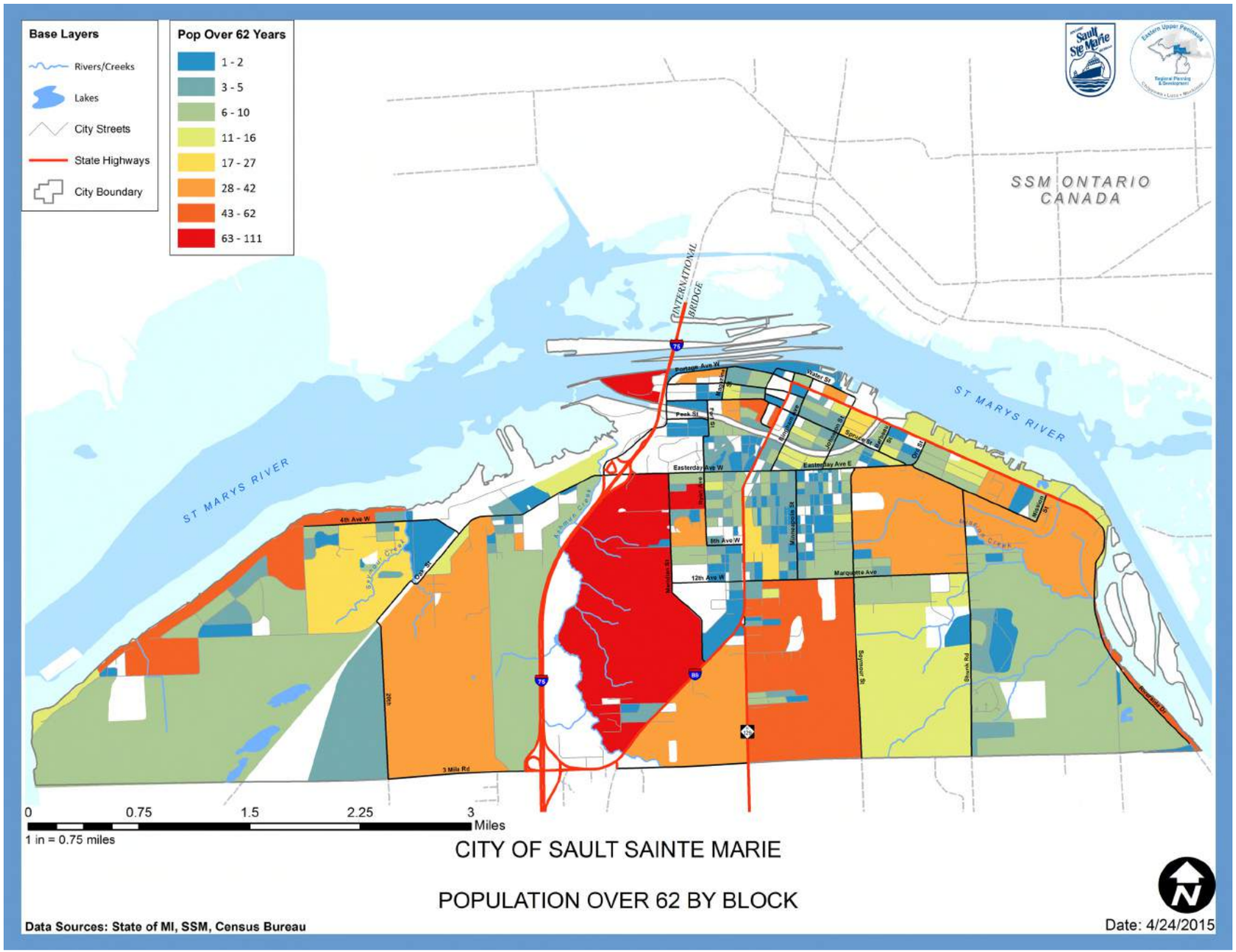
Figure 7: Total Population by Age Group



Map 2: Population Under 18 Years Old by Census Block



Map 3: Population Over 62 Years Old by Census Block



Racial Composition

According to the U.S. Census Bureau, the Caucasian and Native American racial groups comprise 90.5% of the population of the City, not including those claiming dual races. The portion of the population identifying as Native American is 17.7%. This is a significantly higher percentage than Michigan's state average of 0.6% of the population. Many of the Native Americans in the Sault area are members of the Bay Mills Community of Indians and Sault Tribe of Chippewa Indians. Excluding the Caucasian, Native American and multi-racial groups, Sault Ste. Marie's other minority population of 2.2% is significantly lower than the state's average of 21%. Figure 9 on the right highlights the racial composition of the City, according to the U.S. Census Bureau.

Household Characteristics

The 2010 U.S. Census established that there are 2.2 persons per household in the City. This figure continues the local trend toward smaller household size, down from 2.58 in 1980, 2.44 in 1990, 2.28 in 2000, and 2.2 in 2010. The average of these figures indicates that 100 households will have a total population of 217 persons and will have 14 preschoolers, 32 school-age children, 38 college-age residents, 51 family-forming-age residents, 28 mature family residents, 24 pre-retirement-age residents, and 30 retirement-age residents.

Income Characteristics

Historically, Sault Ste. Marie's median income has been below the State's median income level. In 1989, Sault Ste. Marie's median income was $21,116, which was 32% less than the state average of $31,020. The gap grew to 34% in 1999, when Sault Ste. Marie's median income was $29,652, compared to $44,667 median income for Michigan. The 2010 U.S. Census indicates that Sault Ste. Marie's median income increased to $35,323, 27% below Michigan's statewide median income level per household. Figure 10 on the right illustrates the trend data for the City and for Chippewa County.

Figure 9: Racial Distribution

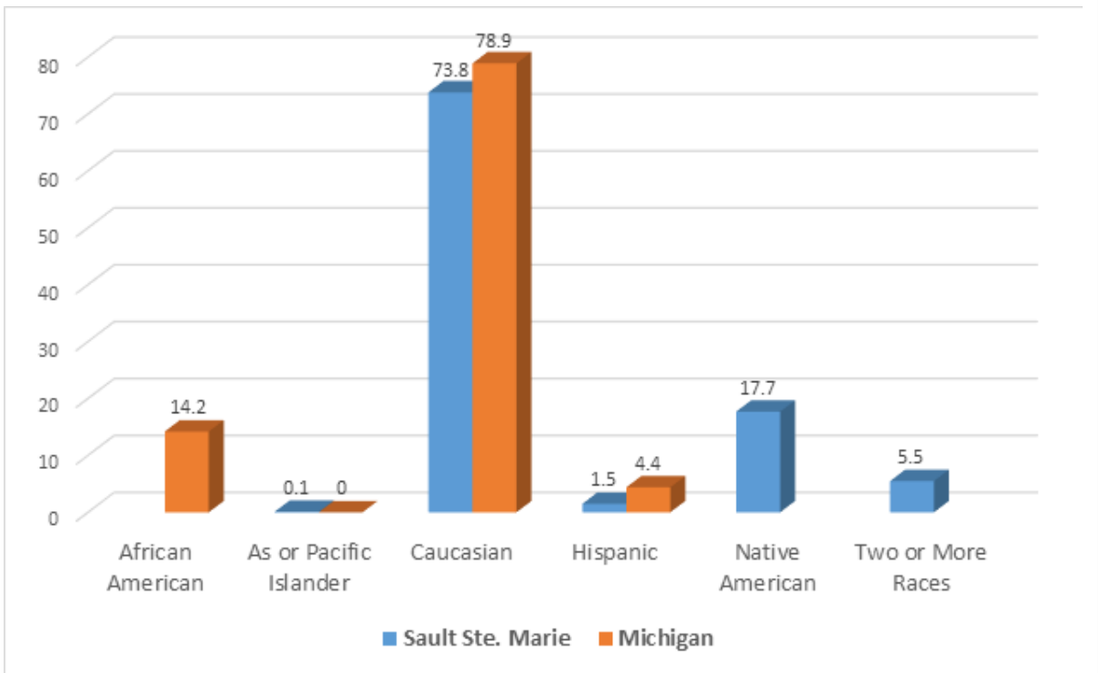


Figure 10: Median Household Income

	1989	1999	2010
Sault Ste. Marie	$21,166	$29,652	$35,323
Chippewa County	$31,020	$44,667	$48,432

The source of the income data in Figure 11 on the next page is the 2013 American Community Survey (ACS) sample data. The median household income, in 2013 dollars, was $33,620 (+/- $2,807) while the median family income, again in 2013 dollars, was $53,125 (+/- $4,713). The chart below provides an analysis on both the number of households in each income category and the families in each category, for both the 2000 Census and the 2013 ACS. The bars represent households and the lines represent families. A household consists of all the people who occupy a housing unit, collectively. Between the 2000 Census and the 2013 ACS estimate, there was a relatively significant change in the $15,000 to $24,999 category. Although the margin of error for this category in the 2013 ACS data is +/- 169, it is still a notable change. An assumption can be made from the data that households were bringing in more income, and the number of families making more than $75,000 per year increased relatively significantly from 2000 to 2013.

Figure 11 to the right references households in the 2013 ACS, showing a breakdown of the types of household income – earnings, Social Security Income, and retirement – and the mean dollar amounts of those sources of income. It also provides a breakdown of Supplemental Security Income, public assistance, and food stamp assistance. It should be noted that Social Security Income is different than Supplemental Security Income. The Social Security benefit program is a program that workers, employers and the self-employed pay for via income taxes. The taxes that are collected are put into special trust funds and benefactors qualify for these benefits based on work history and age. The amount of the benefit is based on earnings. Supplemental Security Income is a need and qualification-based program for people who demonstrate limited income. This program is funded through general tax revenues, not from the Social Security funds.

Figure 11: Income by Households & Families

Figure 12: Household Income & Assistance

2013 ACS Households	Estimate	Margin of Error	Percent	Percent Margin of Error
With earnings	4,387	+/-219	74.00%	+/-2.8
Mean earnings (dollars)	48,169	+/-4,117	(X)	(X)
With Social Security	1,792	+/-164	30.20%	+/-2.7
Mean Social Security income (dollars)	14,597	+/-1,004	(X)	(X)
With retirement income	1,225	+/-136	20.70%	+/-2.2
Mean retirement income (dollars)	17,910	+/-2,316	(X)	(X)
With Supplemental Security Income	269	+/-83	4.50%	+/-1.4
Mean Supplemental Security Income (dollars)	10,389	+/-1,983	(X)	(X)
With cash public assistance income	150	+/-65	2.50%	+/-1.1
Mean cash public assistance income (dollars)	3,896	+/-1,141	(X)	(X)
With Food Stamp/SNAP benefits in the past 12 mon	1,222	+/-203	20.60%	+/-3.4

Housing

Housing availability, types, and quality are all important factors in the quality of life of the Sault's resident population. According to the 2010 Census, the City of Sault Ste. Marie has 6,534 housing units and 91.8% are occupied and 8.2% are vacant. Figure 14 on the right shows the growth in the number of housing units over time.

ACS data show that 3,918 housing units (+/- 666 units) were built before 1970. Figure 13 on the right shows the value of housing units in the City with a mortgage. Just over 66% of the City's housing units have a value less than $100,000. As the value of housing units increase, the percentage drops.

The following housing tenure assessment was derived from 2010 Census data. Housing data is provided at the smallest Census unit, the Census Block. However, the City contains almost 400 Census blocks, so Tracts and Block Group were used instead. The Sault contains 4 full Census Tracts and 14 Census Block Groups. A portion of a fifth Tract exists within the City, but extends into Soo Township. Because it does not contain any significant data within the City, it was not included in the assessment. Map 5 on page 20 shows the various Census divisions within the City.

Housing tenure refers to the occupant's ownership status of the housing unit. If a renter primarily occupies a unit, it is considered a rental unit. Similarly, if its owner primarily occupies a unit, it is considered owner-occupied. Owner-occupied units account for 55.2%, with renter-occupied at 44.8%. The vacancy status of vacant housing units (539 units) are as follows: 32.5% for rent, 2.6% for rent not occupied, 13.2% for sale, 4.5% sold not occupied, 21.7% for seasonal or occasional use, and 25.6% other vacant. Housing tenure is often used as an indicator of the character of a neighborhood. Map 5 on the next page provides an overview of the housing tenure within the City by Block Group.

The map on page 22 shows rental units within the City at the Block level. The majority of areas with a high percentage include those that have apartment complexes – for example West Pier, Bridge Village, Edge of the Woods, and Wood Creek. High concentrations of rentals are located near the Tribal housing area on the east side of the City. There are also scattered sites with rental units downtown. These are typically either rental units on upper levels of retail or commercially-used buildings or housing units that are located in areas where there are also retail or commercial uses. Figure 16 on page 23 shows gross rents, derived from the 2013 ACS. The majority of renters pay between $300 and $750 per month, with some paying upwards of $1,000 or more.

Figure 13: Values of Housing Units with a Mortgage

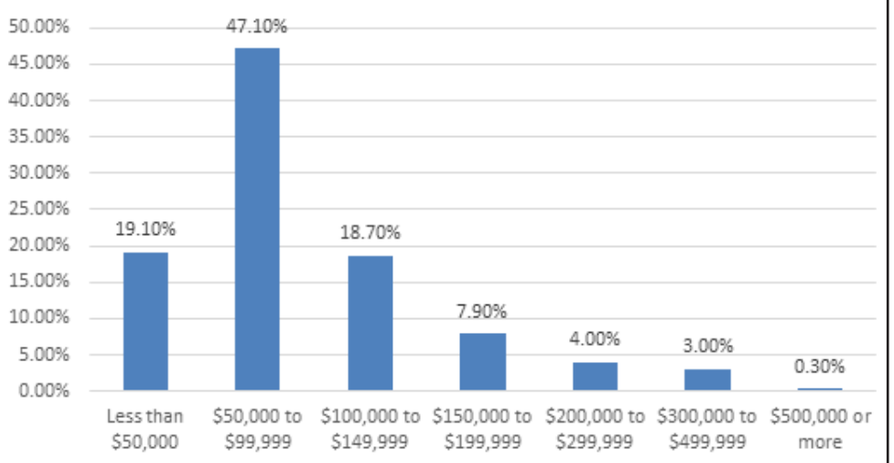
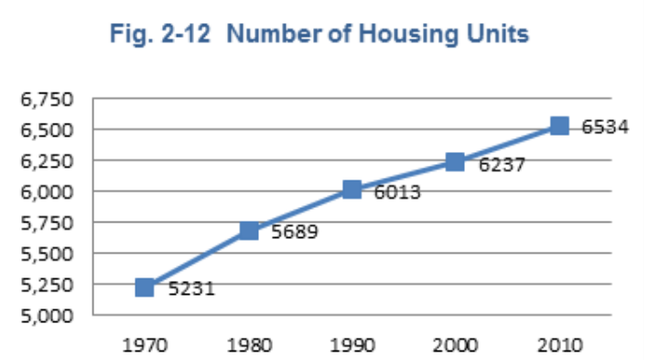
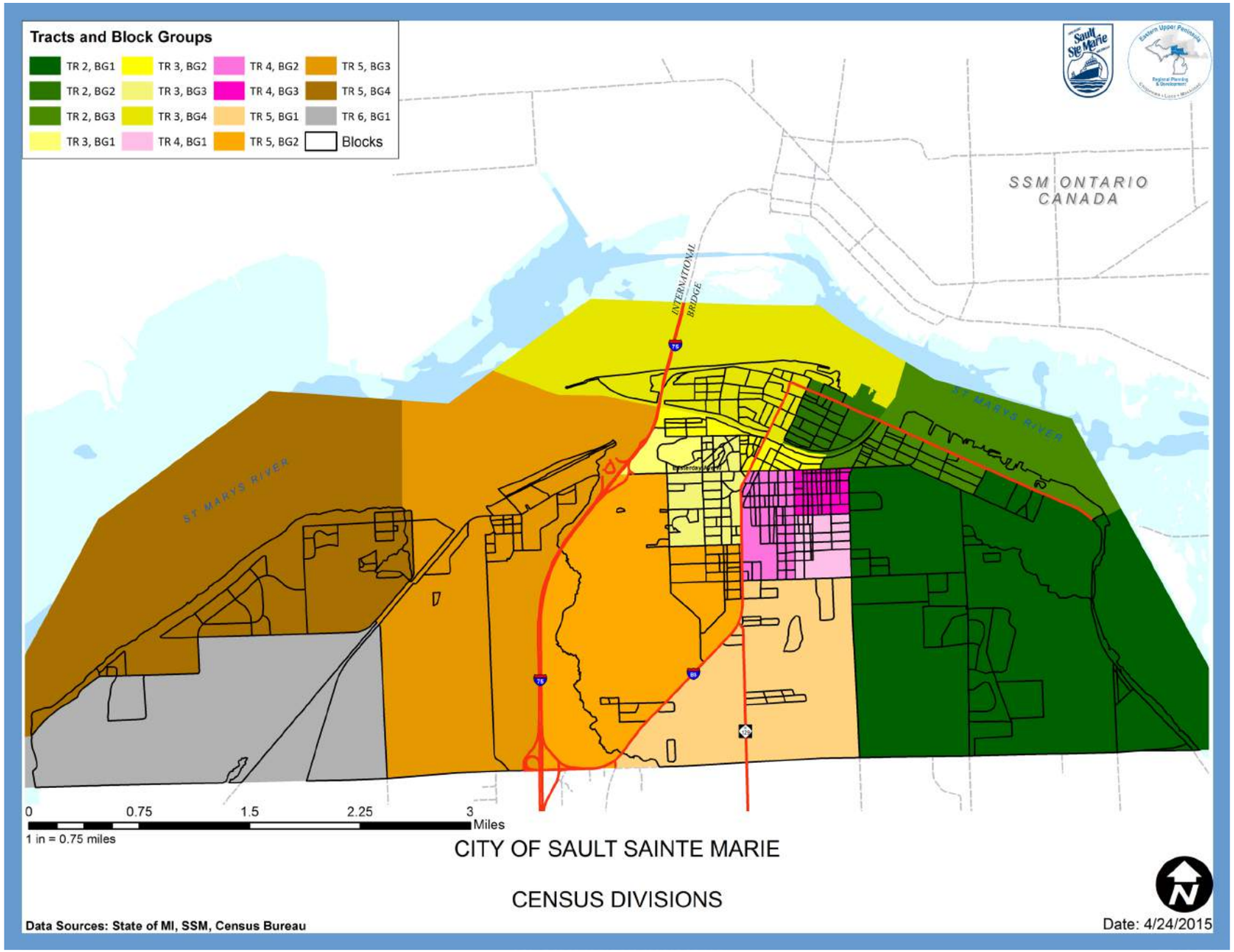


Figure 14: Number of Housing Units



Map 4: Census Divisions of Sault Ste. Marie



Map 5: Percent of Rental Units by Census Block

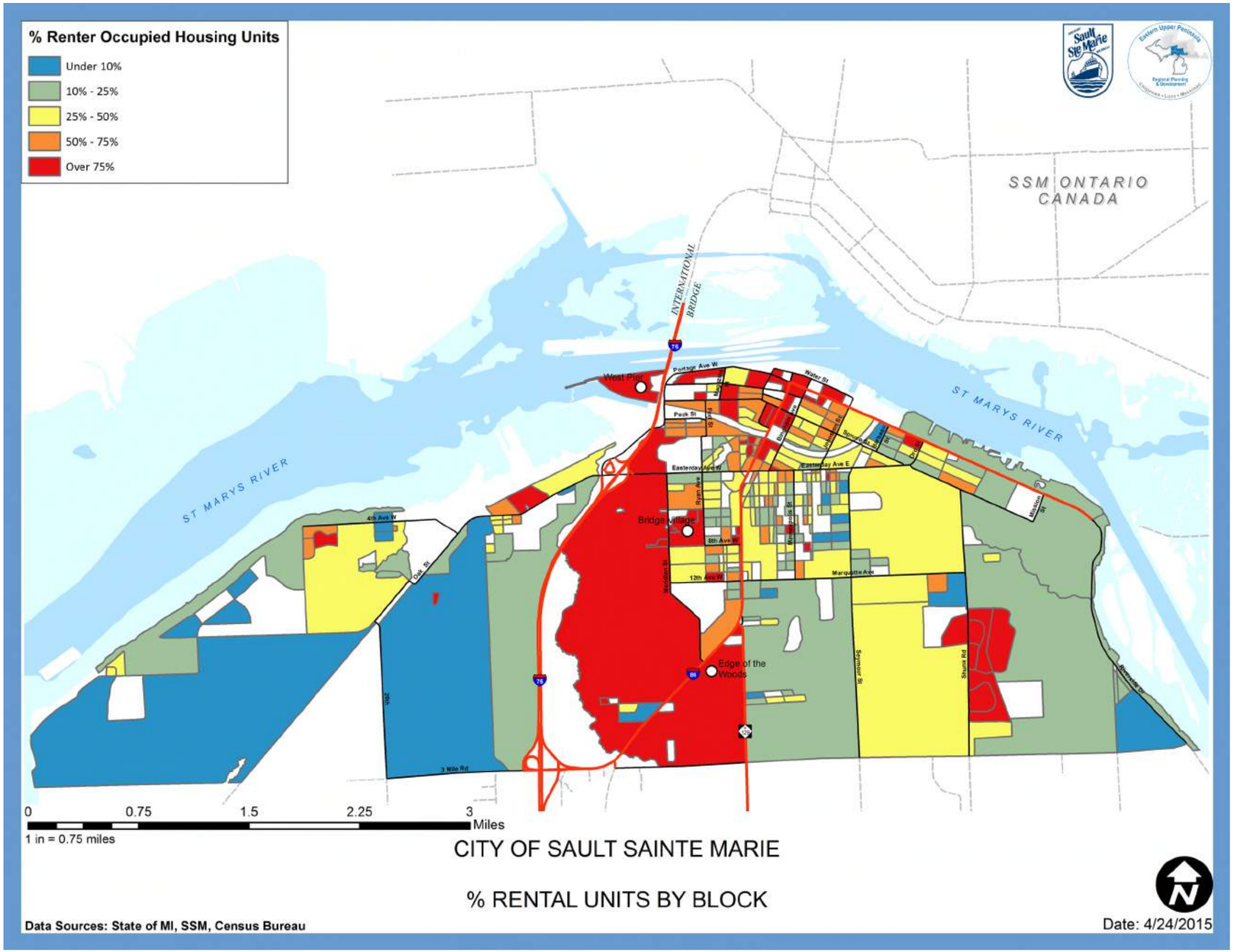


Figure 15: Housing Tenure by Census Block Group

TRACT	BLOCK GROUP	TRBG	Total Units	Total Occupied	Owner Occupied	Renter Occupied	Vacant Units	Seasonal Units	Population in Owner Occupied Units	Population in Rental Occupied Units
9702	1	T2BG1	661	609	414	195	52	14	956	539
	2	T2BG2	598	537	231	306	61	3	620	485
	3	T2BG3	407	363	253	110	44	10	629	253
9703	1	T3BG1	30	30	0	30	0	0	0	103
	2	T3BG2	425	380	165	215	45	2	326	463
	3	T3BG3	468	440	244	196	28	11	608	410
	4	T3BG1	906	807	85	722	99	19	193	1130
9704	1	T4BG2	252	237	186	51	15	3	429	118
	2	T4BG3	650	606	405	201	44	3	975	430
	3	T4BG1	304	284	216	68	20	2	487	150
9705	1	T5BG2	392	371	246	125	21	4	544	230
	2	T5BG3	476	444	181	263	32	2	422	481
	3	T5BG1	306	289	222	67	17	6	578	162
	4	T5BG2	640	579	443	136	61	38	1089	440

Figure 16: Gross Monthly Rent Payments

GROSS RENT	Percent	Margin of Error
Occupied units paying rent	2,445	(X)
Less than $200	4.90%	+/-3.1
$200 to $299	10.30%	+/-3.4
$300 to $499	21.70%	+/-5.5
$500 to $749	38.90%	+/-7.0
$750 to $999	18.50%	+/-5.8
$1,000 to $1,499	4.30%	+/-1.9
$1,500 or more	1.40%	+/-1.8

Figure 17: Gross Rent as a Percentage of Household Income

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME	UNITS	Margin of Error
Occupied units paying rent	2,400	+/-236
Less than 15.0 percent	372	+/-118
15.0 to 19.9 percent	242	+/-95
20.0 to 24.9 percent	332	+/-117
25.0 to 29.9 percent	199	+/-86
30.0 to 34.9 percent	258	+/-107
35.0 percent or more	997	+/-179

Historic Housing

As the Michigan's oldest city, Sault Ste. Marie recognizes the historic structures present within the City. As part of the City survey, respondents were asked about preserving the historic character of the Downtown, and whether the exteriors of downtown buildings should be architecturally consistent with historic buildings. There was a relatively high level of support for both, with 79% and 65% agreeing, respectively.

Several historic structures along Water Street provide a unique look into the lives of early settlers and other historic people and events - John Johnston House, Henry Rowe Schoolcraft House, Bishop Frederic Baraga House, and Kemp Coal Dock Office Building – each have different exhibits and stories to tell. The Chippewa County Courthouse, located downtown, was built in 1877 and added to the National Register of Historic Places in 1984.

Housing Quality and Protection

City residents have expressed a desire to protect the value and aesthetics of housing and neighborhoods. Responses to the community master plan survey indicated that blight, junk, and other housing issues ranked high as an issue needing resolution. Among respondents, 58% felt the current enforcement of deteriorating buildings was not adequate. Similarly, 41% felt there was not enough enforcement on rental housing properties, and that junk cars and debris in yards were also lacking in adequate enforcement. Almost 70% of survey respondents supported a Rental Housing License Program.

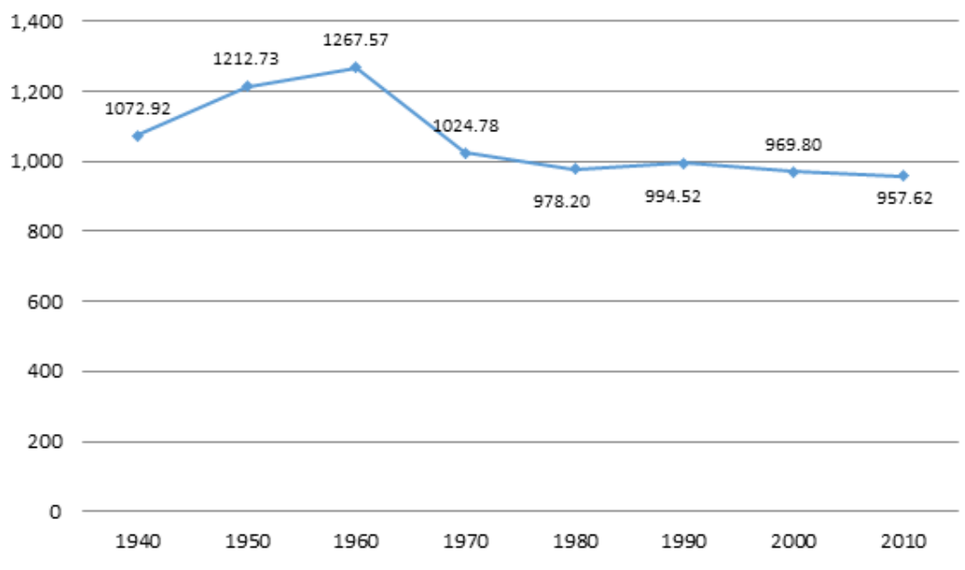
Housing Density

The City of Sault Ste. Marie's population density is currently at the lowest point it has been over the last sixty years at 957.62 persons per square mile, according to the U.S. Census. Figure 18 below illustrates these data by decade, and the trend.

Summary of Residential Market Analysis

In February 2014, the City hired Zimmerman/Volk Associates to complete a target market analysis for housing. The goal of the analysis was to define the realistic potential for new rental and for-sale housing in Sault Ste. Marie. The analysis included an assessment of demographic data such as the age and income of residents, as well as mobility rates, life stage, lifestyle patterns, and household compatibility issues. The study determined that, from a market perspective, up to 200 new rental and for-sale market-rate dwelling units could be constructed, or created through adaptive re-use, and absorbed within the Downtown and in-town neighborhoods over the next five to seven years. More detailed information is available in the complete report prepared by Zimmerman/Volk Associates, which is available for review in the offices of the Downtown Development Authority.

Figure 18: Population Density Trend



ECONOMY

Principal Employers

Education, government, and retail provide the bulk of employment with the City. Industry and manufacturing were significant sources of employment in the City throughout the 1950's, 1960's, and 1970's; however, like many cities across Michigan and the U.S., employment patterns have shifted. The top ten employers within the City in 2013 are listed in the table to the right. An Employer Survey that is commissioned and completed by the Eastern Upper Peninsula Regional Planning & Development Commission in odd numbered years generated these data. For comparison, the 1997 numbers are listed as well, to illustrate some of the changes over the 16-year span.

Lake Superior State University (LSSU), founded in 1946, is the largest employer in the City with nearly 1,000 employees. Precision Edge, the only manufacturing company in the top ten list, was created in 1989. The company has grown substantially since then and manufactures precision surgical products in two locations – Sault Ste. Marie and Boyne City in Michigan's northern Lower Peninsula. Precision Edge has also added almost 50 employees in less than 10 years, and continued growth is expected. The Wal-Mart Store, which relocated from Cascade Crossings, was built in 2009 on the I-75 Business Spur. When the previous Wal-Mart first opened, it had 280 employees. In 2007 it had 200 employees, increasing to 400 in 2013 due to the move and an expansion. Meijer opened in 2017, filling over 300 positions.

Employment & Industry

Figure 20 on the right provides data regarding the labor force since 1980. Although the population 16 years and older has remained fairly steady since 1980, those in the labor force and those employed has steadily increased. It should be noted that the 2000 figures below are not reflective of the adjusted 2000 Census figures, where 2,218 persons were inadvertently added to the original counts.

Figure 19: Major Employer Sample

Employer	Description	Employees 2013	Employees 1997
Lake Superior State University	Four-Year State University	961	350
War Memorial Hospital	Full Service Medical/Surgical Hospital	848	400
Sault Ste. Marie Tribe of Chippewa Indians	Tribal Enterprises and Government Operations	644	
Kewadin Casino	Casino and Hotel Operations	534	
Super Wal-Mart Stores Inc	General Retail with Photo Lab, Pharmacy, Optical Department, Tire, Lube Express, and Subway Restaurant	400	280
Sault Ste Marie Public Schools	Education, Grades K-12	286	392
Chippewa-Luce-Mackinac Community Action Agency	Human Services Organization, Head Start	192	139
Precision Edge Surgical Products Co., LLC	Manufacturer of Surgical Cutting Tools & Instruments	183	
Hiawatha Behavioral Health	Community Mental Health serving Chippewa, Mackinac and Schoolcraft Counties	129	
Buffalo Wild Wings	Full Service Restaurant	125	

Manufacturing and industry were large sources of employment in the 1960's and 1970's. As factories and companies closed, employment shifted to services and education. The 1997 Eastern Upper Peninsula Comprehensive Economic Development Strategy document describes the economy of the 1990's as service, government, and education-based. The Cascade Crossings Shopping Center opened in 1992, with Wal-Mart as the anchor store. JC Penney, Glen's, and other retail stores were also located in the complex. Several retail stores closed or moved out of the downtown during this time; JC Penney moved and Woolworths closed. The Chippewa-Luce-Mackinac Community Action Agency developed the Avery Center at the corner of Spruce and Ashmun, creating senior apartments and space for the County Health Department. The Sault Tribe purchased the old JC Penney building for its administrative building. Lake Superior State University also expanded during this time.

Figure 20: Labor Statistics of Sault Ste. Marie

Labor Force	1980	1990	2000*	2013 ACS
Population 16 years and over	11,332	11,477	13,719	11,585
Civilian labor force	6,041	6,904	7,423	7,323
Employed	5,239	6,264	6,610	6,269
Unemployed	802	640	813	1,054
Armed Forces	128	130	76	95
Not in labor force	5,163	4,443	6,220	4,167
**Does not reflect adjusted 2000 figures*				

Lake Superior State University – Student Population

Lake Superior State University is a significant anchor institution within the City. Each year it brings over 2,000 students to campus and the City. Over 85% of these students are from Michigan. Figure 21 below illustrates Fall 2013 enrollment.

The University offers ___ degree programs, with a student-to-faculty ratio of sixteen-to-one. Residents of Sault Ste. Marie and the surrounding area also have the opportunity to attend the sporting events, art shows and performances that the University hosts.

The City has recently been improving the linkage with LSSU, but more could be and will be done to provide more services and interests for the student and faculty populations, particularly related to housing choices within the downtown. This plan explores some of these opportunities and identifies growth and development goals that are shared by the City and LSSU.

The data on this page were provided by various reports from LSSU's Institutional Research.

Figure 21: Lake Superior State University Enrollment Data

Fall 2013	FTIC,1st-year	All Undergraduates
Percent who are from out of state (exclude international students & non-resident aliens)	5%	5%
Percent who live in college-owned-operated housing	71%	35%
Percent who live off-campus or commute	29%	65%
Percent of students age 25 and older	2%	17%
Average age of full-time students	18	21
Average age of all students (full- and part-time)	19	23

Tourism

A significant portion of the Sault's economic base is built on tourism. Traditionally, the Soo Locks have been the main draw, attracting upwards of 1 million people to the community in some of the peak years in the 1970's. A variety of support facilities has developed around this focus, including locks boat tours and historic walking trails.

The Locks, however, are not the only attraction in the area. The draw of the Great Lakes, the nearby State and Federal forests, the hunting, fishing, boating, swimming, camping and snowmobiling resources have also been a major draw. In recent years, Great Lakes Cruise ships have made Sault Ste. Marie, Michigan a highlight stop on thier tours.

The City is also strategically located with respect to major tourism attractions within an hour's drive, such as Tahquamenon Falls, Brimley State Park, Mackinac Island, the Les Cheneaux Area, the Algoma Snow Train, and the ski slopes in Canada.

Additionally, since the mid-1980's, a growing number of Tribal-operated casinos, some with associated hotels, restaurants, and entertainment venues, have been developed in Sault Ste. Marie and Chippewa County, creating year-round tourist destinations that bring additional visitors to the area, reportedly in excess of two million per year.

While most of the annual tourists generally come from downstate in Michigan, significant numbers also come from Ontario (Canada), Wisconsin, Ohio, Indiana, Illinois, Minnesota and Iowa. Nearly every state is represented in a typical tourism season.

A principal challenge of Sault Area Convention & Visitors Bureau and the Chamber of Commerce has been to encourage and stimulate facilities and activities that will "hold" a visitor for a few extra days, and to enhance the winter and spring seasons ("shoulder seasons") with activities that will help to increase the attraction of the community during these traditionally slower months for tourism. The rich history and cultural heritage, waterfront access, wildlife, and outdoor recreation assets within the City of Sault Ste. Marie and in the surrounding region lend to its strengths as a tourism destination. These same assets ensure that those who choose to live in the City can experience a "vacation" just minutes after leaving work or school.

3. INFRASTRUCTURE, SERVICES, & ASSETS

GOVERNMENT FACILITIES & OFFICES

A key factor in the quality of life of community residents are the facilities and services provided. Community facilities and/or public facilities typically include those owned, operated, and/or maintained by the City, Tribe, other governments, or quasi-public entities that serve or benefit City residents.

Federal Post Office

The United States Post Office is located on the corner of Ridge Street and Osborn Blvd.

City Hall

Sault Ste. Marie's City Government is currently located in the old Federal Building located on Portage Avenue/Water Street. The City relocated offices in 2011, moving from the County/City Building next to the County Courthouse to the newly renovated City Hall. The building was constructed in 1910 to house the US Post Office and various federal offices. In 1989, Tendercare Inc. purchased the building to house its corporate headquarters, and in 2007 the building was offered as a gift by the property owner, Dr. Lukenda, to the City of Sault Ste. Marie. Renovations began in the spring of 2010, and the building opened to the public on June 7, 2011.

City Fire Services

The Sault Ste. Marie Fire Department originated in 1884, with three stations – Station #1 on Ridge Street, Station #2 in Algonquin, and Station #3 at Ashmun & Tenth Street. The existing Fire Hall was built in 1907 and is still in use today. In addition to providing fire and EMS services, the Fire Department also handles and manages burn permits for the City.

City Police

The Sault Ste. Marie Police Department moved from the County/City Building in 2011 to its current location on Hursley Street, in a former Edison Sault building (currently owned by Cleveland Electric). A lease was signed in 2011 and runs through 2027.

Sault Tribe of Chippewa Indians

The Sault Tribe of Chippewa Indians maintains several facilities within the City. The Sault Tribe operates its own government, with a chairperson and Tribal council. The largest complex is the Kewadin Casino and Hotel, located on Shunk Road, just south of Marquette Avenue. The Casino complex provides over 500 jobs to both Tribal and non-Tribal members, and the Tribal Government employs over 600 people, making the Sault Tribe a consistent top employer within the City. The Sault Tribe operates five casinos in the U.P., provides health care centers at several locations within the service area, operates its own police department and tribal court, and operates the Chi Mukwa (Big Bear) Recreation Complex. The Tribe also operates two Midjim convenience and gas stores in Sault Ste. Marie and St. Ignace.

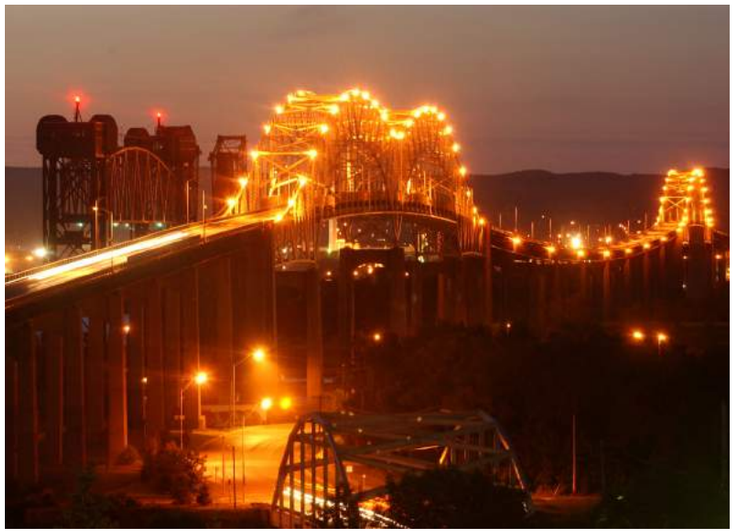
In addition to many business ventures, the Sault Tribe Law Enforcement Department has a main office within the city limits, which serves this community along with many others within their seven-county service area.

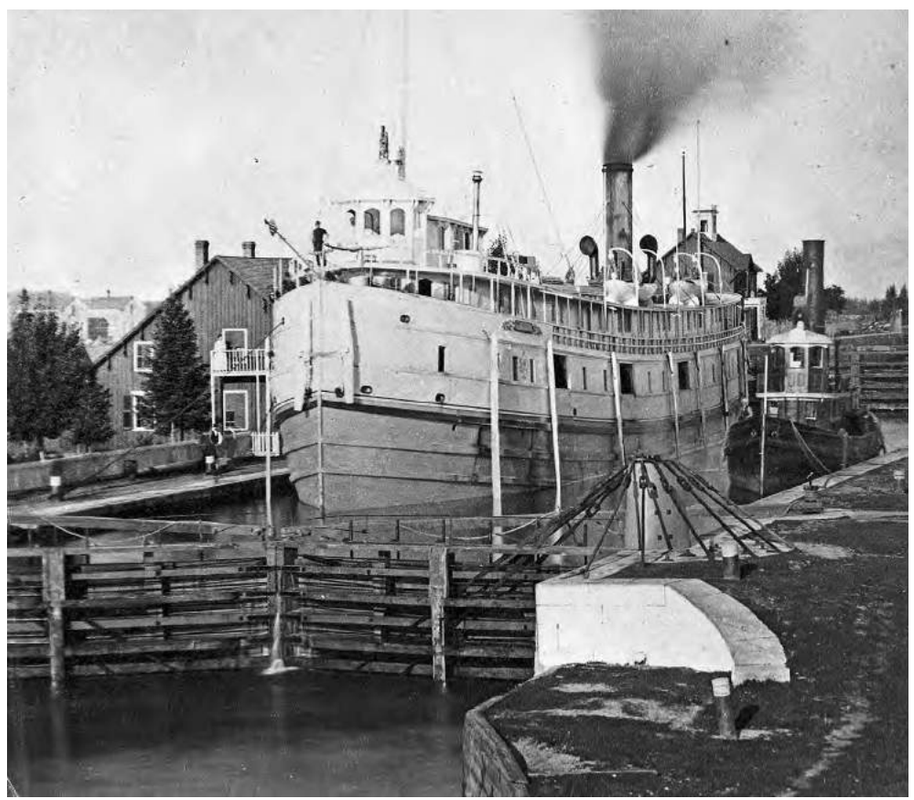
Chippewa County Facilities

Several important county facilities are located within the city limits. The county courthouse, administration building, and jail are all located on the block encircled by Court Street, E. Spruce Street, Bignham Avenue, and Maple Street. This concentration of county facilities sits but one block away from Sault Ste. Marie's City Hall. On the block separating the two, U.S. Customs and Border Patrol has its offices located. Also adding to the strong institutional presence in the area are the Bayliss Public Library, the Eastern Upper Peninsula Intermediate School District Facility, and Michigan State University Exstention's office located in the County Courthouse building.

State Agencies

Many state agencies have offices within the Sault Ste. Marie city limits. The State Police, Michigan Department of Natural Resources, and the Secretary of State are all accessible to our residents and serve the surrounding communties. The Sault Ste. Marie Management Unit of the Michigan DNR is responsible for the management of approximately 125,000 acres, and maintains all the recreational assets housed within that acreage.





Soo Locks Federal Facility

Along the waterfront in Sault Ste. Marie, U.S. Customs and Border Patrol, Army Corps of Engineers, and the U.S. Coast Guard all own and operate large swaths of land--nearly all from the beginning to the end of the power canal. This poses placemaking challenges due the lack of available land and access, but it is essential for the maritime trade, international crossing, and tourism that help define the area.

International Bridge Administration

The International Bridge Administration works to ensure the safe and efficient passage millions of people and billions of dollars in goods between Onterio and Michigan. The International Bridge is the only place for vehicle passage between the U.S. and Canada within 300-miles in either direction, and connects major trucking arteries, including I-75, M-28, and the Trans-Canada Highway.

Boarder Agencies

The International Bridge combines with water traffic to make this section of the U.S.-Canadian boarder particularly active, and many related boarder agencies have located thier offices within the city limits. U.S. Customs and Border Protection contains three sister agencies: the Office of Field Operations (OFO), the Office of Border Patrol (OBP), and Air and Marine Operations (AMO). Each of these agencies contirubtes to the safety and security of our boarder through thier area of focus.

MEDICAL FACILITIES

War Memorial Hospital

War Memorial Hospital and its auxiliary facilities make up the core of the medical district in the downtown of Sault Ste. Marie. Pine Street, Nolte Street/Memorial Drive, Peck Street, Oaka Street, and Spruce Street all encircle the area under examination.

Along with War Memorial Hospital's campus, private practice facilities, the U.S. Department of Veterans Affairs, Chippewa County Health Department, and emergency care facilities provide a nice density and cluster of related industry.

The health industry is a major economic drive in the region, attracting professionals and practitioners from outside the area and, in some cases, outside of the country. War Memorial Hospital alone employed 813 full-time equivalent persons in 2016. This number is up 54% from 2004. Furthermore, the money that flows into the City and region via War Memoirial Hospital is quite substantial: In 2016, the hospital paid $47.5 million in wages, which was up 144% from 2004.

War Memorial Hosital is also making strides to create partnerships with Lake Superior State University. In the next couple of years the hospital and university intend to partner together on a nurse-training facility that will provide a myriad of benefits. Most notably the hospital will be able to train current and potential staff, and the university will increase opportunities for students.

In terms of the land use, the buildings vary in height and mass, some reaching 4 stories. The hospital and Community Action have recently introduced new construction to this part of the City, which provides a contemporary appearance amongst older structures. This part of the City is heavily paved and within the bounds described above, green space is minimal if not nonexistent. The City's only parking structure is also located in this district and provides mass parking for those working and using the services available there.

Sault Tribe Health & Human Services

Sault Tribe's health and human services facility is located on the northwest corner of Ashmun and 3 Mile Road--just inside city limits. Unlike War Memorial Hospital, this is the only medical facility in the area.

However the facility was recently constructed and is located in a commercial corridor. Many smaller businesses line the opposite side of Ashmun in this part of the City, along with a variety of housing types. Behind the facility is a large wood lot that runs to the back of Wal-Mart.

EDUCATIONAL FACILITIES

Lake Superior State University

Lake Superior State University is located on Easterday Avenue, near the I-75 freeway. The campus is roughly 115 acres in size, on the site of former US Army's Fort Brady. In addition to providing the City and area residents with higher education, LSSU has historically been one of the City's largest employers. More information about LSSU's students is discussed on page 18.

Bayliss Public Library

The Bayliss Public Library is located on Library Drive, off Court Street. The library was built in 1975 after the existing library outgrew its building on Armory Place near the County Courthouse, which was an orignial Carnegie Library. In 2013, the Superior District Library was formed, combing eight separate libraries into one district. The newly formed district is governed by a six-member board, appointed by the participating governmental units.

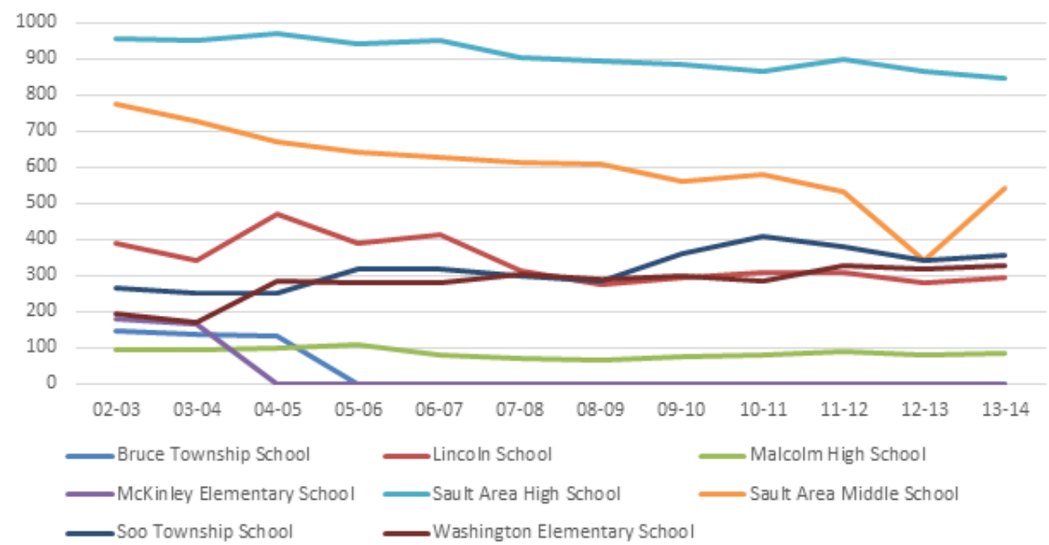
Sault Ste. Marie Public School System

The Sault Ste. Marie Public School System serves residents in the City, Soo Township, Sugar Island, Neebish Island, and parts of Dafter and Bruce Townships. Six schools make up the school system – Malcolm High School, Soo Township School, Washington Elementary, Sault Area Middle School, Sault Area High School, and Lincoln School. The student count trend is shown in the following chart, from years 2002 – 2014. Note: McKinley Elementary School was closed after 2003-04, hence the drop in enrollment to 0. In 2008, the site was demolished and an assisted living facility was constructred on the site.

Bahweting Anishnabe Academy

The Joseph K. Lumsden Bahweting Anishnabe Academy opened in 1994 as a tribal school sponsored by the Sault Ste. Marie band of Chippewa Indians. In 1995, the school was charted by Northern Michigan University to become a public school academy. The school is currently funded a Public School Academy, chartered through Northern Michigan University and grants from the Bureau of Indian Education. The school has typically seen enrollment between 450 and 500 students.

Figure 22: Sault Area Schools' Enrollment



TRANSPORTATION SYSTEM

Master Transportation Plan

The City adopted a Master Transportation Plan in January 2015. The Plan includes a comprehensive overview of existing and future auto, transit, cycling and pedestrian traffic needs within the City. A copy of the complete plan can be found on the City's website.

City Streets

Like so many other cities in Michigan, the condition of streets ranks high on residents' list of improvements, as was the case with the City's Citizen Survey. The map on the following page shows the hierarchical classification of the street network, using the National Function Classification, as well as sidewalks and bike trails. NFC is a MDOT term for the Highway Functional Classification values. FHWA developed the Highway Functional Classification method for all public roads. The higher functions emphasize mobility, the lower functions have more property access. The values from the highest mobility function down to the lowest include: Interstate, Other Freeways, Other Principal Arterials, Minor Arterials, Major Collectors, Minor Collectors and Local.

The following table shows a breakdown of the City's NFC road structure – the NFC category, examples, NFC explanation, and miles of that NFC category within the City.

The condition of City streets is collected by a visual survey called PASER – Pavement Surface Evaluation and Rating. Typically, federal-aid roads are rated annually, with local streets rated every three years. The latest PASER condition for the City follows the NFC map – 2014 federal-aid and 2013 local. The PASER scale ranges from 10 to 1, with 10 being brand new and 1 being failed. The chart at the right shows the historical ratings for the City's federal-aid system since 2006.

Because of the mileage of State highway within the City, the trend tends to jump when a MDOT project is completed within the City. By comparison, the trend shows a different scenario when State highways within the City are removed from the analysis. In 2007, a sharp rise in poor roads may have resulted from relatively stricter subjective ratings by the rating team.

The years 2008-2011 saw an increase in the number of roads with relatively higher ratings. Overall, the majority of streets within the City are in relatively good condition.

Major Roads

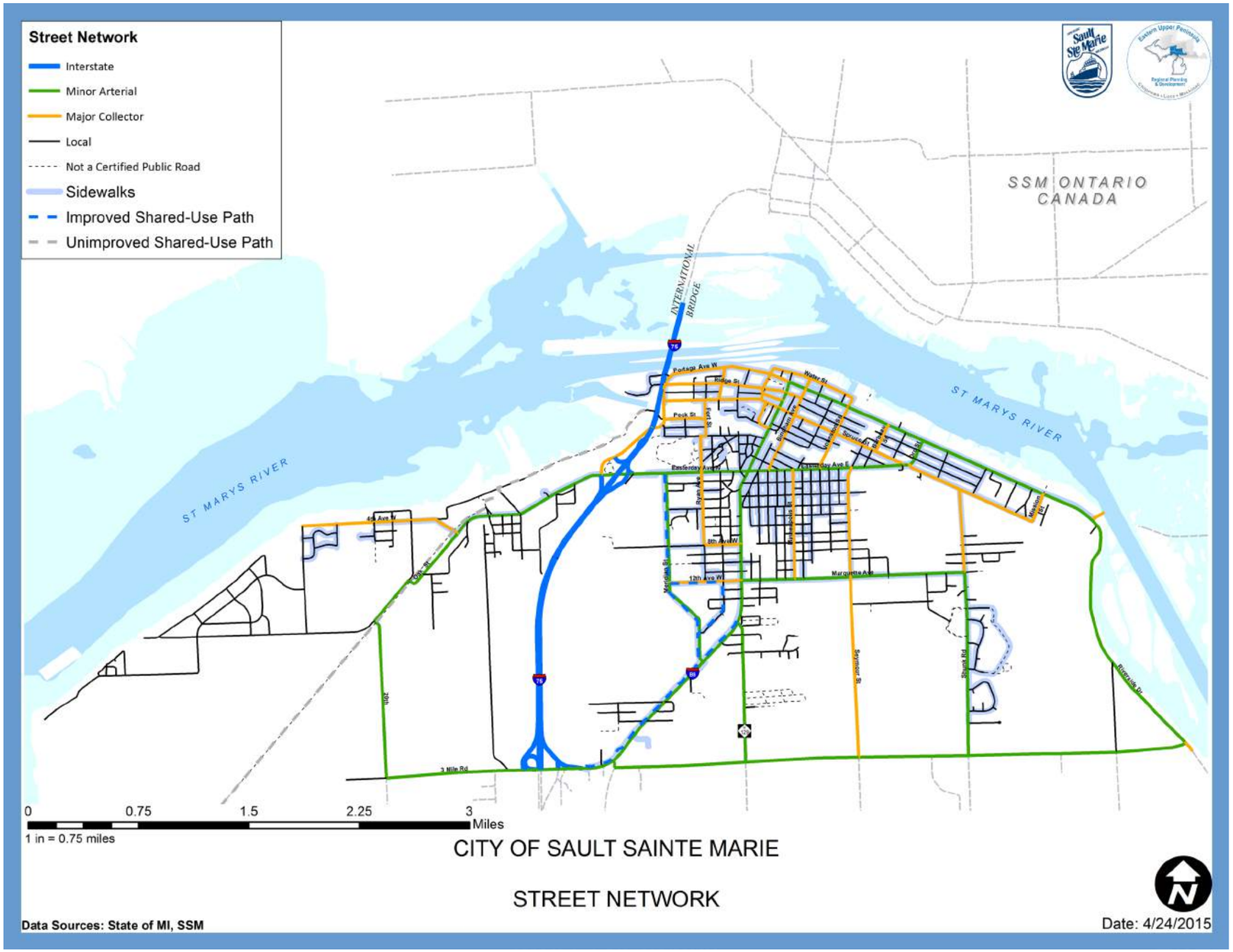
The City is bisected by Interstate I-75 which has two exits located within city limits at 3 Mile Road and Easterday Ave. The northern terminus of I-75 is located at the entrance to the International Bridge, which continues into Sault Ste. Marie, ON. The bridge is mainained and operated by the International Bridge Authority, a partnership of the governments of Michigan and Onterio.

The I-71 Business Spur begins at the I-75/3 Mile Road exit and continues into the downtown before turning east towards its terminus at the Sugar Island ferry dock. The Business Spur is the primary north/south non-interstate artery within the City.

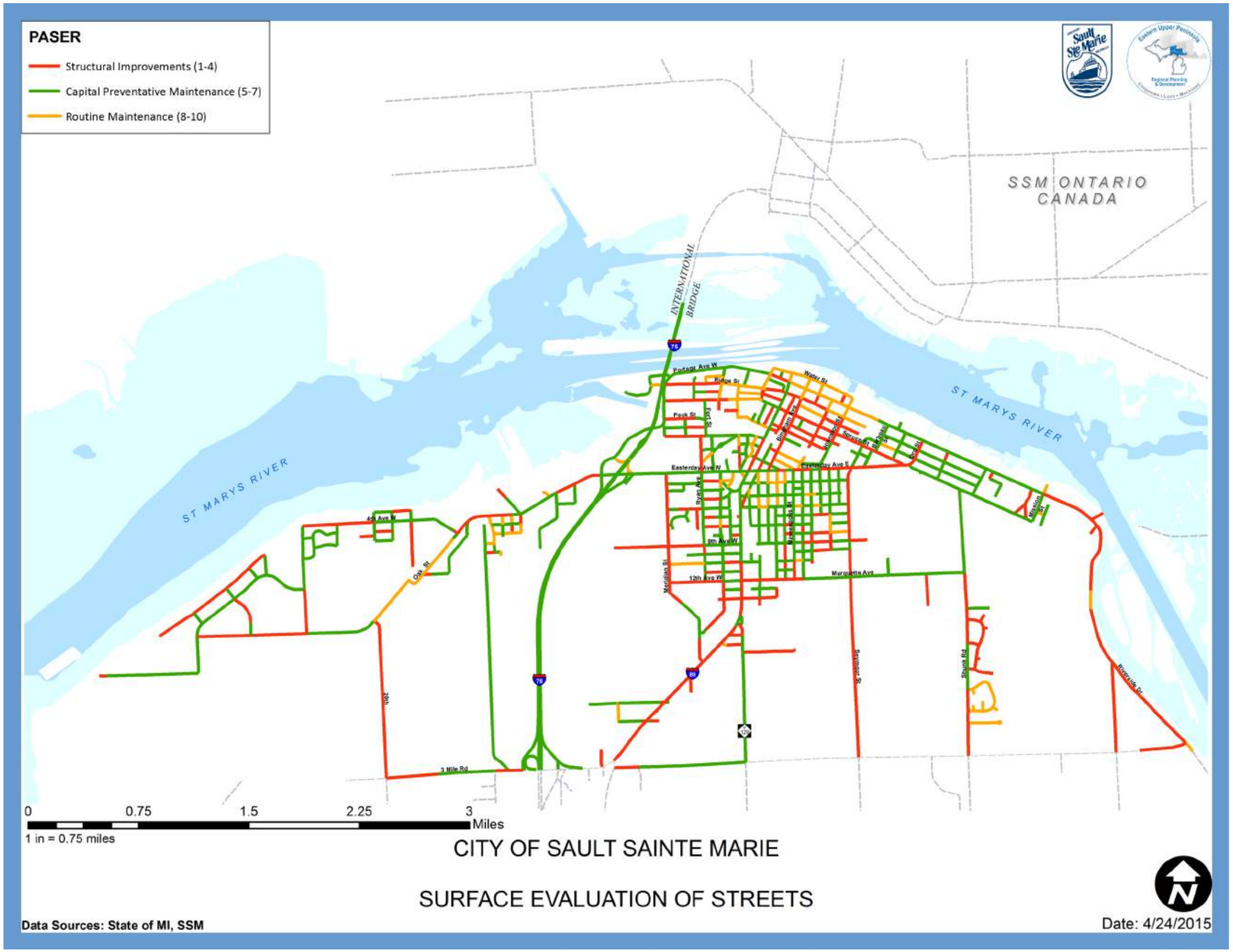
Figure 23: Major Road Classifications

NFC CATEGORY	EXAMPLES	NFC CHARACTERISTICS	SYSTEM LENGTH (Miles)
Interstate	I-75 (International Bridge included)	• Expressway, through-travel at high speed	8.86
Minor Arterial	3 Mile; Easterday Ave.; Portage Ave.	• Through-travel movements • Mobility rather than access • Higher traffic speeds	22.95
Major Collector	Seymour; Minneapolis; Spruce	• Funnel traffic from local streets to arterial streets • Slower traffic speeds	14.95
Local	5th; Johnston; Maple	• Direct access • Slow traffic speeds • Through-travel more difficult	59.5
Other	Maloney's Ally; Tribal & Private Roads	• Property access & Ally's • Other roads not federal-aid eligible	10.32

Map 6: Vehicular Transportation Network



Map 7: PASER-Rated Roads



Transit

The City of Sault Ste. Marie is currently served by two mass transit providers. The Eastern Upper Peninsula Transportation Authority (EUPTA) operates a bussing system which serves to connect the City to the outlying communities of Kincheloe, Rudyard, Pickford, and DeTour. EUPTA also operates three ferries, including the Sugar Island which docks at the east end of Portage Avenue and is the only link between Sugar Island and the mainland. The EUPTA terminal is a drop-off and pickup point for Indian Trails, a long-distance passanger bus line with destinations throughout Michigan, Wisconson, and points beyond. Indian Trails stops include Amtrak stations as well as Greyhound stations, allowing connections to the national ransportation network.

Service to destinations within the city limits is provided by an on-demand Dial-A-Ride service which is operated by Chippewa-Luce-Mackinac Community Action Agency (Community Action). Community Action also operates a Bridge Bus which connects two Sault Ste. Marie, MI desintations with two Sault Ste. Marie, ON destinations, including the Canadian Sault's local bus terminal.

Existing Traffic Patterns

The Michigan Department of Transportation collects data on traffic volumes for roads they maintain. Below are numbers taken from MDOT's Traffic Volumes Map concerning average annual daily traffic in 2015 (this counts two-way traffic unless the road is a one-way):

- Ashmun St. between I-75 Business Loop and Marquette Ave.: 21,100 AADT
- I-75 Business Loop between Mackinac Trail and Ashmun St.: 15,500 AADT
- Ashmun St. between Marquette Ave. and Easterday Ave.: 14,800 AADT
- Ashmun St. between Easterday Ave. and the power canal: 11,900 AADT
- I-75 between 3 Mile Rd. and Easterday Ave. (north-south): 6,000 AADT
- Ashmun St. between I-75 Business Loop and 3 Mile Rd.: 5,700 AADT
- I-75 between Easterday Ave. and halfway accross the International Bridge: 4,500 AADT
- Portage Ave. between Ashmun St. and the power canal: 4,300 AADT
- Portage Ave. between the power canal and Elm St.: 4,000 AADT
- Ashmun St. between the power canal and Portage Ave.: 3,900 AADT
- Portage Ave. between Elm St. and the Sugar Island ferry dock: 3,400 AADT
- I-75 Business Loop between I-75 and Mackinac Trail: 1,500 AADT

Figure 24: Rating Comparison with State Trunklines

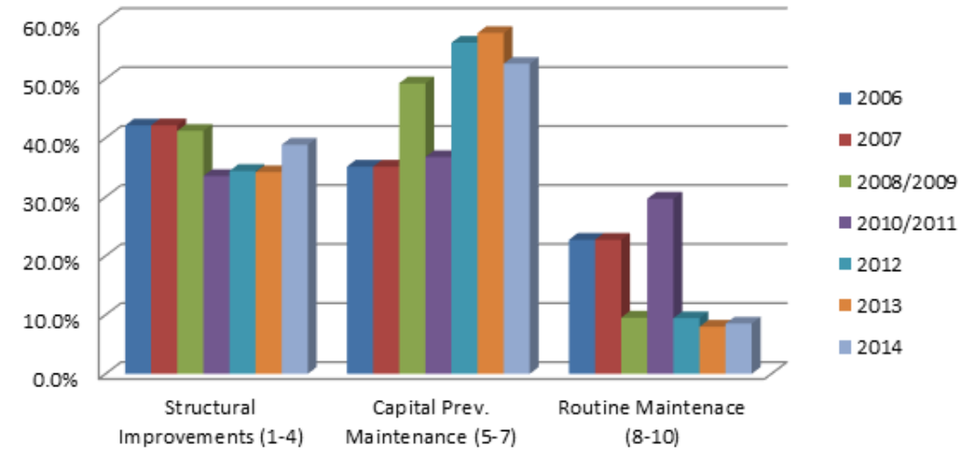
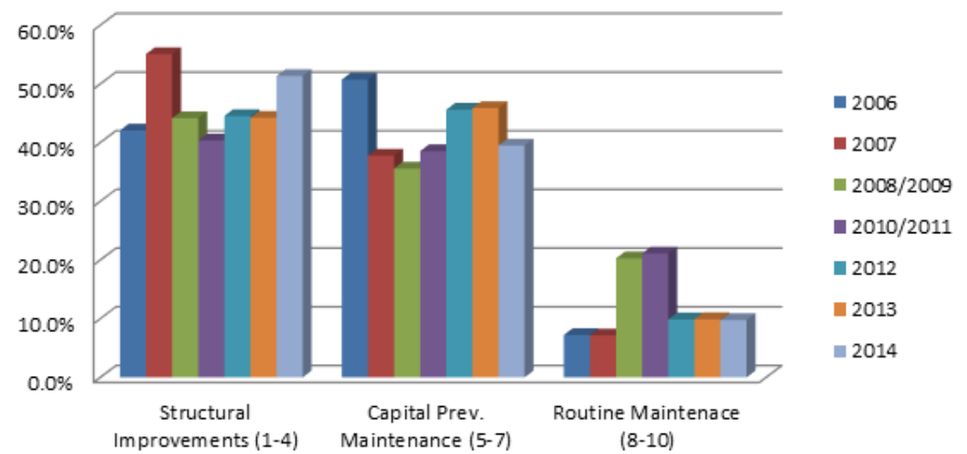


Figure 25: Rating Comparison without State Trunklines



Non-motorized Transportation

In recent years, cities across the U.S. have started to integrate a stronger focus on non-motorized transportation connections in their planning and development practices. The City of Sault Ste. Marie is focusing on creating a community that is a sustainable small urban environment that promotes the well-being of the people, provides a place that is environmentally friendly, which also showcases its historical and recreational opportunities. Encouraging a healthy and more active lifestyle by providing more connectivity of trails, sidewalks and bike routes, safer crosswalks and bike parking is just one of the goals the City of Sault Ste. Marie has set to create that environment.

The City completed and adopted a Non-motorized Transportation Plan in 2012. The plan includes recommendations for network connectivity, surface improvements, and other investments. The table below provides a summary of the improvements recommended in the plan. The City also completed a Walkability Audit in 2014.

Map 8: Sidewalk Location

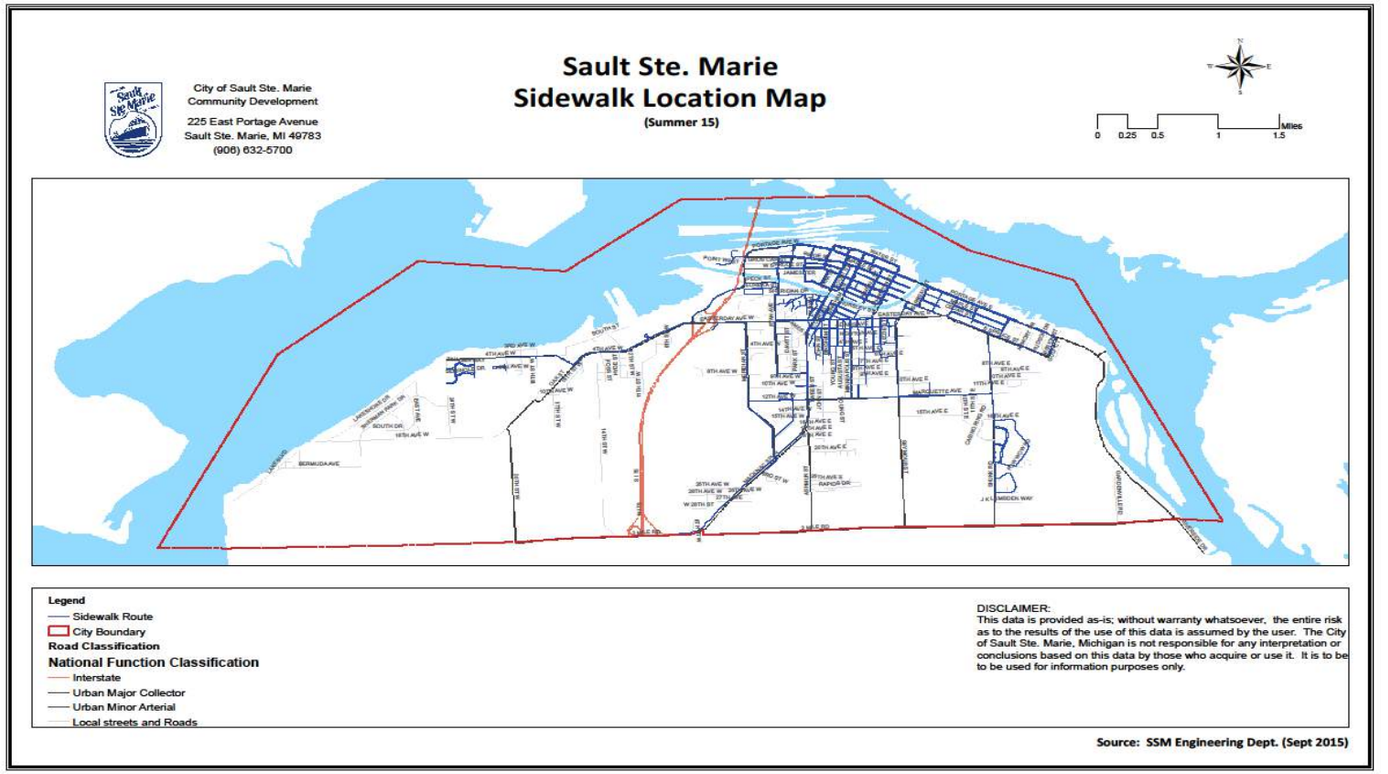


Figure 26: Proposed Non-Motorized Improvements

Facility Type	Near Term	Mid Term	Long Term	Total
New Sidewalk Construction	1.63 miles	1.55 miles	1.82 miles	5 miles
New Multi-Use Path Construction	1.04 miles	2.28 miles	9.9 miles	13.22 miles
Multi-Use Path Surface Improvement	1.15	0.51	4.78	6.44 miles
Paved Road Shoulders		1.22	2.03	3.25 miles
Bike Routes	19.33			19.33 miles
Trails		2.48	1.58	4.06 miles
Crosswalk Improvements	16	6		22
Trailhead Improvements	3	4	1	8

Air

Sault Ste. Marie has an airport within city limits. Sanderson Field is located along Meridian between the I-75 Business Spur and I-75.

Primarily, the airport hosts small single-prop planes, but has the capacity to handle smaller charter jets as well as larger propeller driven airplanes. Helicopters will also make use of the airfield. There are hanger facilities at the airfield which are accompanied by a terminal facility.

Larger commercial flights--including cargo--operate out of Chippewa County International Airport, which is located approximately 22 miles south of the City in Kincheloe.

Rail

Canadian National Railway operates the lone rail line that remains in operation within city limits. The US section of the rail line continues across the St. Marys River over a pair of single-rail lift bridges originally constructed in the late 1880s. A swing bridge on the Ontario side completes the connection between the US and Canada.

The infrastructure of the freight-rail bridge is old, but continues to operate every day. Once rails cross the river heading south, the rail line turns westward almost immediately and heads outside city limits. The line then turns south towards Dafter Township.

Water

Water transportation is a large part of the reason for Sault Ste. Marie's existence. Both commercial and residential water transportation operate daily--though commercial water transportation ceases during the winter months. Along with the aforementioned, Sault Ste. Marie is home to motorized and non-motorized water recreation water transportation.

Commercial shipping passes through the lock system owned and operated by the U.S. Army Corps of Engineers. This lock system has been vital to Sault Ste. Marie for generations and continues to be instrumental in facilitating world trade. Commodities like coal, iron ore, and wheat pass through the locks. In 2016, a total of 83.3 million tons of cargo moved through the locks. On the west end of the city, a no-longer-used dock, the Reiss Coal Dock, is located in an industrial zone. The City EDC is looking into options for reuse of the site. On the east side of the power canal, the Carbide Dock is located and operating although recently discovered structural deficiencies have potentially complicated the future of that facility.

Sugar Island Township is located just across the St. Marys River from the northeast part of the city. Here one must take a ferry to the island, which operates multiple trips daily throughout the year.

Recreation users paddle the St. Marys in calmer and less-busy parts of the river while those in motor boats will take advantage of boating and fishing opportunities in the St. Marys River, Whitefish Bay, and even the Great Lakes--3 of which are reachable from Sault Ste. Marie in a day's time. Common access points for recreational use are found on either side of town at either Rotary Park or Ashmun Bay.

WATER & SANITARY SERVICES

Located on the St. Marys River, the City has an abundant supply of water. The City Water Treatment Plant services the City and portions of Soo Township, which is located on the south side of 3 Mile Road, the city's limits.

The water treatment facility is located on the western part of the City just south of Sherman Park. The facility is rated at 6,000,000 gallons per day. This facility possesses underground storage of finished water for up to 1,500,000 gallons.

The wastewater treatment plant located on E. Portage Avenue across from the Armory has primary treatment capacity of 15 million gallons per day; secondary treatment capacity is 12 million gallons per day.

The city also has 3 primary water towers. The W. 4th Avenue water tower has a capacity of 750,000 gallons; the W. 25th Avenue water tower has a capacity of 250,000 gallons; and the Radar Road water tower has a capacity of 200,000 gallons.

The city owns a substantial amount of land which are ready for development because of their connection to public utilities, such as water and sanitary lines.

ARTS & CULTURAL RESOURCES

National Historic Register Sites

1. St. Marys Falls Canal- Soo Locks (Listed 11/13/1966): The site of the original canal system that was transformed into a succeeding series of locks to bridge the 19-foot difference in water levels between Lake Superior and the lower lakes. The property is owned by the federal government.

2. Johnston House (Listed 07/08/1970): Erected in 1822, this is the second oldest building in the old Northwest Territory. Henry Rowe Schoolcraft wed Jane Johnston here. The City owns the building.

3. Old Fort Brady (Listed 03/11/1971): Erected in 1822 and in use for 71 years until the Fort was moved to a new location on the hill. Many buildings and a stockade existed during its use, none of which remain. The Fort was the site of many historical events, including the lowering of the last British flag to fly over American soil. The site includes the Federal Building Property, now owned by the City.

4. New Fort Brady (Listed 01/13/1972): Constructed in 1892, the new Fort was in active operation until 1946, when the Fort was converted into the Sault Branch of Michigan Technical University. The school became independent as Lake Superior State College in 1969, and is now known as Lake Superior State University.

5. SS Valley Camp (Listed 02/01/1972): The berthed lake carrier has been transformed into a museum ship. The ship is managed and owned by the Le Sault de Sainte Marie Historic Sites.

6. Henry Rowe Schoolcraft House (02/25/1974): Schoolcraft moved into this 15 room federal style residence in 1827. The Indian Agency office was in one of the two building dependencies. The building has been under active restoration and reconstruction to its original design over the last few years. The City, Chippewa County Historical Society and "Sault Historic Sites" have been cooperatively working on this building.

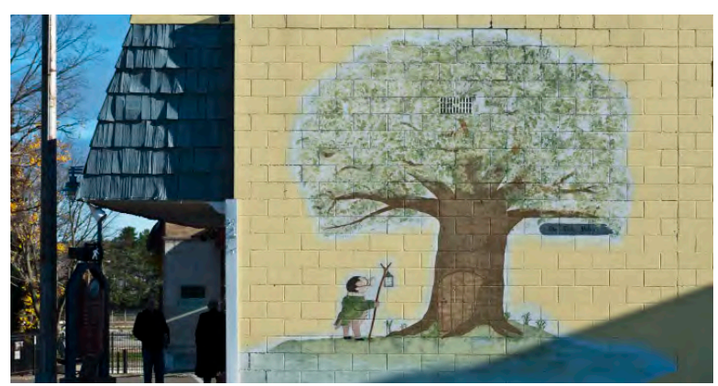
7. Old Federal Building (Listed 09/09/77): Standing on the ground of the Old Fort Brady, the building was constructed during 1908 and 1910, and occupied in 1910. The building was in private hands, until it was turned over to the City of Sault Ste. Marie. The building now serves as the City Hall.

8. Chippewa County Courthouse (Listed 09/13/84): The oldest continuously used courthouse in the state. This imposing structure has been completely renovated and restored and is in excellent condition.

9. Central Methodist Church (Listed 12/17/84): This is one of several striking sandstone churches in the downtown constructed around the turn of the century. This church was completed in 1894.

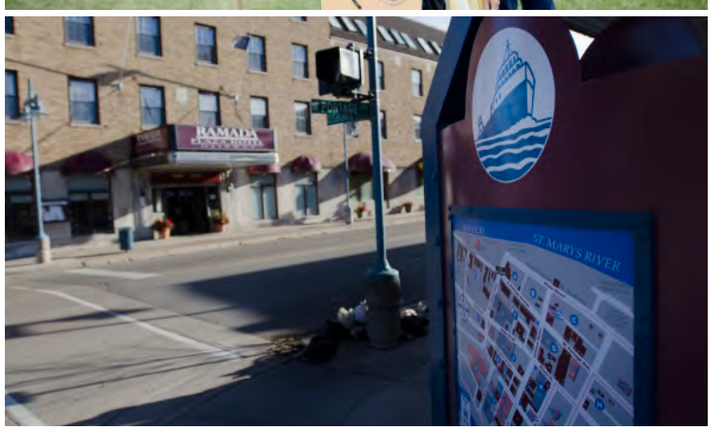
10. St Mary's Pro-Cathedral (Listed 12/27/84): Built from local bricks in 1881. This is the third structure on the site, and the fifth in the immediate area dating back to 1668 when the first church was constructed, marking the founding of the settlement. It has recently been renovated.

11. Cloverland Electric Powerhouse: Placed into operation in 1902. This hydropower facility was constructed at the same time as the power canal that channels the water. It is the longest building in the world (1360 feet) devoted to power production. The building is still in active use as a powerhouse. Cloverland purchased this peice of infrastructure around 2010 from Sault Edison Electric Company. Part of the building includes a Atlantic Salmon hatchery, which is managed by LSSU



Museums & Arts Centers

Six museums and art interpretive centers are located in the downtown. The "SS Valley Camp" is an actual lake carrier open for viewing and serving as a site for various marine related displays and interpretations. The John Johnston House is operated by the Chippewa County Historical Society, and is open during the summer and fall. The Soo Locks Information Center displays the history of the locks development as well as displaying a working model of a lock. The Alberta House is an art and craft gallery located in a unique historical structure near the locks. The "River of History Museum", which opened in 1992, originally located in the old Federal Building, is now located on Ashmun Street. The Steere Room at the Bayliss Public Library is the prime source for early documents and historical records of the area. The Chippewa County Historical Society has various displays and presentations at the location they own facility on Ashmun Street.



Additional Heritage & Historical Sites

Another 16 sites in the downtown area are of historical significance. Many of these are of equal quality and significance as national Register sites, and are likely to be on the national Register in the future. Among these are: St. James Episcopal Church, which is currently in the process of being placed on the national Register, the City Fire Hall, the Bishop Baraga residence, the Elijah Allen house, the Merchant Marine Library at the Locks Parks, the old City Water Tower (still in use), the Michigan Meridian (the point of departure for all surveys in the state) and the site of the old French Fort de Repentigny.

PARKS & RECREATION RESOURCES

Sault Sainte Marie has numerous recreational opportunities, both within the City and within the surrounding region, including in Canada. These resources include beaches, marinas, boat launches, playgrounds, and places to picnic, bike, paddle, hike, camp, fish, hunt, and snowmobile. Other recreational facilities provide spaces to play hockey, ice skate, and play team sports and games.

City employees have conducted a comprehensive parks and recreation facility inventory. The inventory includes all recreational opportunities available within the City's limits. The organization of this inventory follows the requirements set by the Michigan Department of Natural Resources. Parks and facilities have been identified and inspected for handicap accessibility, barrier-free access, and classified by facility type.

While the inventory includes all parks and recreational facilities within City limits; the focus of this plan only extends to parks and recreational facilities under the City's jurisdiction. There are approximately 1,672 acres of total recreational land within the City. Of this, 623 acres (38%) are City-owned, and the remaining 62% are properties owned by the local school district, Lake Superior State University, the State and Federal governments, the Sault Ste. Marie Tribe of Chippewa Indians, and private owners who may lease property to the City.

The City owns operates and or leases 26 parks and recreation facilities. This includes 7 Mini-Parks, 2 Neighborhood Parks, 5 Community Parks, and 2 Large Urban Park. Facilities offered by this parks system include 2 ice rinks, 5 boats launches, 2 Marinas, a seasonal ice race track, and two Campground Facilities; among a great deal of amenities.

The Land Use table (Table 3-A) below shows the ownership/ acreage of the various recreational facilities within the City of Sault Ste. Marie. The listed acreage totals are derived from assessor's records and count the total parcel size of the facility and/or recreation area in some cases.

The cooperation among the different agencies noted above has been instrumental in providing the Sault with a variety of park facilities that would be difficult for the City to finance on its own.

Water Trail Planning

The City is working to promote water-based recreation opportunities, including Lake Superior and St Marys River water trails. More information about the water trails can be found at www.michiganwatertrails.org/uptrails.asp.

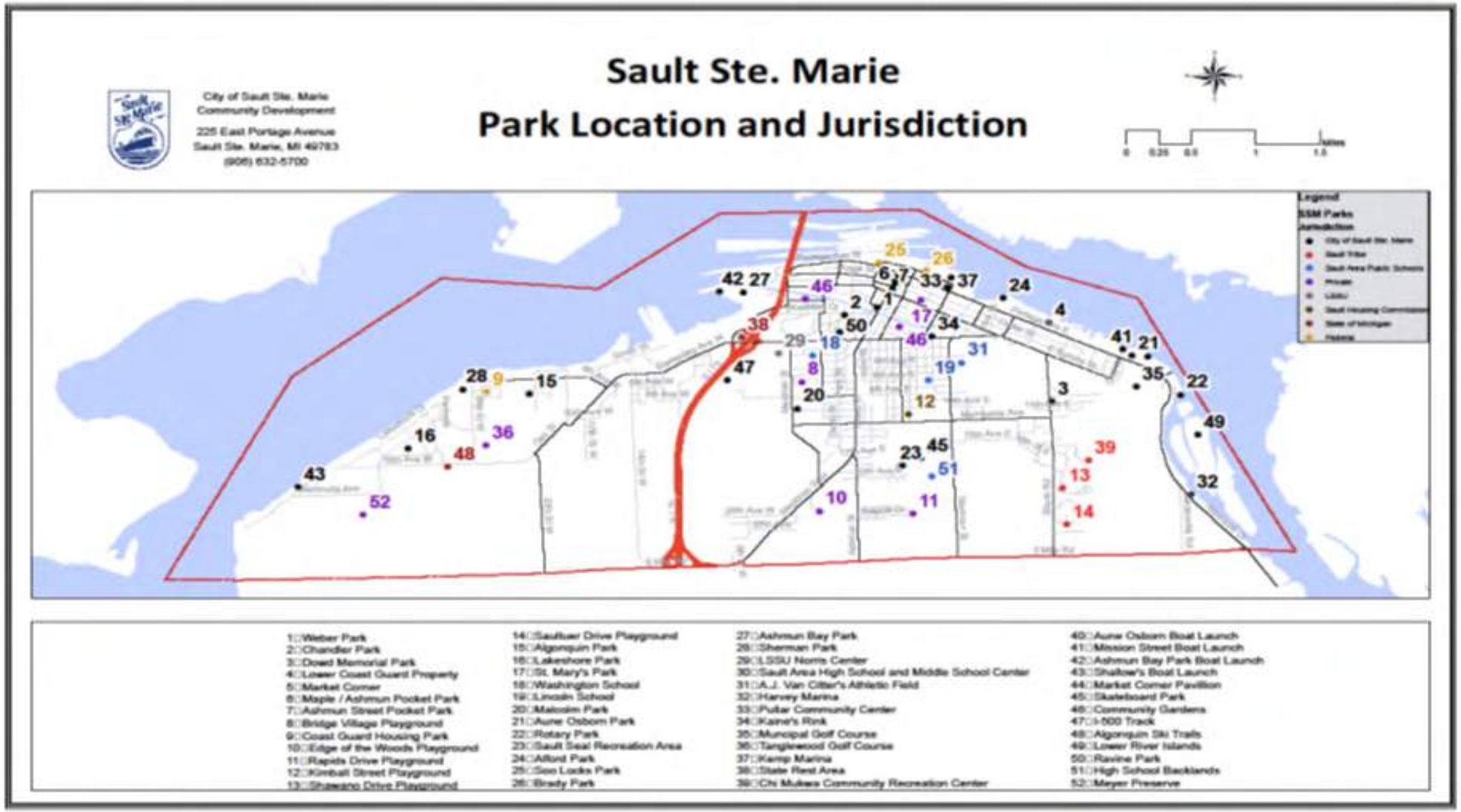
Birding for Recreation

Birding is also a popular recreational activity. The Whitefish Point Birding Observatory, operated by Michigan Audubon, is a concentration zone for migrating birds. Over 340 species of birds have been seen at the Point including White-winged Scoter, Red-throated Loon, Spruce Grouse, Rough-legged Hawk, Jaegers, Great Gray Owl, Boreal Owl, Black-backed Woodpecker, Boreal Chickadee, over 30 species of warblers and northern finches like Pine and Evening Grosbeaks, Redpolls and Crossbills.

Figure 27: Community Recreational Facilities (in Acres)

	Mini Parks	Neighborhood Parks	Community Parks	Large Urban Parks	Special Use Parks	Sports Complexes	Natural Resource Areas	TOTAL
City of Sault Ste. Marie	4.2	12.54	100.78	248.23	195.74	-----	66.82	628.31 -38%
School Area School District	-----	14.75	-----	-----	-----	34.84	120	169.59 -10%
Lake Superior State University	-----	-----	-----	-----	-----	40.64	-----	40.65 -2%
Federal and State Governments	2.26	-----	26.5	-----	5.25	-----	411.76	445.77 -26%
Sault Ste. Marie Tribe Of Chippewa Indians	0.24	-----	-----	-----	28.38	-----	-----	28.62 -3%
Private Owners	0.76	-----	-----	-----	134	-----	214.7	349.46 -21%
TOTAL	7.46	27.29	127.28	248.23	358.38	75.49	813.28	1,672.40 -100%

Map 9: Park Location & Jurisdiction



Map 10: Park Location, Walkability

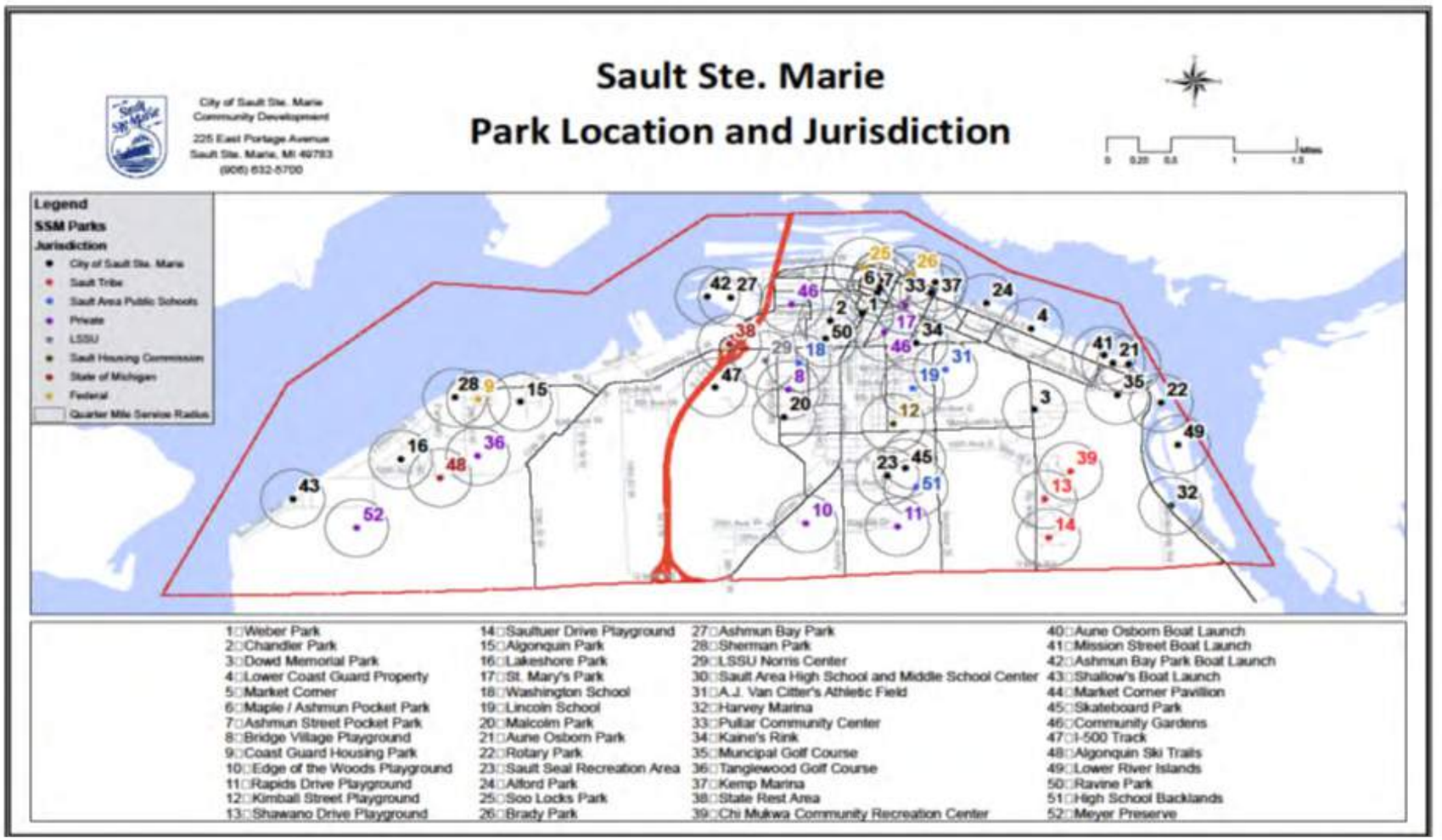


Figure 28: City-Owned or Leased Mini-Parks & Neighborhood Parks

	Ashmun/ Maple Pocket Park	Ashmun Street Pocket Park	Algonquin Park	Chandler's Park	Farmer's Market Pavilion	Lower Coast Guard Property	Memorial Park	St. Marys Park	Weber Park
Acreage	0.6	0.11	9.83	0.62	0.4	0.8	0.4	2.71	0.27
Accessibility Rating	4	4	1	1	4	1	1	1	4
Number of Facilities	1	1	4	2	2	4	2	5	1
Ball Diamond			X					X	
Basketball Court			X				X	X	
Benches	X	X	X	X	X	X	X	X	X
Pavilion					X				
Picnic Tables						X			
Playground			X	X			X	X	
Sledding				X					
Tennis Court								X	
Water Viewing						X			X

Note: Facilities present at other parks/facilities that are not present at City-owned/Leased Mini-Parks and Neighborhoods are not shown above.

Figure 29: City-Owned Natural Resources Areas

	Lakeshore Park	Lower River Islands	Ravine Park
Acreage	3.26	62.5	1.06
Accessibility Rating	1	1	1
Number of Facilities	N/A	N/A	N/A
Trail		X	X
Water Viewing		X	

Figure 30: City-Owned Community Parks & Large Urban Parks

	Alford Park	Ashmun Bay Park	Aune Osborn Park	Malcolm Park	Rotary Island Park	Sault Seal Rec. Area	Sherman Park
Acreage	2.9	175.71	16.1	44.64	4.16	32.98	72.52
Accessibility Rating	2	2	3	2	2	1	3
Number of Facilities	4	4	6	22	4	7	15
Ball Diamond				X			
Basketball Court							X
Beach							X
Benches	X	X	X	X	X		X
Boat Launch		X	X				
Campground			X				X
Concessions				X		X	
Cross-Country Skiing						X	
Downhill Skiing						X	
Fishing	X	X	X		X		
Grills	X		X	X	X		
Hiking Trails		X				X	X
Horseshoes							X
Marina/Dock			X				X
Pavilion				X			X
Picnic Tables	X		X	X	X		
Picnic Shelter			X				
Playground			X	X	X		X
Restrooms			X	X	X	X	X
Showers			X				
Sledding						X	
Volleyball Court							X
Water Viewing	X	X	X	X	X		X
Water Fountain	X		X	X			X

Figure 31: City-Owned or Leased Special-Use Facilities

	Community Gardens	Harvey Marina	I-500 Track	Kaine's Rink	Kemp Marina	Mission St. Boat Launch	Municipal Golf Course	Pullar	Shallows Boat Launch
Acreage	2.26	3.68	51.97	0.9	5.34	11.26	134	1.76	0.75
Accessibility Rating	1	1	1	1	5	1	2	2	1
Number of Facilities	1	6	4	4	5	2	4	10	2
Benches		X	X	X	X			X	
Boat Launch		X				X			X
Concessions			X				X	X	
Fishing		X			X	X			
Gardening	X								
Golfing							X		
Gymnasium									
Ice Hockey				X				X	
Marina/Dock		X			X				
Picnic Tables		X							
Pool							X		
Restroom		X		X	X		X	X	
Showers		X			X		X	X	
Skating				X				X	
Water Viewing		X			X	X			X

Figure 32: School-Owned Recreation Facilities

	AJ Van Citter's Athletic Field	High School Backlands	Lincoln School Park	Sault High Sports Complex	Washington School Park
Acreage	19.14	120	7.39	15.7	7.36
Accessibility Rating	2	1	2	2	2
Number of Facilities	12	1	5	13	6
Facility Type	Sports Complex	Natural Resources Area	School Park	Sports Complex	School Park
Ball Diamond			X	X	X
Basketball Court			X	X	X
Benches	X		X	X	X
Concessions	X			X	
Football Field	X				
Gymnasium			X	X	X
Ice Hockey					
Pavilion		X			
Picnic Table					X
Playground			X		X
Pool				X	
Racquetball				X	
Restroom	X		X	X	
Showers	X			X	
Snowmobile Trails		X			
Soccer Field	X			X	X
Tennis Court				X	

Figure 33: Privately-Owned Recreation Facilities

	Bridge Village Park	Edge of the Woods Park	Meyer Preserve	Rapids Drive Playground	Tanglewood Golf Course
Acreage	0.537	0.8	214.17	0.2	134
Accessibility Rating	1	1	1	1	2
Number of Facilities	1	2	1	2	4
Facility Type	Mini Park	Mini Park	Natural Resources Area	Mini Park	Special Use
Basketball Court		X		X	
Golf Course					
Playground	X	X		X	X

Figure 34: Tribal-, Federal-, and State-Owned/Operated Recreation Facilities

	Algonquin Ski Trail (MDNR)	Brady Park (Federal)	Chi Mukwa Community Rec. Center (Tribe)	Coast Guard Park (Federal)	Kimball Street Park (SHC)	Norris Center (LSSU)	Saultuer Playground (Tribe)	Shawano Drive Playground (Tribe)	Soo Locks Park (Federal)	State Rest Area (MDOT)
Acreage	411.76	13.71	19.26	2.26	1.6	40.65	0.1	0.136	13.25	5.25
Accessibility Rating	1	1	4	1	1	5	1	1	3	4
Number of Facilities	3	6	7	4	2	11	1	1	9	4
Facility Type	Natural Resource Area	Community Park	Sports Complex	Mini Park	Mini Park	Sports Complex	Mini Park	Mini Park	Community Park	Special Use
Basketball Court			X	X	X	X				
Benches		X	X			X			X	X
Buildings (Visitors)			X						X	X
Concessions			X			X				
Grills		X							X	X
Gymnasium			X			X				
Ice Hockey			X	X		X				
Picnic Tables		X	X						X	X
Playground			X	X	X		X	X		
Pool						X				
Restrooms	X		X			X				X
Shower			X			X				
Skating			X	X		X				
Soccer Field						X				
Tennis Court			X	X		X				
Track			X			X				
Volleyball Court			X			X				
Water Viewing		X							X	

4. EXISTING LAND USE & ZONING

IN ORDER TO DETERMINE FUTURE DEVELOPMENT AND ZONING, IT IS IMPORTANT TO LOOK AT EXISTING CONDITIONS. THE DISTRIBUTION OF LAND USES THROUGHOUT SAULT STE. MARIE HAS BEEN A RESULT OF MANY FACTORS, INCLUDING CHANGES IN INDUSTRY AND COMMERCIAL DEVELOPMENT, AND AN AGING ORDINANCE.

LAND USES IN THE CITY

The City's incorporated area is almost sixteen square miles, however the bulk of the City's development is concentrated. The "island" portion of the City, separated from the remainder by the Power Canal, is the heart of the community. The northern edge of the island is almost completely dominated by the U.S. Army Corps of Engineers with the Soo Locks and its attendant parks and maintenance facilities. Directly adjacent to the Locks is the City's Central Business District, including a somewhat distinct two-block area of seasonal shops. The "west end" of the island, once dominated by warehousing, is in a transition phase, with housing, office, and retail development on the rise. A major apartment complex is located on the west end of the island in the area known as the West Pier, directly across the power canal from Ashmun Bay Park. The east side of the island is composed of grand old Victorian-era houses, many now converted into apartments.

Two of the Sault's principal roads extend out from the core of the island. Portage Avenue extends east and west, curving south from the west end of the island to intersect with Easterday Avenue and to the east paralleling the river and turning into Riverside Drive as it extends east and then south. The "east end" residential area extends along this section of Portage, encompassing a two block depth to the south off this corridor. The waterfront land use along this stretch varies from ship repair and provisioning to boat tours to park and recreation uses, with some obsolescent buildings and unsightly storage areas intermixed. The land side of Portage is sprinkled with motels, restaurants, homes, and an 18-hole golf course. The far reaches of Riverside Drive dissipate into a long stretch of riverfront homes. The other major roadway extending out from the island is Ashmun Street, also known as M-129 as it extends further south. The I-75 Business Spur branches off from Ashmun Street, forming the Sault's principal north-south corridor to the City's Three Mile Road boundary. It is along these roadways that the majority of the City's commercial development will be found, including older development to the north and newer shopping center development along the Business Spur to the south.

Directly to the east of Ashmun is the City's major housing area, the "south side". A somewhat small adjunct lies to the west of Ashmun in this same area, blending into somewhat larger homes at the ridge crest and near the university. Lake Superior State University, with its 115-acre campus at the site of the relocated Fort Brady, dominates both sides of Easterday Avenue directly to the east of Interstate 75. West of I-75, there is an immediate cluster of modest homes, mixed commerce and warehousing, and the City's 64-acre Industrial Park. Further to the west are four somewhat distinct settlement areas:

1. The Foss/Hyde and Oak/Chestnut sub-divisions south of 4th Avenue.

2. The settlement around 4th Avenue and 20th and 24th Streets, including the Coast Guard housing by Sherman Park.

3. Lakeshore Subdivision, a modern ranch style community along the shores of the river, some five miles from the city center.

4. The "Shallows" area, a converted cottage settlement directly to the west of Lakeshore. In addition to Easterday Avenue, the other two major east/west streets in the City are Marquette/12th Avenue and Three Mile Road, the City's southern boundary. To the west along Three Mile Road at I-75 is a major shopping center, commercial area and newer apartment complex development. There is also a municipal airport to the West of the Business Spur within this general vicinity. On the eastern side of the City between Marquette Avenue and Three Mile lies a large area of Sault Tribe reservation land containing a mix of uses including casino/hotel development, ice arena, and housing. Figure 35 on the next page summarizes the existing land use within the City of Sault Ste. Marie.

EXISTING ZONING

Zoning is intended to guide development in a community, and sets limitations and uses for properties through sound planning management practices. However, it does not necessarily represent the actual uses and structures that exist in particular areas. Zoning variances or unsound re-zonings often create odd uses or developments. For this reason, it is important to assess the existing zoning and existing land use to help guide proper future land use planning and zoning ordinance updates.

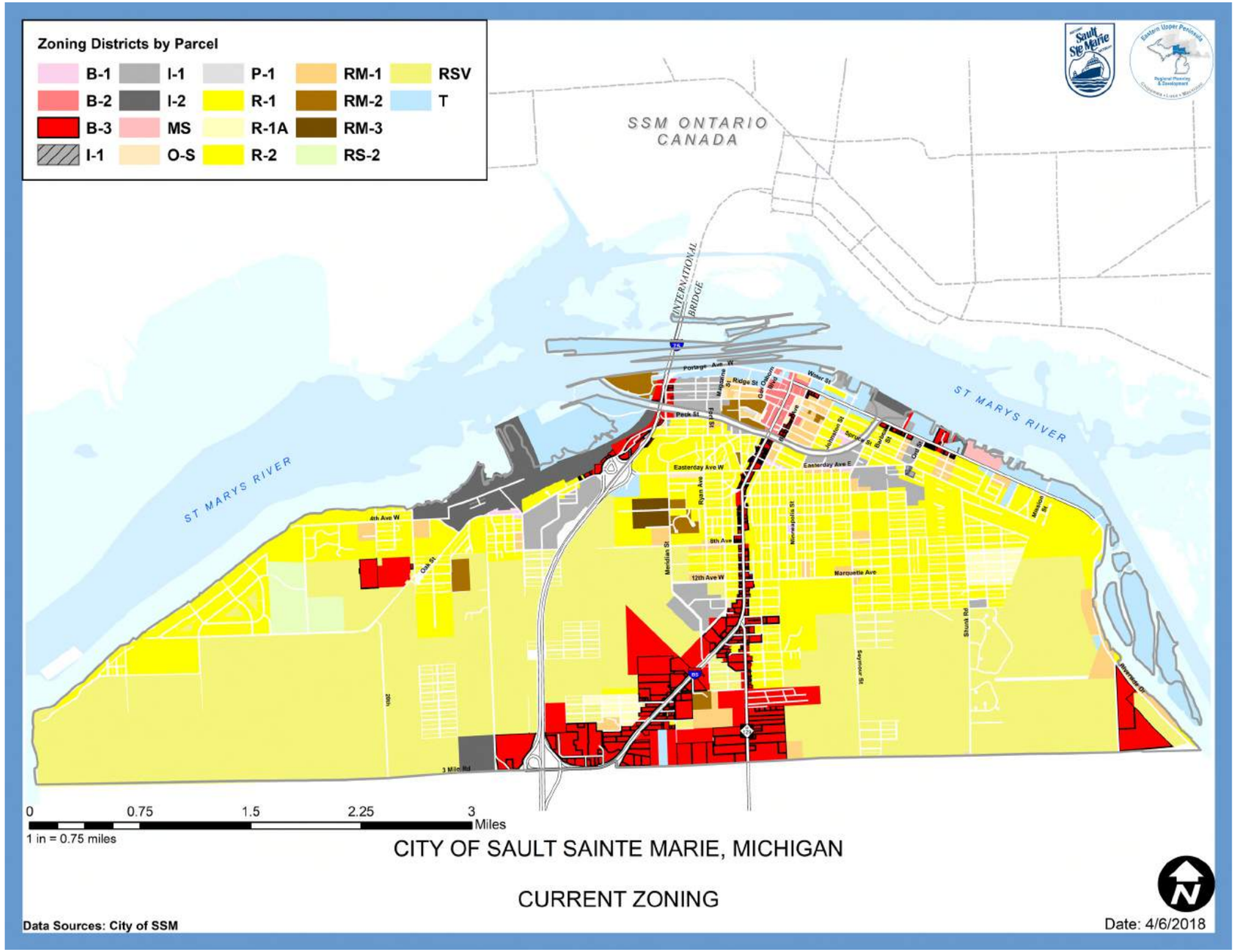
Sault Ste. Marie is currently zoned into sixteen (16) zoning districts – these can be seen on the map on the following page. In a spatial sense, the City's zoning pattern is that of commercial along the I-75 business spur and downtown, industrial along the waterfront from downtown heading east, and residential in the middle of the City as well as the west and east waterfronts. A breakdown of zoning districts is in the chart to the right, along with an estimate of acreage and percentage of the total City area.

It should be noted that any maps or analysis done with current City zoning was done with a Geographic Information System (GIS) parcel data set with parcel-level zoning, and some districts span multiple parcels or some parcels have incomplete data, both of which are currently being fixed within the GIS data as of the writing of this plan.

Using the parcel-level analysis, the Residential R-1 district and Reserve RSV districts hold the largest acreage of the City by a far margin compared to other districts. However, when looking at pure parcel count, R-1, R-2, and RM-1 have the most parcels within the City.

Figure 35: Land Use by Zoning Designation

District	Parcel Count	Acres	% Total Acres	% Total Parcel Count
B-1	75	14.75	0.16%	1.09%
B-2	120	33.65	0.36%	1.74%
B-3	413	591.89	6.32%	5.98%
I-1	164	106.43	1.14%	2.37%
I-2	77	288.61	3.08%	1.11%
O-S	23	12.01	0.13%	0.33%
P-1	23	3.1	0.03%	0.33%
R-1	3216	1626.26	17.37%	46.56%
R-1A	176	62.36	0.67%	2.55%
R-2	988	143.23	1.53%	14.30%
RM-1	515	167.72	1.79%	7.46%
RM-2	45	85.41	0.91%	0.65%
RM-3	2	10.37	0.11%	0.03%
RS-2	6	37.33	0.40%	0.09%
RSV	495	3692.86	39.45%	7.17%
T	148	592.76	6.33%	2.14%
Split-Zoned	401	1892.89	20.22%	5.81%
MS	6	20	0.21%	0.09%
Total	6907	9361.63	100.00%	100.00%

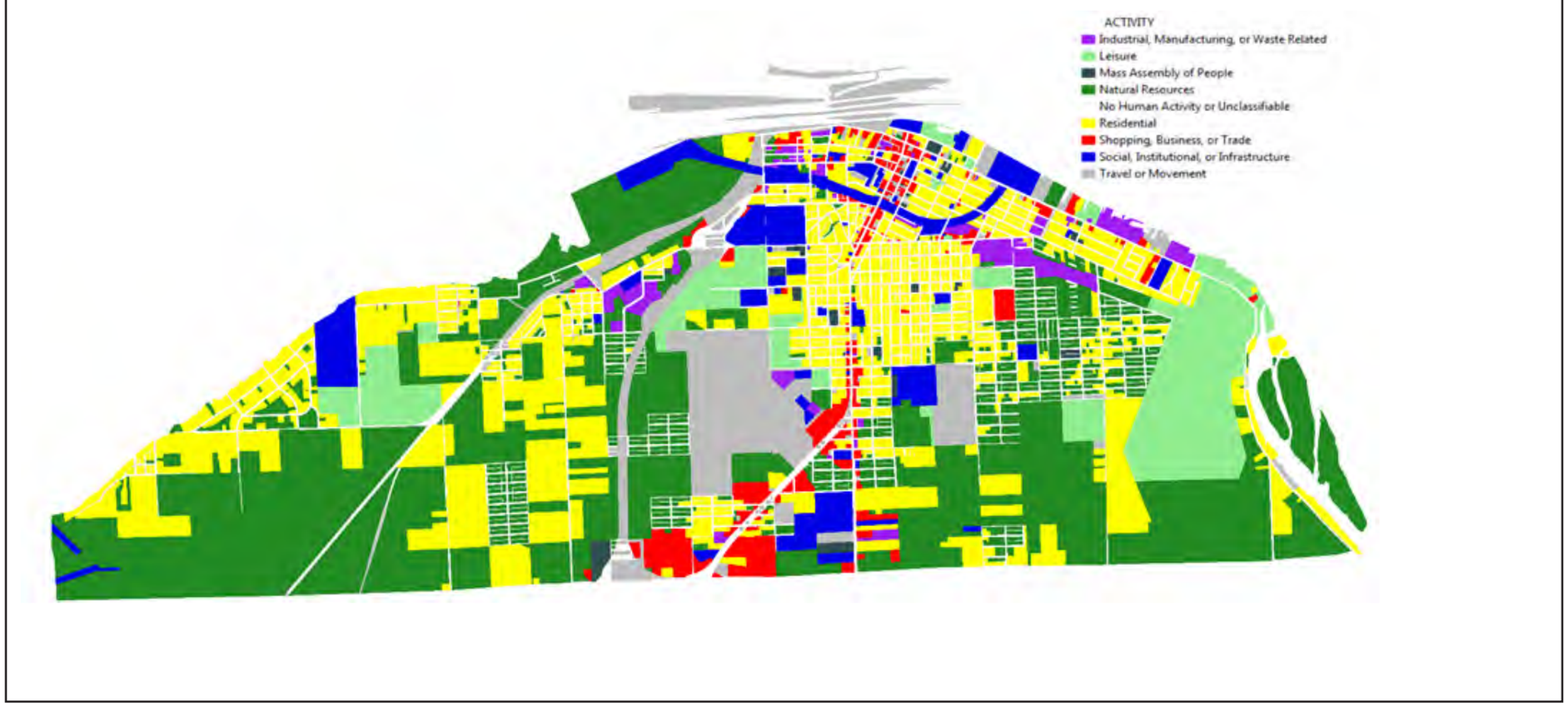

Zoning Districts by Parcel
B-1
B-2
B-3
I-1
I-1
I-2
MS
O-S
P-1
R-1
R-1A
R-2
RM-1
RM-2
RM-3
RS-2
RSV
T
SSM ONTARIO
CANADA
INTERNATIONAL BRIDGE
ST MARYS RIVER
ST MARYS RIVER
0
0.75
1.5
2.25
3
Miles
1 in = 0.75 miles
CITY OF SAULT SAINTE MARIE, MICHIGAN
CURRENT ZONING
Data Sources: City of SSM
Date: 4/6/2018

EXISTING LAND USE

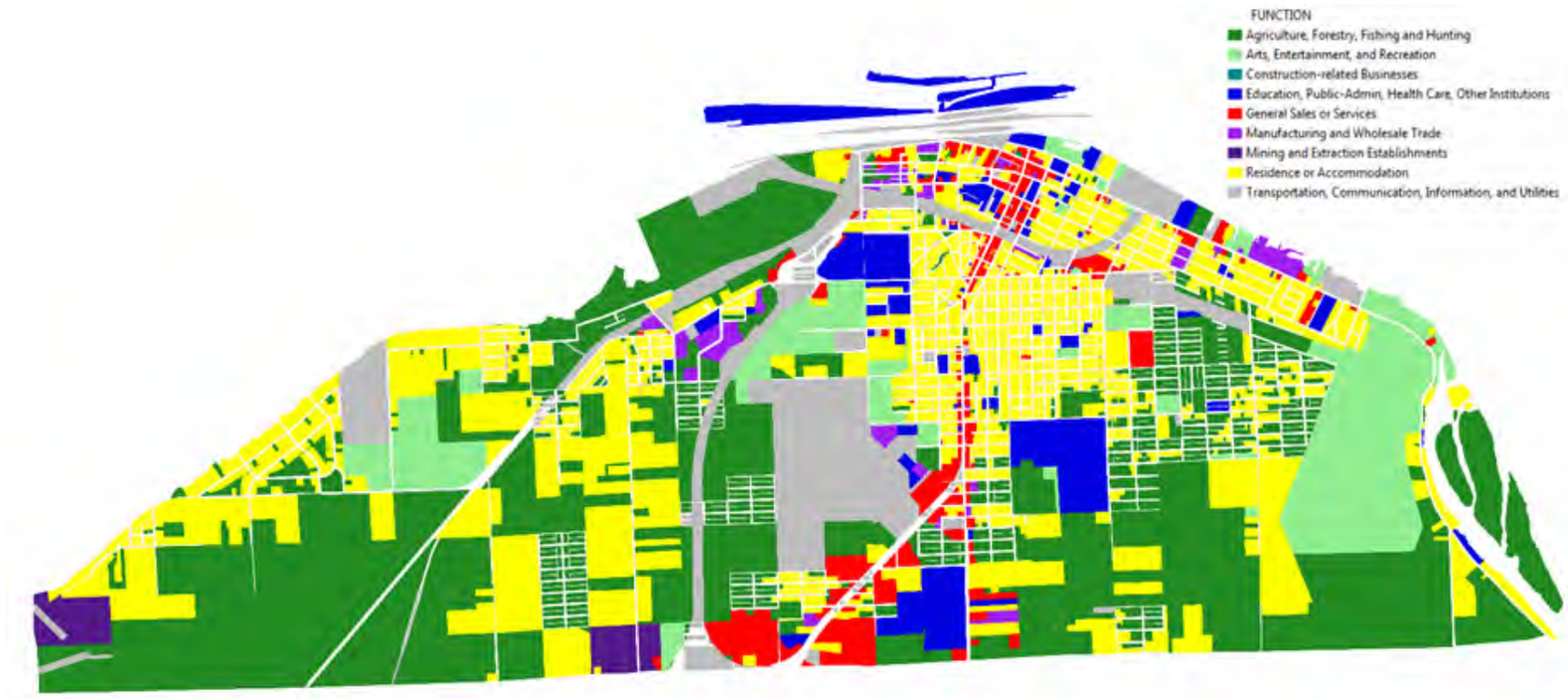
An analysis of existing City land uses and land cover provides decision makers with a better understanding of the current status. Land use differs from zoning in that land use is the actual activity or structure on the property, while zoning is the designated district in which certain uses and requirements exist. To determine existing land use, a GIS analysis was done, by parcel, using the American Planning Association's (APA) Land-Based Classification System (LBCS).

As defined by APA, the LBCS "..model extends the notion of classifying land uses by refining traditional categories into multiple dimensions, such as activities, functions, building types, site development character, and ownership constraints. These multiple dimensions allow users to have precise control over land-use classifications." The LBCS contains five categories: Activity, Function, Structure, Site, and Ownership. For this plan analysis, only Activity, Function, and Structure were used. Each category is broken down on pages 53, 54, and 55, respectively.

Map 11: Existing Land Use - Activity



Map 12: Existing Land Use - Function



Map 13: Existing Land Use - Structures

5. ELEMENTS & GOALS

THIS SECTION OF THE MASTER PLAN SUMMARIZES GOALS FOR THE COMMUNITY'S GROWTH AND DEVELOPMENT WHICH TRANSCEND INDIVIDUAL GEOGRAPHIC AREAS AND DISTRICTS. THESE PLANNING ELEMENT GOALS ARE INTENDED TO GUIDE AND INFORM THE WAY THAT FUTURE CITY POLICIES, REGULATIONS, PROJECTS, PROGRAMS AND INITIATIVES ARE PURSUED, EVALUATED, ADOPTED, AND IMPLEMENTED.

1. COMMUNITY & ECONOMIC DEVELOPMENT

Goal 1.1: The City will enhance its role in supporting the regional economy.

1.1.1 City staff will continue to build and maintain relationships with other groups and with business leaders who are working to enhance the community's economic health and prosperity, including but not limited to employers, job training and economic development organizations, downtown development organizations, regional planning and development organizations, educational institutions, state and federal agencies, tribal governments, and other public and private stakeholders--e.g., the City's participation in Redevelopment Ready Communities.

1.1.2. The City will establish a priority list, annually or as needed, of economic development projects that City staff will focus on. These priorities will be established with a short-term, mid-term and long-term focus and will be coordinated with stakeholders as listed above. Appropriate resources (human and financial capital) will be identified for these priorities so potential funding and incentive programs can be identified at the local, state, and federal levels.

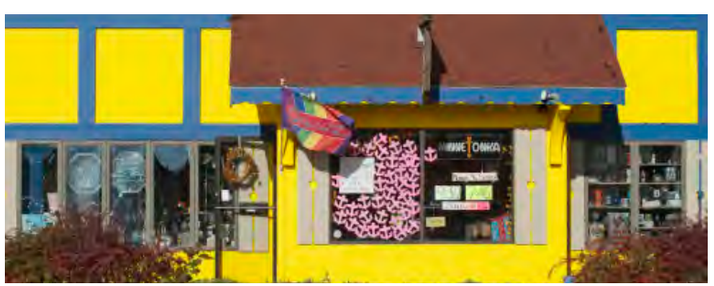
1.1.3. The City will work with the federal government and will meet annually, or more frequently, with the leaders and managers of the Soo Locks facility to ensure that plans for the future of the Locks support, and are supported by, the City's Master Plan goals, community economic needs and the health and well-being of City residents.

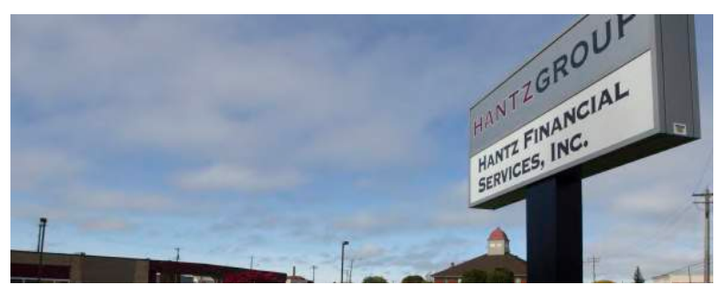
1.1.4. City staff and elected officials will meet annually, or more frequently, with leaders from Sault Ste. Marie, Ontario to discuss goals, needs, and opportunities for alignment or mutually beneficial community and economic development investment. This may include joint meetings of the full governing bodies.

1.1.5. City staff and elected officials will meet annually, or more frequently, with leaders from the Sault Tribe of Chippewa Indians to discuss goals, needs, and opportunities for alignment or mutually beneficial community and economic development investment.

1.1.6 The City will meet annually, or more frequently, with agencies and entities responsible for multi-modal transportation infrastructure (Soo Locks, I-75 highway, railroad, airport, International Bridge) to discuss goals, needs, and opportunities for alignment or mutually beneficial community and economic development investment.

1.1.7. The City will meet annually, or more frequently, with downtown development, the chamber of commerce, the convention and visitors bureau, the economic development corporation, LSSU, the SmartZone, EUPISD, and Sault Area Schools to discuss goals, needs, and opportunities for alignment or mutually beneficial community and economic development investment.





Goal 1.2: The City will facilitate a decision-making framework that ensures processes that safeguard community economic stability & success.

1.2.1. The City will prioritize investments related to the goals of the Plan and through the Capital Improvement Planning process.

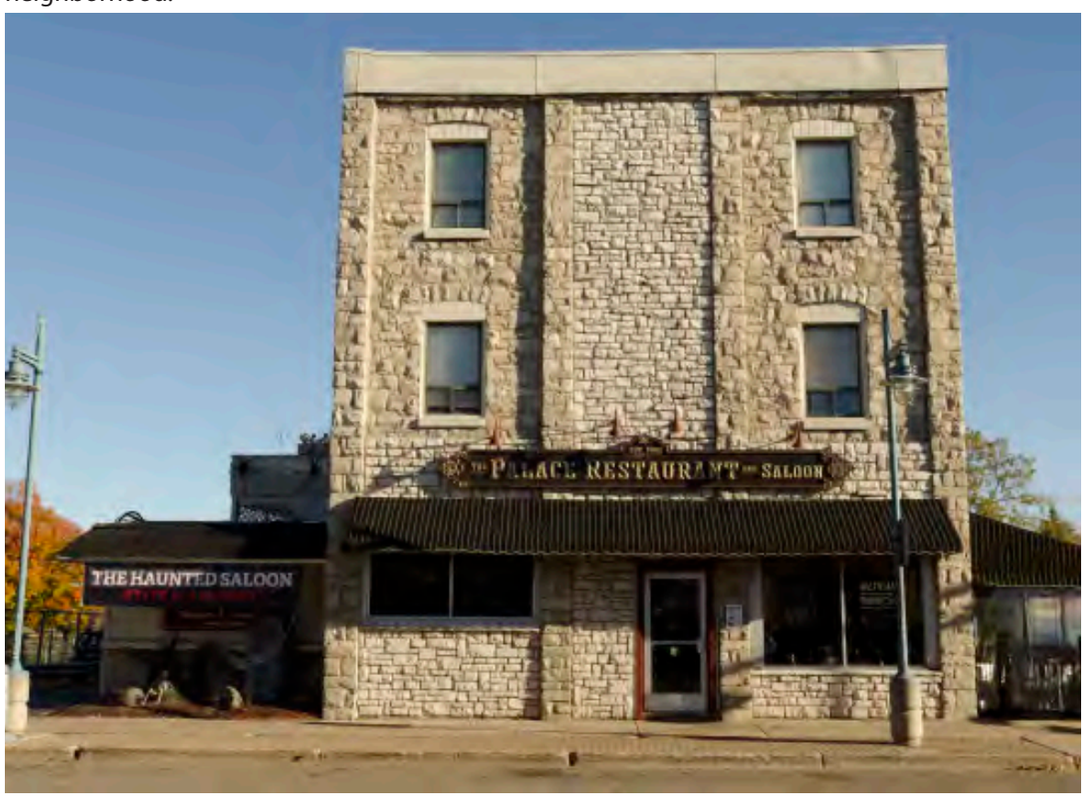
1.2.2. The City will design and implement an efficient, effective and fair permit review and approval process. The City shall explore "one stop" models in collaboration with other permit and approval entities and government agencies in order to streamline administrative processes and improve economic competitiveness.

Goal 1.3: The City will encourage development that promotes and protects neighborhood and district character.

1.3.1. The City will prioritize investments in "arrival points" and "gateways" to neighborhoods in order to provide visual cues and functional design features between neighborhoods and districts with different types of hours of operation, mobility and vehicle uses, building types, and emissions.

1.3.2. The City will support and partner with neighborhood and volunteer-based efforts that are focused on neighborhood and district beautification and improvement projects.

1.3.3. The City will support and integrate small businesses that provide convenient services in and near neighborhoods and districts and in a way that fits with the character of the neighborhood.



Goal 1.4: The City will invest in capital improvements that support the community's economic health and well-being.

After financial and economic analysis, the City will prioritize capital improvements and private development projects that require public funding. The Capital Improvement Plan (CIP) will encompass those projects that meet specific criteria regarding their priority in meeting the City's financial and economic needs. When considering the projects within the Capital Improvement Plan for approval and recommendation for funding, the Planning Commission will make its judgment as to the project's conformance with the Master Plan in keeping with the immediate and long-term interests of the entire community.

1.4.1. To aid in this, projects will be the result of analysis by staff, or consultants directed by staff. Analysis may include but not be limited to:

a. Costs and financial impacts of projects.
b. Forecasts covering the useful life of the project detailing economic considerations such as revenue forecasts, jobs added, investments, etc.
c. Forecasts covering the useful life of the project detailing operational and maintenance considerations such as anticipated new operating savings/costs, changes in staffing levels, changes in depreciation funding, etc., along with resulting forecasts for changes in operating budgets.

1.4.2. Projects recommended by staff for inclusion in the Capital Improvement Plan shall be focused in three primary areas for consideration, noted below. Each of the primary areas shall have identified or dedicated funding sources with all current year funding allocated. These primary areas will be shared:

a. Projects required to maintain a current standard of infrastructure service, such as annual street maintenance, utility maintenance projects, etc.
b. Projects that are operational in nature, such as vehicles and equipment, computer systems, telephone systems, etc. For projects in this area, only a listing will be provided.
c. New projects and/or upgrades in current service.

1.4.3. All projects submitted as new/upgrade projects will be categorized by type and evaluated as to their priority within their respective type. This will require the development of categories of projects and a weighted system for prioritizing projects within type. Type categories are:

a. Projects stemming from unforeseen emergencies or opportunities usually requiring an amendment to the existing Capital Improvement Plan;
b. Projects that contain some element of a public/private partnership that aids in the accomplishment of the City's financial plans;
c. Specific Improvements that leverage needed investment in the City or region; and
d. Service upgrades to City infrastructure.

2. TRANSPORTATION

Goal 2.1: The City will ensure that transportation and land use planning and infrastructure improvements are aligned and integrated.

2.1.1 The City will include an analysis of current and future land uses when making decisions about transportation needs and improvements and design options.

Goal 2.2: The City will maintain a safe and effective surface transportation network that serves multi-modal needs and uses.

2.2.1. The City will consider the needs of all types of users and transportation modes when developing or improving a street or road.

2.2.2 The City will continue to use the PASER rating system, or a similar system, to evaluate the pavement condition and will use the data to inform street and road improvement projects.

2.2.3. The City will identify specific transportation projects and improvements in the Capital Improvement Plan.

2.2.4 The City will support efforts to provide public transportation for community members and will consider the ways its land use policies and regulations support increased transportation choices for community members.

2.2.5. The City will support efforts to continue rail and air service to the community.

2.2.6. The City will coordinate and communicate with the International Bridge Authority regarding future land use or transportation efforts that may impact the use of functionality of the bridge.

2.2.7. The City will implement the projects and programs identified as priorities within the City's Non-motorized Transportation Plan. Priority projects requiring dedicated funding will be included in the Capital Improvement Plan.

2.2.8. The City will support water transportation needs and infrastructure maintenance and improvements. This includes plans and efforts to improve docks, marinas, launch sites, and locks facilities.

Goal 2.3: The City will work with public, private, and non-profit partners to fulfill its transportation goals and implement projects and infrastructure improvements.

Partners may include the State of Michigan, including the Michigan Department of Transportation and the Michigan Economic Development Corporation; Federal agencies, including the U.S. Army Corps of Engineers; International Bridge Authority; Downtown Development Authority; Sault Tribe of Chippewa Indians; Lake Superior State University; local civic groups and non-profit organizations; Eastern UP Transit Authority; and other community groups and stakeholders.

3. HOUSING

Goal 3.1: Ensure that housing plans and projects, transportation plans and projects, and parks and infrastructure improvements are aligned and integrated.

3.1.1. City staff will meet monthly to discuss the status of active and planned projects and plans to ensure efforts are integrated and improvements are timed and staged in cost-effective ways to create places where people live and want to live.

3.1.2. Representatives from the Planning Commission and Community Services Board will meet annually to review and discuss the alignment of policies, programs, projects and priorities with a goal of evaluating how efforts are creating places where people live and want to live.

3.1.3. The City will use the Capital Improvement Planning process as an opportunity to explore ways to leverage projects within specific districts and along certain corridors. This may include exploring the pacing and timing projects in order to maximize state or federal sources of funding that can be matched or leveraged for work in a certain area, or by planning and timing improvements to ensure efficiency in the allocation of equipment, resources, energy, funding, or people.

Goal 3.2: The City will work with public and private partners to fulfill local housing needs.

3.2.1. The City will use its existing studies as a guide and will pro-actively seek and develop relationships with public, private, and non-profit housing developers to create and maintain housing to meet local needs.

3.2.2. The City will apply for state and federal grants, as needed and appropriate, to advance the development of housing that meets community needs.

3.2.3. The City will partner with state and federal agencies, regional organizations, educational institutions, private businesses, land banks, and others who share and support the development of housing that meets community needs.

Goal 3.3: The City will support community pride and a sense of belonging.

3.3.1. City staff and officials will support and encourage efforts led by the Sault Housing Commission, neighborhoods, civic groups, associations, and authorities who work with others to inspire land and property owners to improve and maintain their properties as well as provide shelter for the homeless.

3.3.2. The City will support festivals, programs, and events to help connect residents to each other and celebrate the City's unique culture, history, parks, and civic spaces.

4. NATURE & ENVIRONMENT

Goal 4.1: The City, in coordination with the appropriate partners, will support the protection of clean air and water.

4.1.1. City staff will explore the creation and adoption of additional development and building code construction policies and programs that encourage or incentivize "green building" and construction practices.

4.1.2. The City will explore the use of methods and materials that ensure the protection of clean air and water when it develops, redevelops, or upgrades its facilities.

4.1.3. The City will focus on opportunities to improve energy efficiency when it develops, redevelops, or upgrades its facilities.

4.1.4. The City will continue to address needs related to stormwater management and will prioritize infrastructure improvements through its Capital Improvement Plan process.

4.1.5. The City will work with local, state, regional, tribal, and international (Ontario) stakeholders on issues related to the protection of the community's clean air and water.

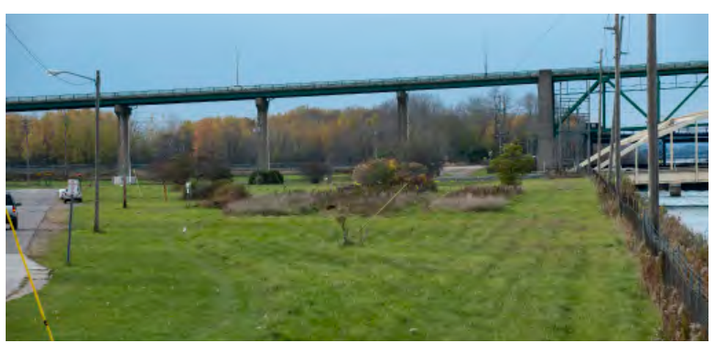
Goal 4.2: The City will provide access to parks, trails, or green space for outdoor recreation.

4.2.1. The City's Parks and Recreation Plan is the tool that guides the City's action and investments in parks. The City will use this plan to evaluate priorities for park development, improvements, and outdoor recreation programming.

4.2.2. The City will work to ensure that every person who lives in the City limits will have access to a park, trail, or green space for outdoor recreation within ½ mile of their residence.

4.2.3. The City will work in collaboration with economic development organizations and stakeholders to promote the City's natural environment and outdoor recreation opportunities.

4.2.4. The City will work with local, state, regional, tribal, and international (Ontario) stakeholders to enhance access to the economic and social benefits of these opportunities for residents.



5. FOOD

Goal 5.1: The City will support access to fresh, nutritious food for residents.

5.1.1 The City will maintain and continue to develop infrastructure and services at the Farmer's Market.

5.1.2. The City will partner with public and private entities at the Farmer's Market who wish to connect residents-in-need to resources that may support their purchase of fresh foods at the Farmer's Market.

5.2.3 The City will evaluate its policies and regulations related to determine the way residents gain access to local fresh and value-added foods.

6. FUTURE LAND USE

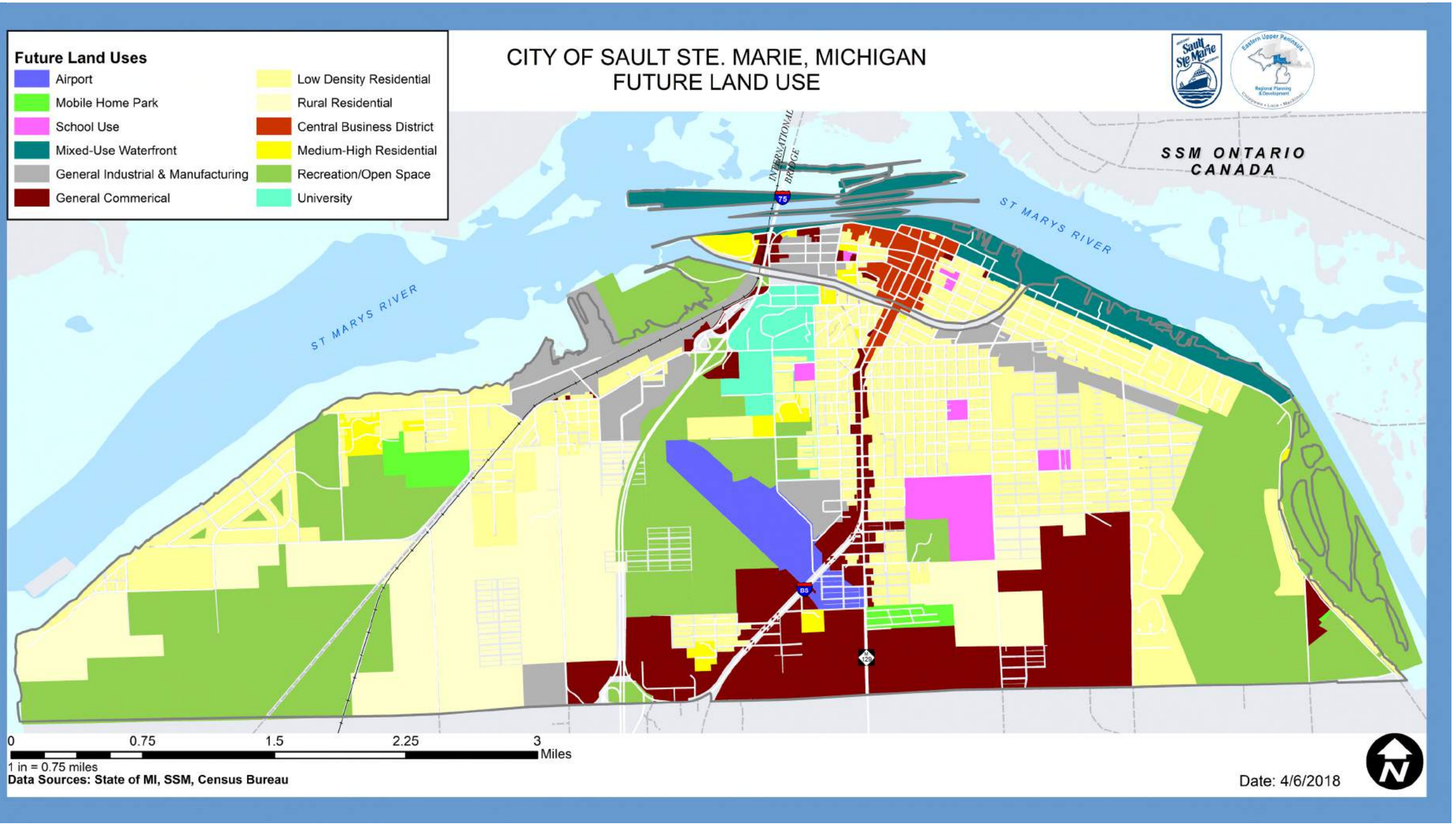
FUTURE LAND USE DISTRICTS

The future land use districts in this plan describe the character, uses, activities, and impacts of activities in different areas of the City. Through this master planning process, the City identified the following future land use districts:

- Airport
- Central Business District
- General Business
- General Industrial & Manufacturing
- Low Density Residential
- Medium-High Residential
- Mixed-Use Waterfront
- Mobile Home Park
- Recreation/Open Space
- Rural Residential
- School Use
- University

The corresponding Map 16 on the next page illustrates the future land use district boundaries. The City's goals and intentions related to future land uses and activities in each of these districts are described below. For reference, the City's current zoning map is also included as Map 12 on page 52 . This map shows the boundaries of the existing zoning districts, which each have corresponding regulations. The future land use map in this plan will help to inform future changes to the zoning map, districts, and ordinance

Map 14: Future Land Use



Airport District

This district aligns with the uses projected to take place on and in the vicinity of the airport grounds. It is envisioned that the balance of the undeveloped airport land adjacent to the present Meridian St alignment will be developed with uses which will benefit from direct runway access. The adjacent commercial and industrial zoning districts (including the Air Industrial Park) will continue to be developed with uses consistent with those permitted in the zoning ordinance.

Central Business District

This District includes a mixture of commercial, residential, civic, and recreation uses. This mixed-use district has been the focus of development and redevelopment projects, including the renovation of buildings with historic facades and architectural elements. The district includes property that falls within the boundaries of the Tax Increment Financing Districts established by the Downtown Development Authority.

Design improvements in this district have been derived from the strong industrial and functional images of the historic Sault Ste. Marie downtown area, as well as its Great Lakes shipping legacy. Materials that are native to the historic buildings in this district include strong and sturdy brick, stone, and cast iron.

The results of a visual preference exercise conducted at the public open house gatherings for the creation of the Master Plan showed that a majority of participants preferred a more traditional two or three-story mixed use building made out of traditional materials such as brick, rather than either a more modern-looking building with a lot of glass or chrome, or a more generic "commercial strip center" style building for the downtown area. Building forms which directly abutted the sidewalk were strongly preferred by attendees over those forms which placed a parking lot between the building and the sidewalk.

The look and feel of the downtown is important. An attractive environment will increase quality of life and enhance economic development opportunities and tourism. This district would benefit from the creation of specific zoning and design standards for bulk dimensions, building materials, parking, signage, yards, setbacks, lighting style and placement, and landscaping in order to facilitate investment in the downtown, including the expansion of housing choices, transportation and mobility, and a strong tax base.

Encouraging and incentivizing downtown private businesses and property owners to improve their properties will be important to improve and retain the type of visual character that will attract and retain residents and visitors. Several property owners have recently participated in a state-sponsored façade improvement program to great success. Current city administration is optimistic that upon seeing the results of the properties which have been completed, other property owners will participate.

This district includes Moloney's Alley, an area which has its own redevelopment sub-plan. The Downtown Development Authority has identified specific additional parcels for infill development and for park use within the Downtown District. There are several parcels where buildings were lost to fire which are vacant and are opportunities for infill development. There are several lots owned by the City near Ridge Street and Ashmun Street that could also be sold and developed. The City participated in the first round of the Place Plans project and this area was the subject of the work which resulted. The final conceptual plan called for a mix of public and private spaces and included a mix of residential and commercial uses. The final plan has been a great tool to get developers interested in exploring the opportunities which exist in downtown Sault Ste. Marie.

The Arlington Street area was identified by community members at public meetings as a potential area for future commercial and mixed-use development, investments, and improvements.

The renovation of the Soo Theater was also brought up by public participants in the open house as a potential project to help support downtown and community development. Communities such as the City of Traverse City and the City of Manistee have undertaken theater renovation efforts. These projects have involved collaborations between government and non-profits. Each of these projects has had a positive impact on downtown development and economic growth.
ing ordinance.

General Business District

There are appropriate places for a wide variety of commercial uses in the City of Sault Ste Marie. This district includes commercial uses that have been developed in a linear pattern located along a major transportation corridor, which is often called a "strip" style of commercial development. The term General in this context refers to commercial enterprises that serve a broad market, and businesses that are not specific to a type of location and could include auto dealerships, hotels, chain restaurants, gas stations, and malls.

These types of property uses are usually reliant on automobile traffic, and often in a corridor that is designed in a way that promotes the tendency for customers to drive from one store to another, rather than parking in a central location and walking to adjacent stores. This pattern of development occurs in the City of Sault Ste Marie on several of its major arterials, including the Ashmun Street/I-75 Business Spur north of Easterday Avenue, along M-129 east and south of the I-75 Business Spur, and along Easterday Avenue east of Ashmun Street.

Every property with a B-3 designation in the current City Zoning Plan and that is not located within a new future land use district is included in this district. The current zoning in this district also allows for mobile home parks and apartments with four or more units.

General Industrial & Manufacturing District

The uses and activities planned for in this district are those with an existing I-1 or I-2 designation in the current zoning map. Land uses in this district include activities that occur at all hours of the day and/or night, and/or that have relatively high levels of activity.

- SAULT INDUSTRIAL PARK AND VICINITY: This 64-acre park is a State-certified, covenant-restricted industrial park. Of the 21 lots in the park, only 2 are undeveloped. This area will continue to be the dominant industrial area of the City. It is located adjacent to the airport, ¼ mile east of the I-75 freeway, and is also relatively close to rail transportation. The potential for deep-water port development will also make this an attractive future industrial development area.
- AIRPORT AREA AND AIR INDUSTRIAL PARK: The community's Airport Area Plan supports the ongoing maintenance and improvement of this facility and airstrip. There are no dramatic changes proposed to the current airfield assets in the near-term. As interest in development of industrial businesses continues to grow, the adjacent Airport Industrial Park will play a significant role in accommodating those uses. The Sault Ste. Marie Economic Development Corporation is currently strategizing how best to market the considerable amount of vacant land remaining within the Park.
- LIME PILE VICINITY: Much of the land in this area is vacant. Problems and challenges related to environmental contamination and cleanup are still unresolved. Resolving these issues is a priority for determining future land uses; however, it is highly likely that the lime piles will remain a long-term fixture in the City.
- WEST END WAREHOUSE AREA: This is the land area by Magazine Street, the Power Canal, Meridian Street, and Portage Avenue. The area's future land uses are uncertain at this time, however, it is likely that this district's uses will continue to move away from industrial uses toward something different. The area's geographic position in relation to the University and to Downtown lend to both commercial, multi-family, and single-family land use opportunities. However, much depends on the outcomes and activities that occur in those adjacent districts. Another important factor that may influence the future of this area is the potential future development and upgrades to the Soo Locks. Rough estimates about the impacts of the Locks project vary, however it is likely that this project will occur over a 10-year period and may involve 2,000 – 2,500 people. Given the location and the relatively large amount of vacant and underutilized land in this area, future changes are likely but the timing and specific uses are unknown. At such time as this area's situation is more completely understood, it would be advantageous to explore creating a subarea plan to ensure that development receives proper guidance.

Low Density Residential District

This district includes properties located in existing RSV, R-1, RS-1, RS-2 and R-1A (R-1A is the only zoning district that allows single-wide mobile homes outside of a state-licensed mobile home park) districts of the current City zoning ordinance.

The district includes the neighborhoods located west of the downtown area, between Minneapolis Street and Seymour Street, between Ryan Avenue and Ashumun Street, and between I-75 and the eastern area of the City (east of Seymour Street). Both of these areas cover a relatively extensive amount of land, and development has already occurred along the existing roadways. The pre-existing pattern of development will influence and impact future development in these areas.

Utility service is a factor due to density and coverage. Additional limiting factors for development in this district include slopes, soils, wetland areas, and the presence of other natural features.

It is important to note that the designation of an area as a low density land use refers primarily to the number of dwelling units located on the lot. It does not necessarily outline the number of occupants allowed in each dwelling, nor does it include "conditional uses" other than residences, as there are several conditional or special uses which may be permitted should certain additional criteria be met.

Medium-High Residential District

The properties in this district include single and multi-family homes including those located in the R-2, RM-1, 2, or 3 districts in the current zoning ordinance.

This designation is also applied to areas where there are already 12 or more dwelling units per acre or where this type of relatively higher density housing is appropriate. Single-family, duplexes, four-plexes, townhomes, condominiums, and apartments are all included in this designation. This district includes existing single-family homes, and group living arrangements allowed by current ordinances in the single-family districts.

The area north and south of the University area and close to the canal is included in this district. This area has been targeted as a potential area for investment and development that will benefit the housing and growth needs and goals of both Lake Superior State University and the City of Sault Ste. Marie. This district will also allow for development and redevelopment of mixed single- and multi-family housing for residents, university faculty, and students.

Areas within this district that are close to the downtown and waterfront areas are prime locations for additional residential development. As investment in the downtown and waterfront continues, these areas will become more desirable places to live in close proximity to community assets, amenities, and services.

Mixed-Use Waterfront District

The City has several existing plans and reports that highlight waterfront development and future land use opportunities. Here is a summary of the recommendations from those reports:

- Capitalize on the location of the City Hall.
- Host waterfront festivals.
- Highlight and invest in recreational opportunities for the Lower River Islands.
- Increase visual access and connectivity to downtown and neighborhoods.
- Redevelop/reuse the tannery property adjacent to the Reiss Coal dock once the site is delisted.
- Invest in planned improvements at Rotary Park.
- Integrate City and Soo Lock plans and permitted uses and coordinate waterfront investments.

The Mixed-Use Waterfront District is informed by these existing plans and best practices and includes suggestions for integrated planning and compatible land uses.

This district includes the Soo Locks, public parks, a marked walking path, historic markers and buildings, residences, and commercial and industrial (lock) uses.

The City has no regulatory authority over federal property. Therefore, coordinating planning and infrastructure investments with the US Army Corps of Engineers will be critical to the City's success in achieving community goals for this district, which include designing places and spaces that encourage public use and enjoyment of the waterfront, and strengthening the connection between the waterfront and the downtown.

Right now, this district's identity is not clear. Currently, commercial and industrial uses are adjacent to campgrounds and parks. Public access to parkland and the waterway is a priority for residents. The Soo Locks support global waterway transportation and were constructed in Sault Ste. Marie to enable expansion of commerce and trade opportunities beginning in 1852. Today, the U.S. Army Corps of Engineers (USACE) Soo Area Office operates and maintains two navigational locks (the Poe and MacArthur Locks), channels and structures and some of the community's waterfront property. There are two additional locks within the complex (the Davis and Sabin Locks) however, no longer in use.

Much of the waterfront is devoted to uses related to water transportation including recreational craft and larger vessels.

- The Carbide Dock can accommodate a 1,000-foot vessel and is important for commercial and industrial uses.
- Sault Ste. Marie's west dock, informally known as the Reiss Dock, has an 800-foot slip and 780 feet of St Marys River frontage. The dock is located at the convergence of deep water, a major rail yard and an interstate freeway. The port has been inactive since the late 1970s/early 1980s and the city is exploring options to off-load materials at the Reiss Dock instead of the downtown Carbide Dock should it become necessary in the future.
- Sault Ste. Marie has two ports that are also Harbors of Refuge, the Charles T. Harvey Marina and the George Kemp Marina. The Charles T. Harvey Marina is a 5.4-acre marina located on the lower St. Marys River. It has 31 seasonal slips and no transient dockage. The George Kemp Marina is located downtown. It was constructed in 1998, has over 50 slips, and can accommodate vessels up to 100 feet in length. The Kemp Marina offers fuel sales and other services for boaters.

Best practices for maintaining access to the waterfront for the public and water-dependent uses in Sault Ste. Marie include improving public waterfront space and capitalizing on tourism with ample amenities and a well-connected downtown waterfront.

Land use within a 1,000-foot buffer of the river consists of 45 percent residential, 34 percent other uses, including areas with active tourism uses, 15 percent industrial and 6 percent commercial uses. The existing City zoning ordinance Tourist District permits water-related uses, among other uses.

Waterfront parks, including Aune-Osborn Campground and Park, Ashmun Bay Park and Rotary Island Park, have boat launches that provide additional access to the upper and lower river.

At Alford Park, a lighted waterfront walkway is utilized by anglers and sightseers. The Soo Locks are a significant tourist attraction. The federal facility has a visitor's center and park and handles 500,000 visitors annually. Both fishing and sightseeing charters, including boat tours of the Soo Locks, are popular tourist activities in Sault Ste. Marie.

The Water Street Historic Walkway provides interpretive information about the many historic features along the waterfront. Among these historic features include the Locks Overlook Station, the Plank Alley Station where the original business district and railroad were located, the Fort Brady Station and the Johnston Homestead Station with historic homes and the Museum Ship Valley Camp.

The U.S. Coast Guard Sector Sault Ste. Marie facility is located to the east of the Soo Locks.

Mobile Home Park District

This future land use district includes areas that are currently mobile home parks. There are two existing mobile home park areas not included in this district. One is located near the Harvey Marina that may transition to other residential uses in the future. The other is an area near the intersection of M-129 and the Business Spur that may transition to retail uses.

The General Business (B-3) District in the current zoning ordinance is the only zoning district which allows for mobile home parks.

Recreation/open Space District

This district includes largely undeveloped land includes areas that have a relatively high concentration of wetlands. Furthermore, large tracts of land in this district are city- and state-owned, which are predominantly used for parks and recreation. There may come a time in the future where development may occur on some of these properties. Development here may require considerations for wetland mitigation.

Rural Residential District

This district's uses will be characterized by relatively low-density residential uses. On the current zoning map, Rural Residential is represented with the acronym "RSV." Parcel sizes in this district will be comparatively larger than the Low Density and Medium-High Residential Districts. Areas in this district are located relatively farther away from the downtown area generally on the south side of the City.

Limiting factors for development in this district include slopes, soils, wetland areas, and the presence of other natural features. Utility service is a factor due to density and coverage.

Rural residential districts are generally adjacent to Low Density Residential districts, School Use districts, Recreation/Open Space districts, or General Commercial districts, including along a relatively large area along the I-75 corridor.

School Use District

Included in this district are all lands owned by school districts. Per Michigan law, these units of government are exempt from local zoning authority. From a practical planning and community development standpoint, what happens on these properties impacts the entire community. Coordination and collaboration with these units of government regarding the future use and development of these properties is a priority for the City. Integrated planning and action steps will be particularly important related to any changes to the use of these properties. The City and Sault Area Schools have a long-standing positive partnership in this regard.
This future land use district includes the buildings and facilities of Lake Superior State University.

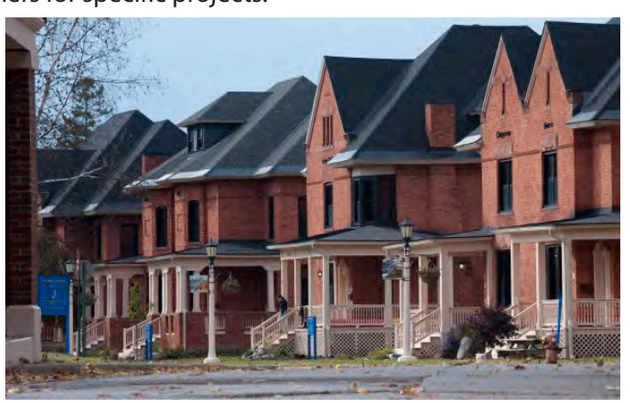
University District

Lake Superior State University recently completed a master plan for its campus area, including properties adjacent to the campus area. During the planning process, University and City leaders met to discuss shared visions and goals. Leaders identified the following shared City and LSSU goals for this district and community needs include creating:

Complete Street transportation solutions, and a safer street and safer crossings and connections for people who are walking and biking along Easterday Avenue.

- A visual "gateway" to the City and the campus along Easterday Avenue.
- More visual and physical connections between the campus and the downtown including signed or marked walking and biking paths.
- More housing choices for students, faculty, and City residents close to the campus.

The City and LSSU intend to develop an aligned project-prioritization for this district, and for surrounding areas, including related to housing and transportation choices. This collaborative implementation approach will enable the respective entities to leverage capital investments, including related to streets and other infrastructure. It will also help support coordinated communication with state and federal agencies and funders who may be likely implementation partners for specific projects.



7. APPENDICES

PUBLIC INPUT: OPEN HOUSE COMMENTS

Below are comments given by community members who attended master plan workshops in August of 2015.

Written Comments related to Land use and Zoning:

- Clean up Easterday.
- Eliminate meters to attract people to downtown - otherwise why not shop at Walmart?
- Former Senior Citizen's Bldg on West 4th Ave leased by LSSU for CJ program - future plans?
- Return parking garage to the tax rolls - Gov Osborn and Peck (2).
- Increase development in rea bordered by Gov Osborn, Ridge, Water, and Ashmun.
- The Magazine St., Gros Cup, W. Spruce area is pretty depressing. Some effort should be made here, especially if Fort St. Bridge is a corridor to downtown.
- Vision for area along Water St., near Ashmun: Take down fence and/or improve signage about small gauge railroad, improve visibility/replace signage.
- Comments left near Gov Osborn, Ridge, Arlington: The Sault talks about how old it is but despite the historic homes and a couple of buildings we have very little to really see.
- Would like to see a downtown historic district.
- Would like to see other historic district in City and neighborhood.
- Historic preservation all over town would help. Look at neighborhoods in Traverse City near Munson Hospital and downtown.
- Is the undeveloped property bordered by Easterday, Seymour, Marquette, Shunk polluted or usable?
- Older neighborhoods especially adjacent to downtown need protection from the building of new homes/bldgs or renovated with modern features. Any new building should blend with adjacent housing.
- Area by Median Street - "Shanty town!"
- Future development in area bordered by W Easterday, Meridian St, Riverview Way (3) Review LSSU and City properties in this area and determine best use (1) Add park to this area (1).
- Dog park near N Campus Ct and College Dr.
- Purchase property near peck St, Fort St, Sheridan. Turn into student housing.
- New Considine Hall (South Hall) - use for edu and community - IDEAS?
- Sherman Park - stone pump house building is vacant - City owned?
- Rezone Sheridan, Peck, and Eukeka to multi-family
- Commercial area should be held to a higher standard i.e. improve facades, maintain greenery, and invest into their businesses.
- Marine services zoning district.
- Three-story mansion along waterfront- used to be a halfway house - yard slopes to the water like a good boat launch site.
- Rezone Peck to multi-family.
- Peck/Eureka St - potential for redevelopment of this area of aging homes - could convert to duplexes and nice apartments - highly visible from I-75 - create a good first impression.
- Maintain well kept community parks next to the biggest dumps in town - inspire pride of ownership.

[sic]

Written Comments and Notes related to Transportation Network:

- Create define student walkways along Easterday, Prospect, and Sheridan - stamp and paint sidewalks.
- Would like to see bicycle/pedestrian path along canal.
- Boardwalk along south canal.
- Need a clean "corridor" between university and downtown.
- Put a walkway along the canal.
- Travelers along highway near Bridge plaza are a "captive audience" - great place to tell story of Sault and advertise.
- West Easterday feels like a five-lane, but speed limit of residential. Turn into 3-lane with parking and/or bike lane?
- There used to be snow shoe print on the sidewalk. What happened to those?
- Rail? (note left along waterfront area to the west of International Bridge).
- How about a bike, walk, jog trail along the canal on the old Union Carbide rail line and property.
- Improve access to tunnel under I-75.
- 8th Ave by ballfields (Ryan-Meridian) needs to be redone with bike paths or walks if possible.
- Is idea of connecting road from Marquette to Riverside dead?
- Will wide shoulders be implemented on Seymour?
- Need to reference City Non-motorized Plan.
- Incorporate water trails work being done by EUP for Lake Superior and St. Marys River.

[sic]

Written comments about downtown area:

- It is frustrating having nice buildings next to derelict bldgs. in town.
- Restore as many buildings as possible along Ashmun - especially Soo Theatre.
- make Moloney's Alley happen!!
- More LSSU visibility on Prtage and downtown.
- Cool vacant stone building on Portage that needs renovation…
- Focus more business development downtown.
- Further development of commercial area along Portage.
- Commercial development and things to think about - unpaved alleys, not good drainage in alleys.

[sic]

Comments about waterfront areas:

- We have great waterfront opportunities but slow to move on them.
- Waterfront TIF that mimcks DDAs? (comment written on note near Water and Ashmun).
- Ashman Bay? (2)
- Clean up waterfront development.
- Plase clean up unused equipment along waterfront.
- Shouldn't have industrial park on our waterfront.
- Obsolete buildings and land east and west of power plant could be developed for commercial uses.
- Parcel near international bridge is a good development parcel for market rate housing (Petoskey developer?).

[sic]

PUBLIC INPUT: VISUAL PREFERENCES

Each bullet point directly quotes stakeholder responses. Corresponding photos are located underneath the comments.

Photo 1:

- No, junky looking.
- Strip mall = suburb = no
- Business spur only
- Looks cheap
- Need to park in back. Not nice for downtown.
- Neat and clean but better for business spur and not downtown
- Not a look I want downtown
- Not for downtown, ok for business spur

[sic]

Photo 2:

- No
- Too modern for our downtown
- Does not enhance the uniqueness of Sault Ste Marie
- Better for obsolescent commercial areas east of city or on business spur
- Doesn't fit city's style
- Yes - love it
- Too modern
- Too modern
- Better than a neglected building, but more appropriate for business spur
- Is modern & attractive but maybe okay for adjoining a historic business area. However not main street unless there was a way to mix new & old.

[sic]

Photo 3:

- No
- Plain
- No
- Possibly
- A building façade only a mother could love
- Don't like the pushed back second story
- Looks cheap!
- Fix it. No vinyl
- Interesting signage and a couple of window boxes could make this fairly attractive
- If an older building was configured this way or even without the lower bumped out front, this kind of treatment with appropriate architecture features appropriate for the age of the building
- No to vinyl

[sic]

Photo 4:

- No
- No - We want to capitalize on the fact that the Sault is quaint and historic…too modern and boring
- Pretty, but yuck!
- Ok, but not to be over done
- Too modern
- Better than some
- Also, better than some. Attractive, but lacks the historic aspect that we should capitalize on
- If this is a renovated older building it might work downtown. It is more modern than I prefer.

[sic]

Photo 5:

- Ok, but not preferable
- I like it but it does not have the historic feel needed
- I love it! Modern multi-use! Yes!
- Nice
- Interesting, but may not fit the City's style
- Okay - a little too modern for Sault Ste Marie
- Ok with me
- This has a pretty affluent look to it. It could be blend with some historic facades, and would be better than many buildings we currently have.
- While having more traditional architectural elements it is more modern than I would prefer. It is attractive but very modern feeling.
- Too modern for downtown.

[sic]

Photo 6:

- Yes. Good.
- Yes! Love it!
- Yes
- I like uniformity and classic look. It emphasizes multi-use buildings.
- Beautiful old building. SSM has buildings that could look like this.
- This is nice!
- I like what they have done here. I wuld be curious enough to stop and shop if I was driving through town.
- While not a total restoration of the building it is attractive & almost there. Would be good addition to the downtown area & feel attractive to shoppers.
- Yes please

[sic]

Photo 7:

- No
- Plain - doesn't enhance Sault
- No
- CRAP
- This is a barn, not downtown
- Okay outside city limits
- Please not downtown
- Nothing remarkable about this building
- Not attractive for downtown area
- Nope

[sic]

Photo 8:

- Horrible
- Yikes!
- This girl needs some TLC!
- Rehab yes
- Nope
- Yes! Fix it up and it will look awesome
- Fixed up it could be nice
- Can be fixed
- Has potential, but screams neglect and apathy for community image
- Fixed up and restored it would be great. Yes.

[sic]

Photo 9:

- No.
- Barf! Yuck!
- No. Soo Two only.
- Nope
- Utilitarian - not for the main street downtown
- No
- Maybe for the busines spur. Even then, it could be made more attractive.
- No - not on main street façade
- Never

[sic]

Photo 10:

- Good.
- Desirable.
- Has appeal to it and uniqueness.
- It's ok.
- Yes
- Lovely! I am for it!
- Ok, but non-uniform construction is tacky
- Love it! This is what old downtowns should look like
- Really nice
- I like the variety of styles
- Lively, interesting. Expresses the kind of image most people would like.
- Like the restored historic buildings - yes.
- Inviting

[sic]

Photo 11:

- No
- Well, no
- NEVER!!
- Business spur
- Outdated, no
- Shopping mall - not in a historic area
- No
- Nope
- Definitely would not be a "downtown" asset
- No - not main street façade look
- Nope - no way

[sic]

Photo 12:

- Yes. Great
- love this…
- Gorgeous! I love it!
- yes!
- Yes.
- What SSM would look like if people took pride in ownership
- I love to see old buildings restored - every one that can possibly be made to look like it did originally!
- Great
- This has charm and interest. It would attract shoppers who avoid big box stores.
- Lots of charm and attractive. Would love to see something like this in, but do not want a fake look.

[sic]

PUBLIC INPUT: SURVEY

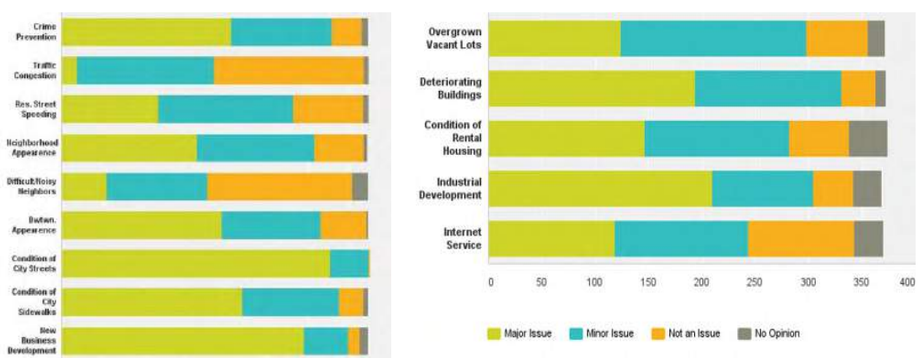
The survey used to gather public input at the onset of this project was prepared and conducted by the Eastern Upper Peninsula Regional Planning & Development Commission. 377 responses were collected. To obtain a full copy of the survey and/or the responses, please contact the commission in any of the following ways:

- Call: 906.635.1581
- Email: agency@eup-planning.org
- Stop in: 1118 E. Easterday Ave., Sault Ste. Marie, MI, 49783
- Check the commission's website: www.eup-planning.org
- Check the city's website: www.saultcity.com

The figures displayed below and to the right are examples of the data collected during this process. In total, 58 questions were asked. The results were used to guide plan formation conversations with the Planning Commission, Downtown Development Authority, and community stakeholders.

Q7: Please indicate to what degree you feel the importance is with the following issues. Please check ONE response for each item

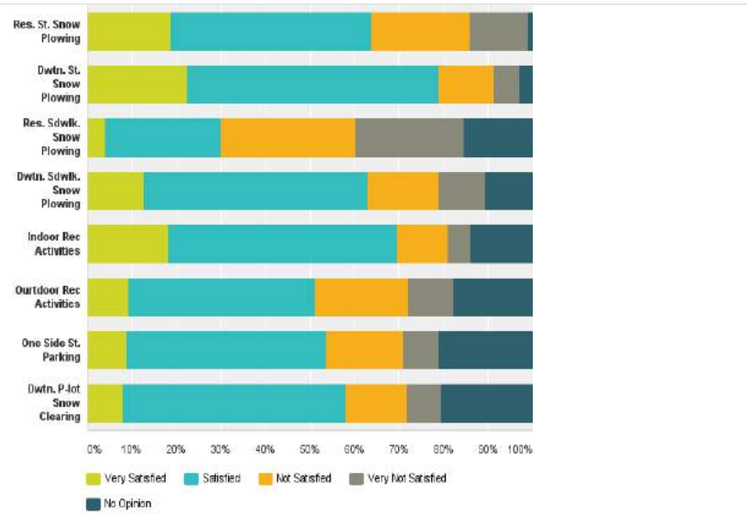
Answered: 375 Skipped: 2



Powered by SurveyMonkey

Q5: Please rate your satisfaction with the following winter programs or activities. Please place a checkmark under the appropriate response

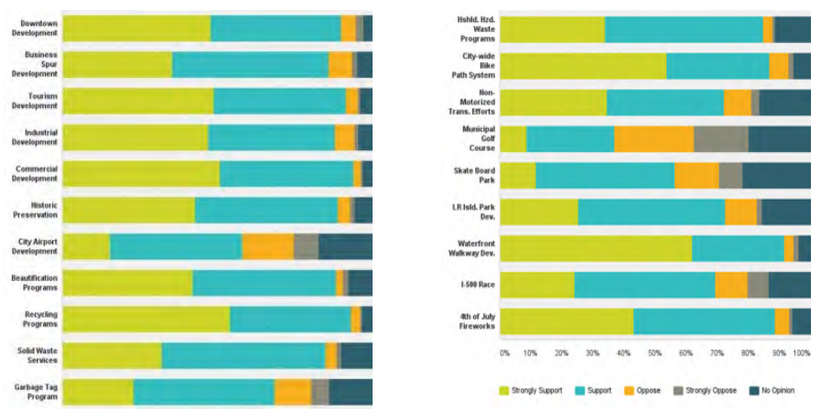
Answered: 372 Skipped: 5



Powered by SurveyMonkey

Q8: How do you feel about the City devoting resources (funding, support staff, etc.) to the following issues, programs or projects? Place check ONE response for each item.

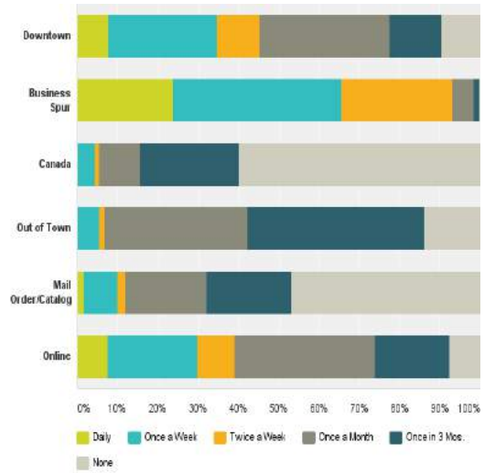
Answered: 373 Skipped: 4



Powered by SurveyMonkey

Q18: In the last three months, how often have you shopped at the following locations? Please select ONE response for each item.

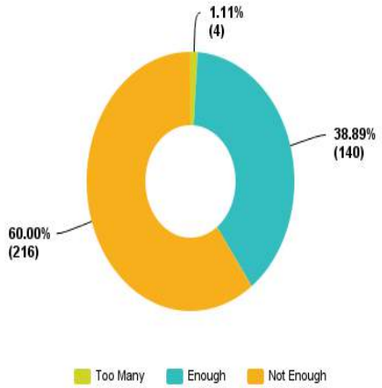
Answered: 373 Skipped: 4



Powered by SurveyMonkey

Q22: With respect to Parks and Recreational facilities, does the City have:

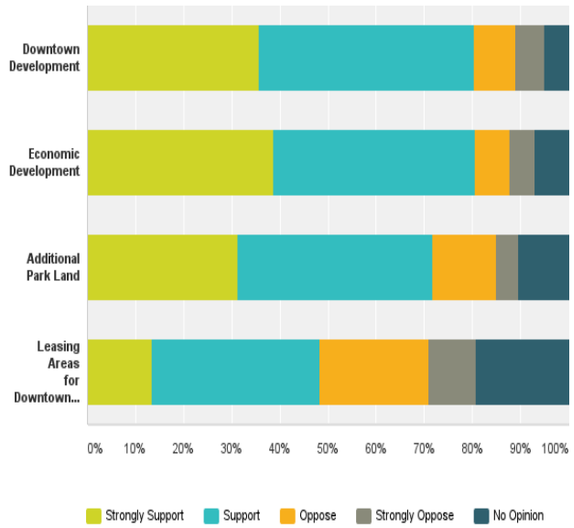
Answered: 360 Skipped: 17



Powered by SurveyMonkey

Q31: Do you support the City's acquisition of property for the following purposes? Please select ONE response for each item listed.

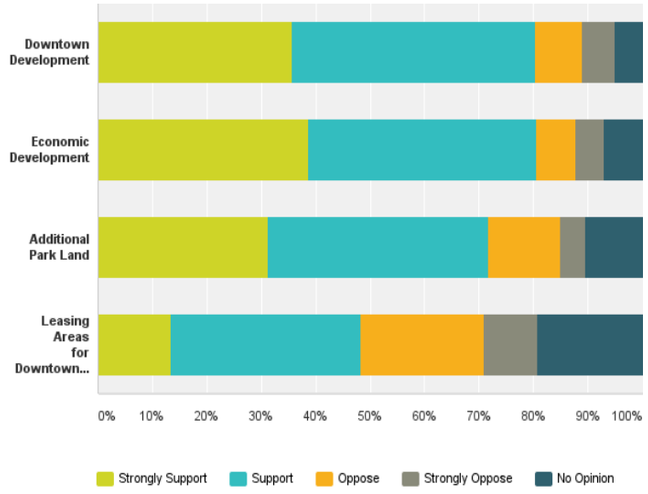
Answered: 355 Skipped: 22



Powered by SurveyMonkey

Q31: Do you support the City's acquisition of property for the following purposes? Please select ONE response for each item listed.

Answered: 355 Skipped: 22



Powered by SurveyMonkey

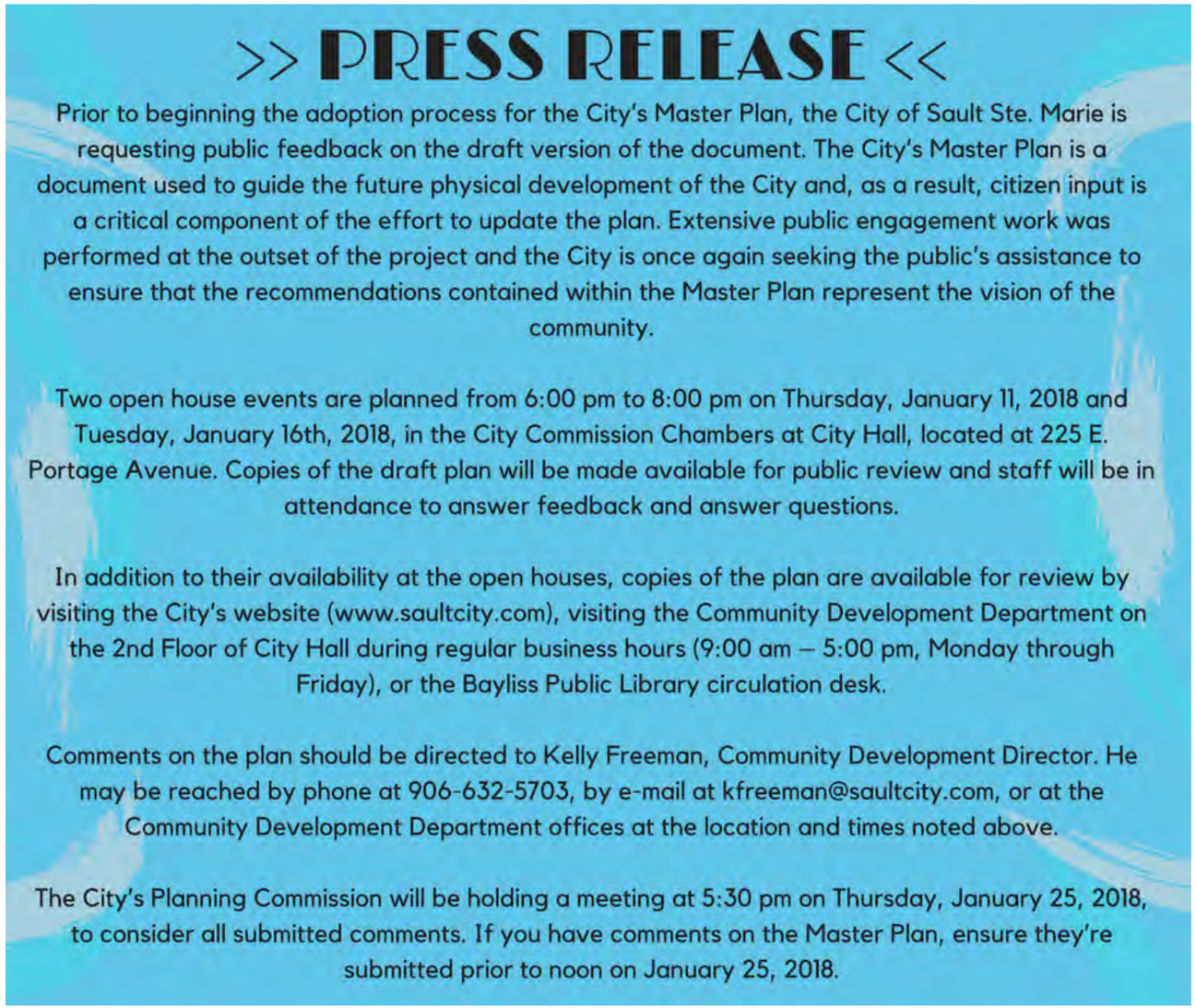
PUBLIC INPUT: OUTREACH

In addition to the public input gathered while this plan was in development, the City continued outreach after the draft was completed.

Copies of the plan were available online, in the Community Development Department, and at the Bayliss Library. Comments could be submitted by phone, email, or in writing.

Two open houses with copies of the plan, comment cards, and City staff available to answer questions. The open house events were held from 6:00 pm to 8:00 pm on Thursday, January 11, 2018 and Tuesday, January 16, 2018 in the City Commission Chambers.

The open houses were promoted on Facebook, as seen to the right, and through the local press.



>> PRESS RELEASE <<

Prior to beginning the adoption process for the City's Master Plan, the City of Sault Ste. Marie is requesting public feedback on the draft version of the document. The City's Master Plan is a document used to guide the future physical development of the City and, as a result, citizen input is a critical component of the effort to update the plan. Extensive public engagement work was performed at the outset of the project and the City is once again seeking the public's assistance to ensure that the recommendations contained within the Master Plan represent the vision of the community.

Two open house events are planned from 6:00 pm to 8:00 pm on Thursday, January 11, 2018 and Tuesday, January 16th, 2018, in the City Commission Chambers at City Hall, located at 225 E. Portage Avenue. Copies of the draft plan will be made available for public review and staff will be in attendance to answer feedback and answer questions.

In addition to their availability at the open houses, copies of the plan are available for review by visiting the City's website (www.saultcity.com), visiting the Community Development Department on the 2nd Floor of City Hall during regular business hours (9:00 am – 5:00 pm, Monday through Friday), or the Bayliss Public Library circulation desk.

Comments on the plan should be directed to Kelly Freeman, Community Development Director. He may be reached by phone at 906-632-5703, by e-mail at kfreeman@saultcity.com, or at the Community Development Department offices at the location and times noted above.

The City's Planning Commission will be holding a meeting at 5:30 pm on Thursday, January 25, 2018, to consider all submitted comments. If you have comments on the Master Plan, ensure they're submitted prior to noon on January 25, 2018.

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/2/2018

Subject: Approval to Apply for a Michigan Transportation Economic Development Funds Grant for Salmon Run Way

Background Information:

As the Commission is aware, the City has been working closely with Lake Superior State University on the Center for Freshwater Research and Education (CFRE) initiative. Plans for the new facility include the relocation of Salmon Run Way which will accommodate access to the parking for the new facility as well as provide access to Alford Park, Cloverland Electric, and potential development of the carbide dock property.

The Michigan Department of Transportation's Transportation Economic Development Fund (TEDF) – Category A grants are available for Economic Development Road Projects. Since LSSU's CFRE facility will generate twelve new high-technology development jobs as well as generate additional tourism for the community, it is possible that the relocation of Salmon Run Way would qualify for grant funding.

In response to a Letter of Interest, the MDOT Grant Coordinator has stated that a minimum twenty percent match is statutorily required; however, based on the number of jobs being created and the amount of funds the department has available, the Grant Coordinator has stated that they would be in a position to only provide the City with $200,000 in grant funds. The estimated construction cost is $420,000 and with a $200,000 grant, the match amount is $220,000 which is a roughly 52% match.

Upon approval to apply for the grant, the application would be submitted for $200,000 in grant funds including $220,000 in matching funds. The grant application package requires a resolution of support from the city including the commitment to provide matching funds. Critically, it should be noted that the matching funds would be provided by LSSU and not by the City.

Recommendation:

That the City Commission approve the Resolution in support of applying for a Michigan Transportation Economic Development Funds grant in the amount of $200,000 for the reconstruction of Salmon Run Way in support of the LSSU CFRE project, as presented.

Fiscal Effects:

If this grant is awarded, a budget request would come before the City Commission to establish the budget with the matching funds source being Lake Superior State University.

Alternatives:

None recommended.

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: City Engineering

Submitted By: lbasista

Date: 5/02/2018

Subject: Approval to Apply for a Michigan Transportation Economic Development Funds Grant for Salmon Run Way

Background Information:

As the Commission is aware, the City has been working closely with Lake Superior State University on the Center for Freshwater Research and Education initiative. Plans for the new facility include the relocation of Salmon Run Way which will accommodate access to the parking for the new facility as well as provide access to Alford Park, Cloverland Electric, and potential development of the carbide dock property.

Michigan Department of Transportation's Transportation Economic Development Fund (TEDF) – Category A grants are available for Economic Development Road Projects. Since LSSU's CFRE facility will generate twelve new high-technology development jobs as well as generate additional tourism for the community, it is possible that the relocation of Salmon Run Way would qualify for grant funding.

In response to our Letter of Interest, the MDOT Grant Coordinator has stated that a minimum twenty percent match is statutorily required; however, based on the number of jobs being created and the amount of funds the department has available, the Grant Coordinator has stated that they would be in a position to only provide us with $200,000 in grant funds. The estimated construction cost is $420,000 and with $200,000 grant, the match amount is $220,000 which is approximately 52% match.

Upon approval to apply for the grant, the application would be submitted for $200,000 in grant funds and $220,000 in match. The grant application package requires a resolution of support from the city including the commitment to provide matching funds.

Fiscal Impact:

None with this action. If awarded a budget request would come before the City Commission to establish the budget with the matching funds source being LSSU. G/L Account #:

Recommendation:

Approve the Resolution in support of applying for a Michigan Transportation Economic Development Funds grant in the amount of $200,000 for the reconstruction of Salmon Run Way in support of the LSSU CFRE project.

RESOLUTION FOR SUBMISSION OF TEDF CATEGORY A GRANT APPLICATION

WHEREAS The City of Sault Ste. Marie, Michigan has been notified of a funding opportunity through the MDOT Transportation Economic Development Fund; and

WHEREAS these funds would be used to offset the costs of relocating Salmon Run Way to accommodate the development of Lake Superior State University's high-technology research Center for Freshwater Education complex and the redevelopment of Alford Park; and

WHEREAS the City of Sault Ste. Marie wishes to apply for $200,000 in TEDF Category A funds understanding that of the total construction budget of $420,000 the City is committing to provide 52.5% match from local funds in the amount of $220,000; and

THEREFORE, LET IT BE RESOLVED, by the City of Sault Ste. Marie to submit an application for $200,000 in TEDF Category A funds to be used to offset the cost of reconstructing Salmon Run Way; and

BE IT FURTHER RESOLVED, that Oliver Turner, the City Manager of the City of Sault Ste. Marie, is authorized to sign all documents and attachments pertaining to this application, the grant agreement and all amendments, as well as all grant payment requests.

AYES:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED

I HEREBY CERTIFY that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Sault Ste. Marie, County of Chippewa, State of Michigan, at a regular meeting held on May 7, 2018 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

ROBIN R. TROYER, CITY CLERK

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/3/2018

Subject: Approval of Parking Garage Fees

Background Information:

During the special meeting held on April 23, 2018 by the City Commission to reconcile possible changes to the proposed budget the matter of increasing fees at the Osborn Boulevard parking structure was referred back to City Administration.

Following the meeting, the Downtown Development Authority proposed the following possible fee schedule:

Annual Regular Permit: $350
Quarterly Regular Permit: $100
Monthly Permit: $40

Annual Residential Permit: $325
Quarterly Residential Permit: $90
Monthly Residential Permit: $35

Annual Residential Senior Permit: $300
Quarterly Residential Senior Permit: $80
Monthly Residential Senior Permit: $35

Hourly Rate: Remaining the same but if changes are made, increasing it to no higher than $1.50 per hour with a maximum rate of $14.00 per day.

Following the meeting, the Finance Department also developed a possible structure for rates which would include a 25% increase to fees, as follows:

Annual Regular Permit: $375
Quarterly Regular Permit: $100

Hourly Rate: Increasing to $1.25 per hour with a daily maximum rate of $12.00 per day.

Critically, it should be noted that following the budget workshop, City Attorney Cannello advised that the City must charge the same rate for residents and non-residents alike. The Finance Department changes would apply to all individuals purchasing permits and are projected to increase revenues by approximately 15%.

For purposes of comparison, the current annual permit fee is $300 and the current quarterly fee is $80.00. The current monthly permit is $30. Current hourly rates are $1.00 for the first two hours and $1.00 for each hour thereafter for a daily maximum rate of up to $12.00. Current residential rates are $275 for an annual permit and $70 for a quarterly permit.

Additionally, the pro forma developed at the time the construction of a parking structure was proposed included projections that for 2018 there would be an hourly rate of $1.75 and a monthly permit fee of $45.00 established.

Recommendation:

That the City Commission approve the following changes for the parking deck:

- Increase the annual permit fee from $300 to $325;
- Increase the quarterly permit fee from $80 to $90;
- Increase the monthly permit fee from $30 to $35;
- Increase the requested space permit fee from $600 to $625;
- Eliminate residential discounts as previously applied;
- And increase the daily rate to $1.25 per hour with a maximum daily amount of $14.00.

Fiscal Effects:

The Finance Department projects that increasing fees under its model would increase revenues by approximately 15%.

Alternatives:

As directed by the City Commission. Action alternatives could include a number of combinations of changes to annual fees and daily rates.

Respectfully submitted,
Oliver Turner
City Manager

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 4/23/2018

Subject: Authorization of a one (1) year extension of the Operations/Management Agreement for the Kemp Marina with Le Sault De Sainte Marie Historic Sites for the 2018 Operating Season

Background Information:

Le Sault De Sainte Marie Historic Sites (Historic Sites) has operated the George Kemp Downtown Marina since its opening in 1998.

In 2017, the administrative payment made under the agreement was $8,756 and for 2018 the amount proposed to be paid is $9,018 (representing a 3% increase over the 2017 rate).

This authorization would extend this long-running agreement one operating season through December 31, 2018.

Historic Sites has done an excellent job in operating the marina for the City of Sault Sainte Marie and the proposed agreement would extend the current agreement for the upcoming season.

Recommendation:

That the City Commission authorize a one (1) year extension of the operation/management agreement for the George Kemp Downtown Marina with Le Sault De Sainte Marie Historic Sites, Inc., as presented, for the 2018 season ending December 31, 2018.

Fiscal Effects:

Funding has been budgeted for the City's obligations under this agreement

Alternatives:

No alternative course of action is recommended.

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Parks and Recreation

Submitted By: dwyers

Date: 4/20/2018

Subject: Authorization of a one (1) year extension of the Operations/Management Agreement for the Kemp Marina with Le Sault De Sainte Marie Historic Sites for the 2018 Operating Season

Background Information:

Le Sault De Sainte Marie Historic Sites (Historic Sites) has operated the George Kemp Downtown Marina since its opening in 1998. The just completed operating agreement provides for a management fee based on a cost of living amount. In 2017, the amount paid was $8,756 and for 2018, the amount agreed to be paid is $9,018 (3% increase over 2017). This authorization would extend the agreement one operating season and end on December 31, 2018. Historic Sites has done an excellent job in running the Marina for the City of Sault Sainte Marie and I believe it is in the City's best interest to continue working with Historic Sites who also manages the Valley Camp and the historic structures in the same location.

Fiscal Impact:

Funding has been budgeted for the City's obligations under this agreement G/L Account #:

Recommendation:

I recommend that the City Commission authorize a one (1) year extension of the operation/management agreement for the George Kemp Downtown Marina with Le Sault De Sainte Marie Historic Sites, Inc. for the 2018 season and ending December 31, 2018.

Authorization of an extension Operations/Management Agreement for the George Kemp Downtown Marina with Le Sault de Sainte Marie Historic Sites for the 2018 Operating Season

Le Sault de Sainte Marie Historic Sites (Historic Sites) has operated the George Kemp Downtown Marina since its opening in 1998. The current operating agreement provides for a management fee based on a cost of living amount. In 2017, the amount paid was $8,756 and for 2018, the amount agreed to be paid is $9,018 (3% increase over 2017). This agreement would extend the agreement one (1) fiscal year and end on December 31, 2018. Historic Sites has done an excellent job in running the Marina for the City of Sault Sainte Marie and I believe it is in the City's best interest to continue working with Historic Sites who also manages the Valley Camp and the historic structures in this same location.

Authorization of a one (1) year extension of the currently lapsed agreement with Le Sault de Marie Historical Sites, Inc. This extension would:

1. Extend the operation/management agreement entered into on May 21, 2013 which called for a term beginning January 1, 2013 and ending December 31, 2017.

2. I recommend that the City Commission approve an extension to the current operation/management agreement with Le Sault De Sainte Marie Historic Sites, Inc. through December 31, 2018.

DRAFT

4-20-18

OPERATION/MANAGEMENT AGREEMENT

This Management Agreement is made this 21st Day of May, 2013:

BETWEEN the City of Sault Ste. Marie, a Michigan Municipal Corporation as City, and Le Sault de Sainte Marie Historical Sites, Inc., a Michigan Non-Profit Corporation, as MANAGEMENT GROUP.

Recitals

1. The CITY leases improved real estate described on Exhibit B.
2. The CITY desires that the facility be operated in an efficient manner.

NOW, THEREFORE, in consideration of the foregoing, the CITY and MANAGEMENT GROUP agree as follows:

Premises

The premises managed hereunder are as shown on the attached Exhibit B.

Term

This Management Agreement shall be for a term beginning January 1, 2013 and ending December 31, 2017, unless sooner terminated according to the terms of this Management Agreement document.

Consideration

The MANAGEMENT GROUP agrees to operate the Marina under the provision of the General Terms described in the attached Schedule "A".

Non-discrimination

During the term of this Management Agreement, the MANAGEMENT GROUP agrees that it shall not discriminate based upon race, color, creed, age, sex or national origin.

Surrender

Upon termination of this Management Agreement, the MANAGEMENT GROUP shall surrender the managed property and all fixtures and equipment, except moveable personal property owned by the MANAGEMENT GROUP, in good repair and condition, broom clean and free of MANAGEMENT GROUP'S PROPERTY.

CITY'S Rights Upon Default of MANAGEMENT GROUP

The occurrence of any of the following shall constitute a default:

A. Delinquency by the MANAGEMENT GROUP in performance or compliance with any of the conditions contained in this Management Agreement for a period of thirty (30) days after written notice from the City to the MANAGEMENT GROUP, except for any default not susceptible of being cured within such thirty day period, in which event the time permitted to the MANAGEMENT GROUP to cure the default shall be extended for as long as shall not be so extended as to jeopardize the interest of the CITY in this Management Agreement or to subject the CITY or the MANAGEMENT GROUP to any civil or criminal penalties.

B. Filing by the MANAGEMENT GROUP in any court pursuant to any statute, either of the United States or any state, of a petition in bankruptcy or insolvency, or reorganization, or for the appointment of a receiver or trustee or all or a portion of the MANAGEMENT GROUP'S property, or an assignment by the MANAGEMENT GROUP for the benefit of creditors.

C. Filing against the MANAGEMENT GROUP in any court pursuant to any statute, either of the United States or any state, or a petition in bankruptcy or insolvency, or for reorganization, or for an appointment of a receiver or trustee of all or a portion of the MANAGEMENT GROUP'S property, if within ninety (90) days after the commencement of any such proceedings against the MANAGEMENT GROUP, such petition shall not have been dismissed.

Upon the occurrence of an event of default, the City at any time thereafter may give written notice to the MANAGEMENT GROUP specifying such event of default and stating that this Management Agreement shall expire upon the date specified in such notice, which date shall be at least twenty (20) days after the giving of such notice, this Management Agreement and all rights of the MANAGEMENT GROUP therein shall terminate. No such expiration of the Management Agreement shall relieve the MANAGEMENT GROUP of its liability and obligations under this Management Agreement, and such liability and obligations shall survive any such expiration.

Waiver

No failure by the CITY to insist upon the strict performance of any term or condition of the Management Agreement or to exercise any right or remedy available on breach thereof, and no acceptance of full or partial performance of the consideration herein called for by the MANAGEMENT GROUP during the continuance of any breach shall constitute a waiver of any such breach or of

any such term or condition. No term or condition of this Management Agreement required to be performed by the MANAGEMENT GROUP and no breach thereof shall be waived, altered or modified except by written instrument executed by the CITY. No waiver of any breach shall affect or alter any term or condition of this Management Agreement, and any such term or condition shall continue in full force and effect with respect to any other then existing or subsequent breach of this Management Agreement.

Risk of Loss

For the entire term hereof, the CITY shall keep the premises insured, at its sole cost and expense, against claims for personal injury, property damage, and environmental pollution under a policy of general public liability insurance. The MANAGEMENT GROUP shall be named as an additional insured.

No destruction or damage to the premises by fire, windstorm, flood, high water, or any other casualty shall entitle the MANAGEMENT GROUP to any right or recovery against the CITY for damages to property owned by the MANAGEMENT GROUP. The MANAGEMENT GROUP shall separately insure or guard against loss to its property. CITY assumes no obligation to repair or restore premises upon damage by fire, flood, or other casualty. The CITY shall be entitled to all proceeds insuring the premises to the extent of its interest therein.

Use of Premises

The MANAGEMENT GROUP may not lease or sublease the premises to other persons, groups or organizations without the prior written consent of the CITY.

Exculpatory Provisions

The MANAGEMENT GROUP shall not be liable for any injury or damage to person or property occurring upon the managed premises unless caused by, or resulting from, the active negligence of the MANAGEMENT GROUP or any of its agents, servants or employees in the operation or maintenance of the managed premises. Similarly, the CITY shall not be liable for any injury of damage to person or property occurring upon the managed premises unless caused by or resulting from the active negligence of the CITY or any of its agents, servants or employees in the operation or maintenance of the managed premises. The CITY shall hold harmless and indemnify the MANAGEMENT GROUP from any and all liability for injury or damage to person or property occurring upon the managed premises caused by, or resulting from, the active negligence of the City or any of its agents, servants or employees. Likewise, the MANAGEMENT GROUP agrees to hold harmless and indemnify the CITY for any injury or damage to person or property occurring upon the managed premises caused

by, or resulting from, the active negligence of the MANAGEMENT GROUP or any of its agent, servants or employees.

The CITY shall provide money to augment marina revenue to cover the costs of operation. The City may set the requirements for reimbursement from the Marina Revenue deposit account.

The revenues of the marina after operating expenses are deducted shall be distributed as follows: (A) Used by CITY to pay all bond debt. (B) After (A), the MANAGEMENT GROUP shall use for upgrades or expansion of the existing marina (C) development and operation of historic homes located on Water Street.

Notices

Notice to the CITY shall be certified mail addressed as follows:

Sault Ste. Marie City Clerk
City Hall
225 East Portage Avenue
Sault Ste. Marie, MI 49783

Notice to the MANAGEMENT GROUP shall be addressed as follows:

Le Sault de Sainte Marie Historical Sites, Inc.
501 E. Water St.
Sault Ste. Marie, MI 49783

Applicable Law

The Management Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan.

Persons Bound

The covenants, terms and conditions, provision and undertaking in this Management Agreement, or in any renewal thereof, shall extend to and be binding upon the heirs, successors and assigns of the respective parties hereto as if they were in each and every case named and expressed.

Cumulative Remedies

The specified remedies to which the CITY or the MANAGEMENT GROUP may resort under the terms of the Management Agreement are cumulative and are not intended to be exclusive or any other remedies or means of redress to which the CITY or the MANAGEMENT GROUP may be lawfully entitled in case

of any breach or threatened breach by the MANAGEMENT GROUP of any provision or provisions of this Management Agreement.

Entire Agreement

This Management Agreement contains the entire agreement between the parties, an any executory agreement hereinafter made shall be ineffective to change, modify or discharge it in whole or in part, unless such agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.

Warranty of Authority

Each of the parties executing this Management Agreement warrants that it is authorized by its respective corporation to enter into and sign this Agreement.

In completion of this Agreement, the parties have signed the same at Sault Ste. Marie, Michigan.

Witnessed by:

Signed by:

CITY OF SAULT STE. MARIE

Anthony G. Bosbous, Mayor

Robin R. Troyer, City Clerk

SAULT HISTORIC SITES, INC.

John P. Wellington

John Wellington President

Richard F. Brawley Exe Director

SCHEDULE "A"

General Terms

I. Duration of the Primary Term of the Management Agreement is from January 1, 2013 to December 31, 2017.

II. Operation/Management Agreement

A. From January 1, 2013 to December 31, 2017 the Agreement will be considered an Operation/Management Agreement under the General Terms listed herewith.

III. General Terms - the MANAGEMENT GROUP is responsible for:

A. The CITY shall provide all utilities, and fuel for resale, however, the MANAGEMENT GROUP shall pay all charges for water, gas, electricity, lights, heat, power, fuel and telephone or other communication service used, rendered or supplied upon or in connection with the managed premises. They shall use the revenues from the marina for this purpose.

B. Administration, Service and Sales Personnel.

C. Maintenance of facilities:

1. Rubbish and trash will be removed as necessary.

2. Grass cutting and watering on a weekly basis.

3. General building maintenance to include daily bath, shower and office clean up.

4. Maintenance Repairs: It is expected that normal maintenance repairs will be taken care of by the MANAGEMENT GROUP in an expedient manner under the cost guidelines provided herewith. The CITY will have the right to require the MANAGEMENT GROUP when notified in writing, to repair items so designated by the City. The Management Group shall be required to furnish copies of the invoices and canceled checks paying those invoices on all maintenance repairs for the year.

5. Marina maintenance to include removal of debris in Marina.

6. Daily morning raising and evening lowering of flags unless inclement weather. The CITY will be responsible for flag replacement as necessary under normal wear conditions.

7. The Management Group will provide on-duty staffing to accommodate the boating public. The Marina will be staffed at the following hours: May 15th - June 30th - 8 to 12 hours per day; July 1st through the day before Labor Day - 10 to 15 hours per day; Labor Day through September 21st - 8 hours per day; September 22nd through October 15th - limited hours as needed. Additional hours of staffing of the Marina can be requested by the City.

8. Pre-winter installation, operation, maintenance and repair of the de-icing system within the limits of the repair provisions and water pipes to be blown out before the winter season. The MANAGEMENT GROUP will be responsible for checking the de-icing systems throughout the winter on an "at least weekly" basis.

D. Equipment - The City shall furnish office equipment, fixtures, tools and Marina equipment as needed and same shall remain the property of the City.

E. Personnel - Employ sufficient personnel to operate the facility pursuant to the Harbor Master's Job Description duties provided by the CITY. Employment shall be governed by the Federal and State Equal Opportunity and Wage and Hour Laws. See Schedule "C", Job Description.

F. Operating Budget - Provide annually, for discussion, review and approval, to the City Commission a detailed operating budget for review, discussion and approval; final approval to be made by City Commission. The operating budget is to detail the expected revenues as well as expenses.

The MANAGEMENT GROUP shall deposit all revenues into the Marina deposit account and pay all expenditures associated with the marina operations on a timely basis. The MANAGEMENT GROUP shall operate a separate account through which funds will be deposited and expended for marina operations. This account shall be exclusive to this use. A monthly report summarizing all income and disbursements for the month is to be provided to the City Manager within thirty (30) days following the end of the previous month. The monthly report shall indicate all operational losses or profits for that period.

The MANAGEMENT GROUP shall provide an annual report and audit by a professional accounting service to the CITY within One Hundred and Fifty (150) days of the conclusion of the MANAGEMENT GROUP'S fiscal year, ending December 31. The audit and annual report must be a separate report for the Marina operations, exclusive of any other MANAGEMENT GROUP activity.

G. Fees and Charges - All fees and charges shall be in accordance with those mandated by the Michigan Waterways Commission unless authority to vary from its schedule of fees and charges is obtained. Requests to vary from the fees and charges set by the Michigan Waterways commission may be made from time to time as negotiated between the MANAGEMENT GROUP and the CITY.

Collection Responsibilities - the MANAGEMENT GROUP will be responsible for collecting and depositing all funds.

Reservation System - The MANAGEMENT GROUP will be responsible for operating the Michigan Waterways Reservation System for the Marina.

H. Rules and Regulations - the General Rules and Regulations as established by the CITY over the years for the operation of the Marina will prevail subject to reasonable negotiation with the MANAGEMENT GROUP. The CITY is willing to review those rules that impeded the operation of the marina on a commercial management basis and made whatever reasonable changes are required. See schedule "D", Rules and Regulations.

I. Concessions - The MANAGEMENT GROUP has exclusive rights for vending concessions within the Harbor Master's building and around the building's perimeter subject to and approval of the City. The City shall receive all net revenue from the washers and dryers.

J. Parking - The MANAGEMENT GROUP will have all rights and use of Lot A as identified on the attached map.

K. Security - The City Police Department will continue to provide the normal and periodic police surveillance. This surveillance will take place as a part of the City Police Department's normal patrol procedure. Any additional security will be the responsibility of the MANAGEMENT GROUP.

L. Special Events - the MANAGEMENT GROUP recognizes that the general area of the Marina is a public place and the citizenry is

allowed to be in that area during reasonable hours. The Marina toilet and bath facilities shall be open to the public during the hours that the Harbor Mater's facility is open. During the hours that the Harbor master's facility is not open, the use of the marina toilet and bath facilities is limited to the marina customers via the bathroom door codes given to boat customer when they check in with the exception that the MANAGEMENT GROUP will open the toilet facilities to the general public during special events as approved by the City. Any necessary clean up and damage caused by the approved Special Events will be the responsibility of the party scheduling the Special Event.

M. Attendance at Meetings - The MANAGEMENT GROUP or its designated representative will attend all meetings of the City Commission when requested to do so by the City.

N. The MANAGEMENT GROUP will present a proposed budget to the City Manager by March 15th of each year for the operation of the Marina for the upcoming season. The City Manager will inform the MANAGEMENT GROUP by May 1st of the approved budget for the Marina operation for the upcoming season.

IV. Additional Terms - MANAGEMENT GROUP responsible for:

A. Access to Facility - the City representatives (i.e. Parks and Recreation Director, City Manager, City Engineer) shall have access to premises at all times for purposes of maintenance or inspection.

V. Administrative Fee

A. The Management Group will withdraw a management fee of $8,184 for the 2013 calendar year with a cost of living percentage to be added to the annual payment in subsequent years. In addition, the Management Group will receive 25% of the net operational profit (fuel sales, dockage fees, pump out fees, vending fees minus operating expenses, support services, cost of fuel, and cost of vending) after the first $10,000 of operational profit as defined above.

B. The City will deposit adequate funds in the Kemp Marina account as required during those months where expenditures exceed revenue. By agreement of the City administration and Management Group, sufficient funds may be left in the Kemp Marina account to cover anticipated winter and spring expenses when minimal revenues are received for the operation of the Marina.

C. Within 30 days of the close of the calendar year, the Management Group will provide a final accounting of the revenues and expenditures for the operation of the Kemp Marina with the City having the option of receiving full payment of any profit or in accordance with "B", leaving a portion of those funds in the Marina account to cover anticipated expenses during the winter months.

D. If any profits is due to the Management Group in accordance with Article V. Administrative Fee, then this shall be paid to the Management Group within 30 days of the City's receipt of the annual audited financial statements for the George Kemp Downtown Marina.

Exhibit "B"

Mariner's Park (Kemp Marina) Legal Description

All of Private Land Claims 106, 107 and 108 lying north of Water Street, except beginning at the northwest corner of Johnston Street and Water Street, a point which is on the east line of P.L.C. 108, thence North 54 degrees 20 minutes West, 130 feet to the Point of Beginning, thence North 54 degrees 20 minutes West, 155 feet; thence South 28 degrees 16 minutes West, 60 feet, then South 54 degrees 20 minutes East, 155 feet to the Point of Beginning, and except the South 75 feet of Lot 555 and the West 34.5 feet of the South 75 feet of Lot 554, all in Assessor's Subdivision No. 13, City of Sault Ste. Marie, Michigan.

SCHEDULE "C"

Job Description

TITLE: HARBOR MASTER

General Summary

Under the direct supervision of the MANAGEMENT GROUP, the Harbor Master oversees the general day-to-day operations of the Marina facility. Responsible for the tending of seasonal boaters, transient boaters, daily records and logs, receipts and weekly reports. Also responsible for general maintenance clean-up of the Marina facility.

Typical Duties

1. Collection of transient boater fees.

2. Maintain security codes for transient boaters to use restroom facility.

3. Keep secure and safe all equipment and facilities of the Marina. Be alert to unsafe conditions as they arise.

4. Maintenance of all flags.

5. Pumping of gas and diesel fuel and collection of its fee.

6. Direct and advise transient boaters on the most suitable dock space.

8. Standby and be ready to assist and receive a line of transient boaters and be ready to fend the vessel away if it appears it will collide with the dock; although a Harbor Master should not use any part of his body to endanger life or limb.

9. Advise law breakers, or potential law breakers, as to illegal procedures.

10. Get information on daily weather conditions and be ready to relay such information when requested.

11. Work special weekends.

12. Keep a running record/total on the gas distributor calculator and record it on the daily record sheet. Also, keep record of and record gallons sold, credit sales, cash gas sales and moorage fees.

13. Maintain the necessary worksheets and accounting to satisfy the reports necessary for the City of Sault Ste. Marie and the State Waterways Commission.
14. Make all needed repairs to the facilities and lawn care as needed.

15. Report all damage (major) to the MANAGEMENT GROUP.

16. Empty all garbage cans as needed.

17. Report monthly to State Waterways Commission as to the number of persons and boats that were transient in that month and also the length of their stay.

18. Maintain a log of all transient boats (name of boat, type, length, home port, the date and time of arrival, number of people, etc.

19. Order miscellaneous supplies (cleaning items, toilet items, sale items, etc.)

20. Deposit money daily.

21. Sell various Marine products.

22. Maintain various equipment and machinery in good working order.

23. Perform routine dock checks (four times daily) to determine whether (a) boats are securely tied, (b) docks are clean and safe, and (c) power is on to individual boats.

24. Respond to telephone and radio calls.

25. Inform the CITY of the operating condition of the red and green flashing lights and the white flood light at the Marina entrance.

The above statements are intended to describe the general nature and level of work being performed by people assigned this classification. They are not to be construed as an exhaustive list of all job duties performed by personnel so classified.

SCHEDULE "D"

Rules and Regulations

Rules and Regulations Governing Use of Marina

A great deal of thought and consultation with other marina operators by the MANAGEMENT GROUP has been given to the following rules and regulations with the primary objective of creating a safe and enjoyable marina facility. It is expected that all users of this facility will understand and respect the efforts of the Police and Harbor Masters as they perform their duty in enforcing these rules and regulations.

Harbor Master's Office

No loitering will be permitted in Harbor Master's Office of other areas of the building. Those persons having business with the Harbor Master or his assistance are welcome to use the facilities.

No storage of personal gear will be allowed in the Marina building storage areas.

No Dockage Areas

"No Docking" areas are marked with red paint. The Harbor Master has complete control over these areas.

Conduct

Disorderly, indecorous conduct or actions which might cause injury or damage to persons or property by any person using, visiting or occupying a vessel within the harbor shall be cause for revocation of any permit issued, directly or implied, for use of the dock and related facilities.

The owner of any vessel, or his authorized agent, using the harbor shall be responsible for the conduct of all persons using, visiting or occupying the vessel.

Swimming

No swimming, diving (including skin diving) or bathing shall be permitted in the water of the harbor in areas designated for boat docking or refueling or in areas regularly traversed or likely to be traversed by boats.

Fishing

Fishing will be permitted on the riverside of the outer pier so long as such activity does not unreasonably interfere with the right of boaters using this facility. Likewise, as a courtesy, boaters shall not unreasonably interfere with fishing activities. The Harbor Master is authorized to establish reasonable rules to regulate these activities.

Pollution

No garbage, oil, sludge, refuse, matter, sewage or waste materials of any kind shall be thrown, deposited or permitted to be thrown or deposited into the water or on the piers, docks or shore areas of the marina except in receptacles provided.

Toilet facilities which empty into the water shall not be used while the vessel is in the Marina, either moored or underway.

Any other disposal of waste oil, fuel or other petroleum products shall be properly disposed of. Please ask Harbor Master for help.

Commercialization

The Marina docks shall not be used as a location for the taking on or discharging of passengers for hire or for any public or freight transportation of any kind whatsoever except with the express written consent of the City.

Signs, placards or commercial displays shall not be permitted, but handout cards and literature can be placed in the Harbor Master's office.

Repairs

No vessel shall be repaired while in the harbor except in the event of an emergency, in which case special permission shall be obtained from the Harbor Master on duty to make repairs sufficient to remove the vessel from the Harbor.

Excessive use of Marina supplies, water and electric power for such unrelated uses as washing automobiles or operating power tools will not be permitted. Normal maintenance of boats shall be permitted but this shall not include major repairs or refinishing.

Federal and State Laws

All owners shall comply with all Federal and State laws, including but not limited to those pertaining to licensing of watercraft and to operation of watercraft.

All vessels shall observe the rules of the road and carry such lights and other equipment as are prescribed by statute or regulations of the Federal or State Government.

No boats, scows, floats or rafts other than the regular sea going equipment carried with the vessel assigned docking space shall be brought into the harbor.

Pets

All pets in Marina area must be controlled on a leash.

Service Vehicles and Bicycles

All vehicles servicing or used in connection with any type of craft must remain in the regularly established roads or parking areas. When not in actual use, all cars, trailers, trucks and other motor vehicles must be parked in designated parking areas. Bicycling, skateboarding and in-line skating are hereby prohibited from on the pier.

Cooking on Piers

Charcoal grills or other cooking devices may not be used on the wood decked piers.

Reservations

It will be the policy of the MANAGEMENT GROUP to operate the marina on a first come/first serve basis.

Rules of the Road Within the Marina

No craft shall be anchored in the Marina except those moored at regularly allotted spaces along the dock or breakwater and/or with the spaces designated by regulation and marked by the Harbor Master as being docking space.

Each operator and/or owner of a watercraft shall be responsible for the wake of such craft, and will control his craft in such manner as not to damage or molest property, personal or real.

All watercraft using the marina and boating facility shall be maintained in a safe and seaworthy condition and equipped in accordance with Coast Guard regulations. They shall also be moored in a manner satisfactory to the Harbor Master and which will avoid fouling any other craft.

Storage on Piers

There shall be no storage on Marina piers.

Shipholder's Obligation

The dockage holder must conform to the Marina MANAGEMENT GROUP'S regulations pertaining to payment dates and amounts. The dockage holder must have paid the proper amount within the time frame spelled out by these regulations.

Violations

Violation of any of these rules on the part of an owner or operator of a vessel using the Marina shall be cause of revocation of any license issued, directly or implied, for use of the facilities. Violation of any of the statutes or rules and regulations issued there under by the Federal or State government will subject the violator to prosecution and penalties as provided by law.

These rules and regulations may be amended from time to time by the MANAGEMENT GROUP at its regular meeting.

Local Name :
Company Logo : City of Sault Ste. Marie

Total Pages Scanned : 17
Total Pages Sent : 17

Transmission Information

No.	Job#	Remote Station	Start Time	Dura.	Pages	Mode	Contents	Result
1	0516	6329344	06-24;12:40	2'03"	17/17	SG3		Done

The documents were sent.

OPERATION/MANAGEMENT AGREEMENT

This Management Agreement is made this 21st Day of May, 2013:

BETWEEN the City of Sault Ste. Marie, a Michigan Municipal Corporation as City, and Le Sault de Sainte Marie Historical Sites, Inc., a Michigan Non-Profit Corporation, as MANAGEMENT GROUP.

Recitals

1. The CITY leases improved real estate described on Exhibit B.
2. The CITY desires that the facility be operated in an efficient manner.

NOW, THEREFORE, in consideration of the foregoing, the CITY and MANAGEMENT GROUP agree as follows:

Premises

The premises managed hereunder are as shown on the attached Exhibit B.

Term

This Management Agreement shall be for a term beginning January 1, 2013 and ending December 31, 2017, unless sooner terminated according to the terms of this Management Agreement document.

Consideration

The MANAGEMENT GROUP agrees to operate the Marina under the provision of the General Terms described in the attached Schedule "A".

Non-discrimination

During the term of this Management Agreement, the MANAGEMENT GROUP agrees that it shall not discriminate based upon race, color, creed, age, sex or national origin.

Surrender

Upon termination of this Management Agreement, the MANAGEMENT GROUP shall surrender the managed property and all fixtures and equipment, except moveable personal property owned by the MANAGEMENT GROUP, in good repair and condition, broom clean and free of MANAGEMENT GROUP'S PROPERTY.

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/3/2018

Subject: Authorization to Research Litigation Related to the Opioid Epidemic

Background Information:

During the Michigan Municipal League's Capital Conference City Commissioners attending a session titled 'Reversing the Opioid Epidemic: Strategies to Save Lives and Communities'.

During this session significant discussion occurred regarding legal actions being taken by local units of government throughout the United States against pharmaceutical manufacturers and other entities in relation to the opioid epidemic.

City Administration has received an inquiry from at least one City Commissioner regarding the ability of the City of Sault Ste. Marie to join such suits. Chippewa County has recently taken such action.

Due to the level of work involved, City Administration researching this matter would require an affirmative vote of the City Commission.

Recommendation:

That the City Commission direct City Attorney Cannello and City Manager Turner to research this subject matter further and report back to the City Commission with action alternatives.

Fiscal Effects:

No budget amendments would be associated with this action.

Alternatives:

As directed by the City Commission.

Respectfully submitted,
Oliver Turner
City Manager

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/2/2018

Subject: Approval to Enter into Closed Session to Discuss Collective Bargaining

Background Information:

As Commissioners are aware, City Administration remains in negotiations or have yet to finalize a collective bargaining agreement with the Police Officers, Police Records, and Fire Fighters bargaining units for successor collective bargaining agreements that could retroactively become effective on July 1, 2017.

Section 8(c) of the State of Michigan Open Meetings Act (Public Act 267 of 1976) specifically states that a public body may meet in a closed session for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement.

Accordingly, City Administration is requesting that the City Commission enter into closed session in order to consider information regarding this subject matter.

Recommendation:

That the City Commission enter into closed session for strategy and negotiation sessions connected with the negotiation of collective bargaining agreements in accordance with Section 8(c) of the State of Michigan Open Meetings Act at the end of the meeting.

Fiscal Effects:

None associated with the recommended course of action.

Alternatives:

None recommended.

Respectfully submitted,
Oliver Turner
City Manager

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 5/1/2018

Subject: Form-Based Code Charrette Update

Background Information:

The public charrette for the Sault Ste. Marie downtown form-based code project is holding its kick-off meeting on Tuesday, May 8th at 7:00 pm at the Ramada Plaza Hotel Ojibway. The charrette itself is planned to run through the afternoon of Friday, May 11th and is composed of a variety of sessions. The session schedule is included in the attached flyer and available online at www.DowntownSooFBC.com. As the project moves forward, the website will be updated with any new information so that the public can review the progress of the project as it is undertaken.

Any members of the public are welcomed to attend this kick-off meeting and provide their vision for Downtown Sault Ste. Marie over the next twenty years.

The feedback received from members of the public during these sessions will be used to create a first draft of a new downtown zoning ordinance, likely to be presented to the community for feedback in July.

Recommendation:

Fiscal Effects:

Alternatives:

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Community Dev/Engineering

Submitted By: kfreeman

Date: 5/01/2018

Subject: Form-based Code Charrette Update

Background Information:

The public charrette for the Sault Ste. Marie downtown form-based code project is having its kick-off meeting Tuesday, May 8th at 7:00 pm at the Ramada Plaza Hotel Ojibway. The charrette itself is planned to run through the afternoon of Friday, May 11th and is composed of a variety of sessions. The session schedule is included in the attached flyer and available online at www.DowntownSooFBC.com. As the project moves forward, the website will be updated with any new information.

Any members of the public are welcomed to attend this kick-off meeting and provide their vision for Downtown Sault Ste. Marie over the next twenty years.

The feedback received from members of the public during these sessions will be used to create a first draft of a new downtown zoning ordinance, likely to be presented to the community for feedback in July.

Fiscal Impact:

N/A G/L Account #: N/A

Recommendation:

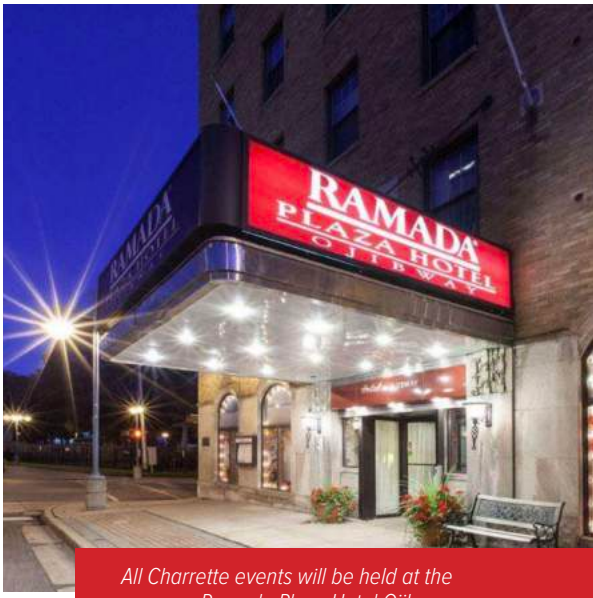
None.

Help shape the future of the Soo!

DOWNTOWN
Sault Ste. Marie, MI
FORM-BASED CODE

Sault Ste. Marie is replacing its current downtown zoning districts with a new Form-Based Code that will provide a framework for land use through smart standards for buildings, streets and public spaces.

The Form-Based Code will be the tool that will make your vision for the Soo a reality. We are excited to hear your input during the code development process, and we thank you for your support!



All Charrette events will be held at the Ramada Plaza Hotel Ojibway

MAY 8 TUESDAY

7:00 PM
Kick-Off Presentation
Learn about Form-Based Codes and share your vision for downtown over the next 20 years.

MAY 9 WEDNESDAY

9:00 AM
Concept Plan and Mental Mapping Workshop
Share how you "see" and interact with your downtown today, and how you would like to in the future.

5:00-7:00 PM
Open Charrette Studio Hours
Feel free to stop by the studio and watch the team at work. Ask questions and provide your input and feedback. This is your Soo, and its future depends on you!

MAY 10 THURSDAY

9:00 AM
Downtown Walking Tour
Walk the downtown with the consultant team and city staff. Participants will learn to identify and quantify what they like about downtown buildings, streets, and public spaces, to inform the Form-Based Code.

2:00 PM
Site Plan Development Workshop
Put on your virtual hard hat and participate in a simulation exercise of a hypothetical new downtown development governed by the Form-Based Code.

5:00-7:00 PM
Open Charrette Studio Hours
Feel free to stop by the studio and watch the team at work. Ask questions and provide your input and feedback. This is your Soo, and its future depends on you!

7:00 PM
Open House and Work-In-Progress Presentation
Visit the charrette studio and give your feedback on the alternatives generated over the previous two days.

MAY 11 FRIDAY

9:00 AM
Regulating Plan Development Workshop
Dive into the nuts and bolts of the Form-Based Code, as the feedback from the previous days gets synthesized into a regulating plan.

12:00 - 2:00 PM
Open Charrette Studio Hours
Feel free to stop by the studio and watch the team at work. Ask questions and provide your input and feedback. This is your Soo, and its future depends on you!

MCKENNA · CIA · seamless collaborative urbanism + design + economics

www.DowntownSooFBC.com

City Manager's Report and Recommendation

City Commission Meeting Date: 5/7/2018

Date: 4/26/2018

Subject: Safer Sault Streets

Background Information:

Speeding vehicles are one of the primary causes of traffic crashes in the State of Michigan, resulting in thousands of injuries and deaths to vehicle occupants and pedestrians. Each year, as the weather turns nicer, speeding tends to increase. In order to curb the amount of speeding vehicles within the City, last spring the Police Department initiated the "Safer Sault Streets" campaign. The program proved to be successful with speeding complaints being gradually reduced. The department will begin the program again this spring.

During their routine patrols officers from the police department will focus on strict speeding enforcement with citations being issued. Officers will use various tools and tactics at their disposal to enforce the posted speed limits. Special attention will be placed on streets where high volumes of complaints are received from; however, the campaign will apply city wide. Other traffic violations will continue to be enforced.

Speeding tickets can result in heavy fines, increased insurance premiums, and points on your driving record. The police department asks all motorists to do yourself and those around you a favor and obey the posted speed limits.

Recommendation:

Fiscal Effects:

Alternatives:

Respectfully submitted,
Oliver Turner
City Manager

Department Submission

City Commission Meeting Date: 5/7/2018

Department: Police

Submitted By: jriley

Date: 4/26/2018

Subject: Safer Sault Streets

Background Information:

Speeding vehicle are one of the primary causes of traffic crashes in the State of Michigan, resulting in thousands of injuries and deaths to vehicle occupants and pedestrians. As the weather turns nicer speeding tends to increase. In order to curb the amount of speeding vehicles within the city, last spring the Police Department initiated the "Safer Sault Streets" campaign. The program proved to be successful with speeding complaints being gradually reduced. The department will begin the program again this spring.

During their routine patrols officers from the police department will focus on strict speeding enforcement with citations being issued. Officers will use various tools and tactics at their disposal to enforce the posted speed limits. Special attention will be placed on streets where high volumes of complaints are received from; however, the campaign will apply city wide. Other traffic violations will continue to be enforced.

Speeding tickets can result in heavy fines, increased insurance premiums, and points on your driving record. The police department asks all motorists to do yourself and those around you a favor and obey the posted speed limits.

Fiscal Impact:

None G/L Account #: N/A

Recommendation:

None