SOUTH NEIGHBORHOOD IMPROVEMENT AUTHORITY AGENDA

March 13, 2023

Regular Meeting - 6:00 PM

1) **CALL TO ORDER**
2) **ROLL CALL**
3) **APPROVAL OF AGENDA** - Items can be added or deleted from the Agenda by City Council action.
4) **APPROVAL OF MINUTES**
   - **A.** Minutes of September 12, 2022 South NIA Meeting
5) **FINANCIAL REPORT**
   - **A.** February 28, 2023 Revenue and Expenditure Report
   - **B.** 2022 State Report
6) **PUBLIC COMMENT ON AGENDA AND NON-AGENDA ITEMS** – Persons addressing the board are required to give their name and address for the record when called upon by the Chair. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.
7) **PUBLIC HEARINGS & SUBSEQUENT BOARD ACTION**
8) **OLD BUSINESS**
9) **REPORTS AND RECOMMENDATIONS/NEW BUSINESS**
   - **A.** 2022 Norfolk Homes Annual Report and Update
10) **PUBLIC COMMENT ON AGENDA AND NON-AGENDA ITEMS**
    Persons addressing the board are required to give their name and address for the record when called upon by the Chair. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.
11) **BOARD REPORTS**
12) **ADJOURNMENT**

SOUTH MARSHALL
NEIGHBORHOOD IMPROVEMENT AUTHORITY

REGULAR BOARD MEETING

MINUTES

Monday, September 12, 2022 at 6:00 p.m.
City Hall Training Room

1) **CALL TO ORDER at 6:00 PM -** By Chairperson Matt Davis.

2) **ROLL CALL -** Present: Matt Davis, Lucy Blair, Ben Holben, Sean LeFere, Michael Murphy, Derek Perry. Absent: Ryan Underhill. With a quorum of all South Marshall Neighborhood Improvement Authority (SNIA) Members in attendance, Mr. Davis commenced the meeting.

   Also Present: William Dopp III, Finance Director and Treasurer; Ryan Schmidt, Partner, INDIGO; Joseph Elias, Grand City Capital.

3) **APPROVAL OF MINUTES –** Moved by Sean LeFere, and seconded by Lucy Blair; the Board unanimously approved the July 11, 2022, Regular Board Meeting Minutes, as written.

4) **ACCEPTANCE OF FINANCIAL REPORT -** Upon motion by Michael Murphy, seconded by Lucy Blair, Board members unanimously accepted without comment the City's Revenue and Expenditure Report for the period ending 08/31/2022, as received from the City of Marshall, Treasurer, William Dopp III. See Attachment A for the written report.

5) **PUBLIC COMMENT** – None.

6) **PRESENTATIONS -** Board Members welcomed as guests two representatives of a development group who together presented a conceptual site development plan for new residential housing at 550 West Hughes/902 South Kalamazoo Avenue (the "property"). Ryan Schmidt, a partner with INDIGO, a Grand Rapids-based real estate development firm, was joined in making the presentation by Joseph Elias, from the Grand City Capital firm, also based in Grand Rapids, Michigan. Their CONCEPTUAL SITE PLAN constitutes Attachment B to these Minutes.

   The goal is to develop the property for multi-family residences. The developers have determined there is definite demand for such housing, but also recognize the challenges in meeting such demand with a mixture of options at economically appropriate prices. Closing upon the property by a wholly owned subsidiary of Grand City Capital is currently anticipated for mid-October, 2022. Appropriate and necessary changes to the current zoning are being explored; these include Multi-Family Residential and Planned Unit Development. The timing of the actual development will depend upon a variety of factors, including the prospect of a Public Act 425 Conditional Land Transfer bringing the property into the City of Marshall to facilitate the provision of City services, including utilities; whether the property will be included in an amended tax increment financing district and plan under the authority of the SNIA Board, a process that likely will take several months; and the possible selection from an array of public financing assistance, including low income housing tax credits. The property is meant to include a solar farm, which may substantially meet the energy requirements of the developed property.

In the process of making and acting upon these decisions, the developers believe they will achieve success, phased in over a period of time, in providing up to 248 new rental options at prices within reach of a mixture of household incomes in the community. The Board's guests spoke also to keeping its own property management in place to preserve good relations with and between tenants and in recognition of the importance of maintaining good operations to protect the ongoing value of the property once developed. The exact mix of options between market and more affordable rental rates has not yet been determined, but is expected to become clearer with experience. The importance of certain external, but influential proximate or adjacent factors, such as the fencing at the Consumers 927 S Kalamazoo Site Plan and the need of an MDOT study to ensure appropriate management of vehicular traffic at the intersection of South Kalamazoo (Old 27/M-227) and Hughes, is also recognized by both the developers and SNIA Board Members.

7) **NEW BUSINESS -** Sean LeFere reviewed the current progress of The Townhomes at Emerald Hills. Three are under construction and available for sale with occupancy expected by the end of 2022. The fourth will be a model. As is also explained in the 6/2/2022 Norfolk Homes brochure, there will be a total of 32 townhomes, each of which includes many features, including: interior design; structural features; kitchen and bath; energy, safety and comfort; services and connections; exterior accents; and community features providing convenient access to the golf course, Marshall Schools for children, and a location about a mile from Historic Downtown Marshall. Recent interest rate increases have hurt the housing market, however, the amenities that are offered and other positives are expected to provide support.

8) **OLD BUSINESS -** None.

9) BOARD COMMUNICATIONS - None.

10) ADJOURNMENT - Having completed the agenda, the Board adjourned at 7:05 PM.

Michael J. Murphy

Michael J. Murphy - Secretary

9.12.2022

Date

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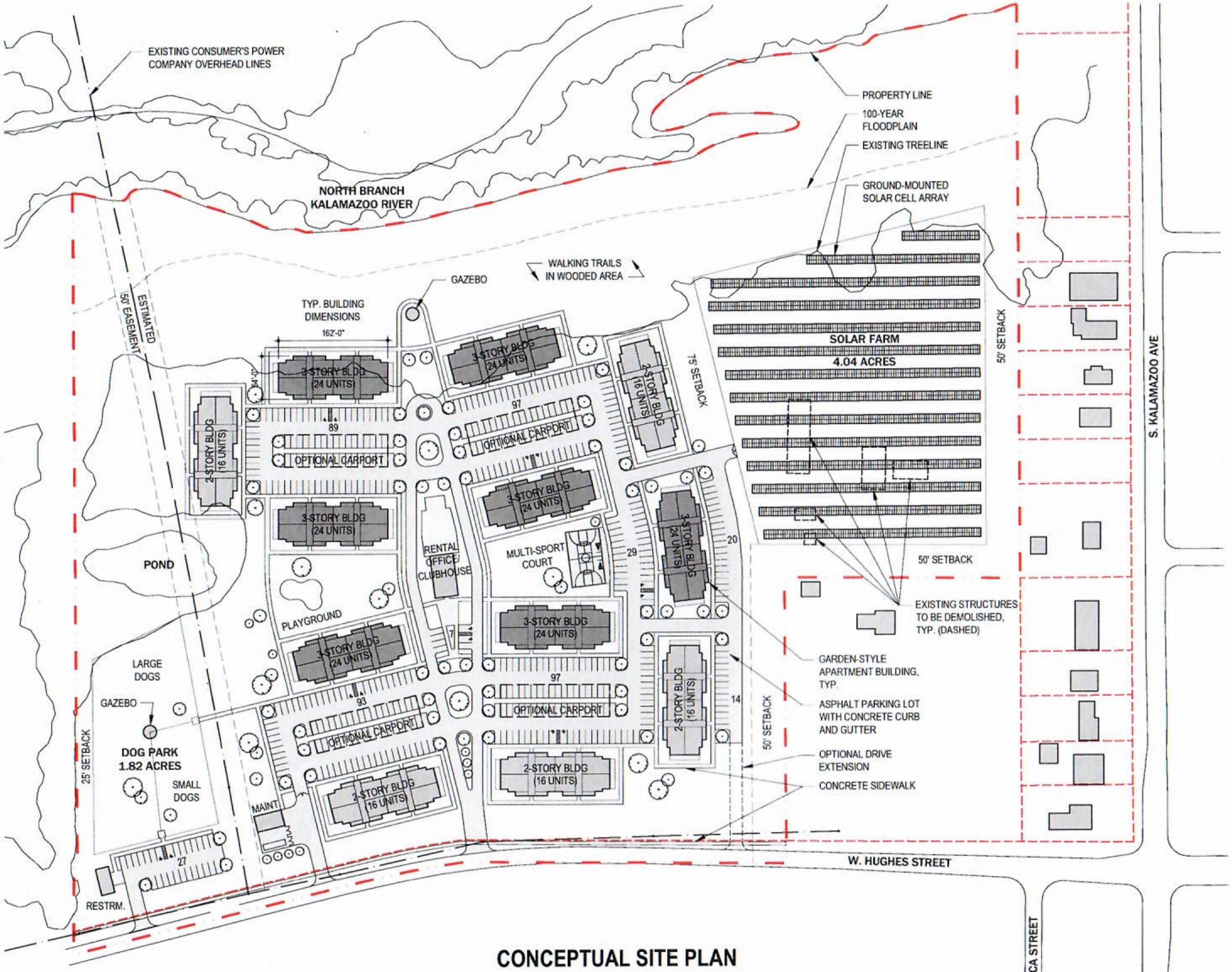
REVENUE AND EXPENDITURE REPORT FOR CITY OF MARSHALL
PERIOD ENDING 08/31/2022
% Fiscal Year Completed: 16.99

GL NUMBER	DESCRIPTION	2022-23 AMENDED BUDGET	YTD BALANCE 08/31/2022	AVAILABLE BALANCE	% BDGT USED
Fund 251 - SOUTH NEIGHBORHOOD IMPROVEMENT AUTHORITY					
Revenues					
Dept 000					
251-000-402.00	Current Property Taxes	13,019.00	0.00	13,019.00	0.00
251-000-665.00	Interest	20.00	0.00	20.00	0.00
251-000-679.00	MISCELLANEOUS REVENUE	19,500.00	0.00	19,500.00	0.00
Total Dept 000		32,539.00	0.00	32,539.00	0.00
TOTAL REVENUES		32,539.00	0.00	32,539.00	0.00
Expenditures					
Dept 000					
251-000-801.00	Professional Services	3,000.00	175.00	2,825.00	5.83
251-000-805.00	Administrative Costs	0.00	500.00	(500.00)	100.00
251-000-955.00	COST ALLOCATION	2,963.00	0.00	2,963.00	0.00
251-000-994.00	Bond Interest Paid	26,010.00	0.00	26,010.00	0.00
Total Dept 000		31,973.00	675.00	31,298.00	2.11
TOTAL EXPENDITURES		31,973.00	675.00	31,298.00	2.11
Fund 251 - SOUTH NEIGHBORHOOD IMPROVEMENT AUTHORITY:					
TOTAL REVENUES		32,539.00	0.00	32,539.00	0.00
TOTAL EXPENDITURES		31,973.00	675.00	31,298.00	2.11
NET OF REVENUES & EXPENDITURES		566.00	(675.00)	1,241.00	119.26
BEG. FUND BALANCE		88,221.13	88,221.13		
NET OF REVENUES/EXPENDITURES - 2021-22			(38,678.81)	(38,678.81)	
END FUND BALANCE		88,787.13	48,867.32		

SNIA
Regular Board
Meeting
9.12.2022

ATTACHMENT A



CONCEPTUAL SITE PLAN
SCALE: 1" = 150'

INDIGO
DESIGN • DEVELOPMENT

920 Cherry St SE, Ste 3
Grand Rapids, MI 49506

www.liveindigo.com

UNIT COUNT

APARTMENT UNITS:	
TWO-STORY BUILDINGS:	80
THREE-STORY BUILDINGS:	168
TOTAL:	248

PARKING COUNT

APARTMENT (REQUIRED):	434
APARTMENT (PROVIDED):	439
OFFICE/CLUBHOUSE:	7
DOG PARK:	27

UNIT DENSITY

LOT AREA:	31.67 ACRES
SOLAR FARM:	4.04 ACRES
DOG PARK:	1.82 ACRES
NET LOT AREA:	25.81 ACRES
DENSITY:	10.41 UNITS/AC

BUILDING AREA

APARTMENT BUILDINGS (EA):	
GROSS TYP FLR PLATE:	9,600 SF
TWO-STORY BLD'G:	19,200 SF
THREE-STORY BLD'G:	28,800 SF
ACCESSORY STRUCTURES:	
MAINTENANCE BLD'G:	1,000 SF
DOG PARK RESTROOMS:	800 SF
OFFICE/CLUBHOUSE:	2,200 SF

FOR INFORMATION ONLY
NOT FOR CONSTRUCTION

N 0' 50' 100' 150'

550 W. HUGHES
Marshall, MI

Conceptual Site Plan
26 August 2022

01

SNIA Regular Board Meeting
9.12.2022
ATTACHMENT B

PERIOD ENDING 02/28/2023
% Fiscal Year Completed: 66.58

GL NUMBER	DESCRIPTION	2022-23 AMENDED BUDGET	YTD BALANCE 02/28/2023	AVAILABLE BALANCE	% BDGT USED
Fund 251 - SOUTH NEIGHBORHOOD IMPROVEMENT AUTHORITY					
Revenues					
Dept 000					
251-000-402.00	Current Property Taxes	13,019.00	23,227.25	(10,208.25)	178.41
251-000-665.00	Interest	20.00	586.74	(566.74)	2,933.70
251-000-679.00	MISCELLANEOUS REVENUE	19,500.00	0.00	19,500.00	0.00
Total Dept 000		32,539.00	23,813.99	8,725.01	73.19
TOTAL REVENUES		32,539.00	23,813.99	8,725.01	73.19
Expenditures					
Dept 000					
251-000-801.00	Professional Services	3,000.00	175.00	2,825.00	5.83
251-000-805.00	Administrative Costs	0.00	500.00	(500.00)	100.00
251-000-955.00	COST ALLOCATION	2,963.00	1,481.50	1,481.50	50.00
251-000-994.00	Bond Interest Paid	26,010.00	13,005.00	13,005.00	50.00
Total Dept 000		31,973.00	15,161.50	16,811.50	47.42
Dept 447 - Engineering					
251-447-740.00	Operating Supplies	0.00	17.98	(17.98)	100.00
Total Dept 447 - Engineering		0.00	17.98	(17.98)	100.00
Dept 577 - Line Distribution					
251-577-702.00	PAYROLL - ELECTRIC	0.00	1,919.72	(1,919.72)	100.00
251-577-715.00	Social Security	0.00	142.72	(142.72)	100.00
Total Dept 577 - Line Distribution		0.00	2,062.44	(2,062.44)	100.00
TOTAL EXPENDITURES		31,973.00	17,241.92	14,731.08	53.93
Fund 251 - SOUTH NEIGHBORHOOD IMPROVEMENT AUTHORITY:					
TOTAL REVENUES		32,539.00	23,813.99	8,725.01	73.19
TOTAL EXPENDITURES		31,973.00	17,241.92	14,731.08	53.93
NET OF REVENUES & EXPENDITURES		566.00	6,572.07	(6,006.07)	1,161.14
BEG. FUND BALANCE		49,542.32	49,542.32		
END FUND BALANCE		50,108.32	56,114.39		

CITY OF Marshall Michigan

TO: SNIA Board of Directors

FROM: William Dopp III, Finance Director/Treasurer

SUBJECT: South Neighborhood Improvement Authority Annual Report

Pursuant to MCL 125.1665(3), the Northeast Neighborhood Improvement Authority shall annually submit to the governing body (City Council) and the Michigan Tax Commission a report on the status of its tax increment financing activity and publish the report in a newspaper of general circulation. Public Act 57 outlines specifically what the format and contents of the report Tax Increment Financing Authorities shall submit.

BUDGET IMPACT: None.

RECOMMENDATION: The SNIA Board of Directors accept and place on file the FY22 SNIA Annual Report.

City of Marshall
South Neighborhood Improvement Authority
Annual Report for Year ending 6/30/2022

Revenue:	Tax Increment Revenue		$	11,794
	Property taxes - from DDA millage only		$	-
	Interest		$	45
	State reimbursement for PPT loss		$	-
	Other income (grants, fees, donations, etc.)		$	-
		Total	$	11,839
Tax Increment Revenues Received				
	From counties		$	2,618
	From cities		$	7,757
	From townships, villages		$	
	From libraries (if levied separately)		$	
	From community colleges		$	1,419
	From local school districts-operating		$	
	From local school districts-debt		$	
	From intermediate school districts		$	
	From State Education Tax (SET)		$	
		Total	**$**	**11,794**
Expenditures	Capital Outlay- Salaries, Construction		$	-
	Admin		$	21
	Bond Issuance Costs		$	-
	Legal Services		$	3,748
	Contracted Services		$	-
	Debt Service - Principal		$	-
	Debt Service - Interest		$	22,705
	Debt Service - Bond Agent		$	500
	Transfers to General Fund		$	-
		Total	$	26,974
Total outstanding non-bonded Indebtedness	Principal		$	765,000
	Interest		$	255,343
Total outstanding bonded Indebtedness	Principal		$	-
	Interest		$	-
		Total	$	1,020,343

ITEM 9.A

TO:	South Neighborhood Improvement Authority
FROM:	Eric Zuzga, Director of Community Services
DATE:	March 13, 2023
SUBJECT:	2022 Norfolk Homes Annual Report and Update

BUDGET IMPACT:

RECOMMENDATION:

Norfolk
HOMES
Dedicated. Distinct.

Annual Update- January 2023

Norfolk completed the first (1) single family home at the end of 2021, and completed another two (2) single family homes mid-2022. The first two (2) structures of the duplex units stated last summer and where substantially complete at the end of 2022, with the Model expected to be open by the end of February. This will bring the total "Structures" complete by December 31, 2022 to 5 (five). Norfolk plans on starting three (3) additional structures of duplex units this spring with completions expected in late fall. This will bring the total structure count to eight (8) by the end of the year 2023

The market has been soft since the Fed started to rapidly raise interest rates in the spring of last year. Affordability continues to be an issue around the State, as well as the County. Fortunately, labor and material cost have started to come down and interest rates have stabilized, allowing us to pass these savings on to buyers. Although rates are still higher than we would like, they are steady if not even falling slightly. We are starting to see traffic pick up as we look forward to the spring market as well as opening our Model (Sales Office) at the end of February.

Thank you –

Sean Lefere
Chief Operating Officer
Norfolk Homes

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