

200259

RESOLUTION NO.: _____

PRESENTED: JUN 22 2020

ADOPTED: _____

RESOLUTION TO PURCHASE PROPERTY AT 8537 DORT HWY. MT. MORRIS, MI 48458 TO COMPLETE THE CONSTRUCTION OF THE SECONDARY WATER SOURCE

BY THE CITY ADMINISTRATER:

WHEREAS, The City of Flint desire to purchase the property located at 8537 Dort Hwy. Mt. Morris, MI 48458 to complete the construction of the Secondary Water Source that was approved by City Council on May 11, 2020.

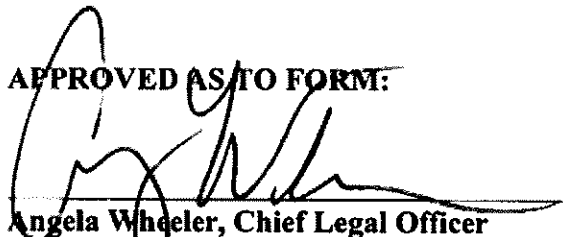
WHEREAS, an appraisal was completed by a certified appraiser and negotiations were completed, resulting in a recommendation of a purchase price of \$30,000.00.

WHEREAS, Documents in support of the purchase are attached.

WHEREAS, The City Administrator, recommends approving the purchase of 8537 Dory Hwy. Mt Morris, MI 48458 to complete the construction of the secondary water source.

THEREFORE, BE IT RESOLVED that the Flint City Council approves the purchase of 8537 Dort Hwy Mt. Morris, MI 48458 to complete the construction of the Secondary Water Source in the amount of \$30,000.00 to be paid from account number 491-551.000-801.068.

APPROVED AS TO FORM:


Angela Wheeler, Chief Legal Officer

FOR THE CITY OF FLINT:


Clyde Edwards, City Administrator

APPROVED AS TO FINANCE:


Amanda Truillo, Acting Finance Director

APPROVED BY CITY COUNCIL:

Monica Galloway, City Council President

Kevin Useelman

useelman@gmail.com

Legacy Realty Professionals
Main: 810-852-6525



Schedule a Showing

Address 8537 N Dort
Municipality Genesee Twp
Mail City Mount Morris
Zip 48458
Asking Price \$32,500
Sold Price
Sale/Rent For Sale
MLS # 31397867
Original MLS# 31397867
Type Vacant Land / Dockminium
Status Active



Agent Remarks BATVIA - check with Genesee Twp. for usage. Billboard income is currently \$1200 annual.

Public Remarks Motivated seller, bring all offers on this parcel with great visibility on 7.63 acres recently zoned commercial. Over 500 feet of frontage on Dort and Frances roads! Endless possibilities in this prime location in a recovering area. Billboard contract with Outfront Media transferable to new owner if desired. Old home foundation still exists along Dort, with utilities in place.

LOCATION INFORMATION

County Genesee
MLS Area Genesee Twp (25010)

Subdivision

Township

Section

Cross Street /

Directions

Legal ALL THAT PART OF NE 1/4 OF NE 1/4 LYING WLY OF DORT HWY EXCEPT S 1015 FT SEC 6 T8N R7E

PROPERTY INFORMATION

Style Vacant Land

Water

Sewer

Certified Inspection

Body of Water

Lot Size On file with twp

Acres 7.63 **Frontage** 69

School Dist MtMorris Consolidated Schools

Property ID 11-06-200-021

Summer Tax/Yr 75.00 / 2018

Winter Tax/Yr 289.00 / 2018

Total Tax / Year 374.00 /

Shared Forms 0

LISTING INFORMATION

List Date 10/16/2019 **Exp Date** 10/16/2020

Lt- Frm Phone Main: 810-852-6525

Lt- Agt 125561 **Kevin Useelman**

Lt-Frm F1314

Legacy Realty Professionals

Lt-Agt Phone

Co-Lt Agt

Co-Lt Frm

Co-Lt Agt Phone

Showing Instructions

Price Per Acre \$4,260

Sold \$ Per Acre 0

Contract Exclusive Right to Sell

Addl Docs

Signed Disc No

Survey on File No

SA: No

Ownership Private

Assessments No /

BA: Ye 2,000.00 Dollar

Short Sale No

Lease (Y/N) No

NA: No

List Excpn No

DOM 218 / 218 **MLS** East Central Association

MORTGAGE INFORMATION

LC Down Pmt

LC Interest Rate 6.00

LC Term (Months)

LC Incl Tax/Insurance No

LC Monthly Pmt

SOLD INFORMATION

Selling Agent

Selling Office

Co-Sell Agent

Co-Sell Office

Pending Date

Closed Date

How Sold

Concessions

FEATURES

FINANCIAL TERMS Cash, Conventional, Land Contract

SEWER SEPTIC Public Sanitary

WATER Public Water at Street



APPRAISAL OF REAL PROPERTY

Vacant Land
8537 North Dort Highway
Mount Morris, Genesee County, MI 48458

IN AN APPRAISAL REPORT

As of March 29, 2020

Prepared For:

City of Flint
1101 S Saginaw Street
Flint, MI 48502

Client ID: 20-002404

Prepared By:

Cushman & Wakefield of Illinois, Inc.
Valuation & Advisory
27777 Franklin Road, Suite 1050
Southfield, MI 48034
Cushman & Wakefield File ID: 20-21009-900112-002

CUSHMAN & WAKEFIELD OF ILLINOIS, INC.
27777 FRANKLIN ROAD, SUITE 1050
SOUTHFIELD, MI 48034



Vacant Land

8537 North Dort Highway

Mount Morris, Genesee County, MI 48458



27777 Franklin Road, Suite 1050
Southfield, MI 48034
Tel +1 248-358-6129
cushmanwakefield.com

April 14, 2020

Mr. Clyde Edwards
City Administrator
City of Flint
1101 S Saginaw St
Flint, MI 48502

Re: Appraisal Report

Vacant Land
8537 North Dort Highway
Mount Morris, Genesee County, MI 48458

Cushman & Wakefield File ID: 20-21009-900112-002
Client ID: 20-002404

Dear Mr. Edwards:

In fulfillment of our agreement as outlined in the Letter of Engagement, we are pleased to transmit our appraisal of the above referenced property in the following Appraisal Report.

This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice.

The subject property consists of 326,352 square feet (7.49 acres) of commercial land located in Genesee County, Michigan. The subject property is along the southwest corner of North Dort Highway and East Frances Road, in Genesee Township, but with a Mount Morris street address. The property is vacant but Outfront Media leases a small portion of the site along the East Frances Road frontage on which it has placed two billboards and reportedly pays \$100 per month in ground rent under a month-to-month lease agreement.

This Appraisal Report has been prepared in accordance with our interpretation of your institution's guidelines and the Uniform Standards of Professional Appraisal Practice (USPAP).

In recent times, the CRE market has been driven by investor demand and strong liquidity. Asset values can fall significantly in short periods of time if either of these two factors, often in conjunction with many others, change significantly. While Cushman & Wakefield is closely monitoring the latest developments and will continue to provide updates as events unfold, the reader is cautioned to consider that values and incomes are likely to change more rapidly and significantly than during standard market conditions. Furthermore, the reader should be cautioned and reminded that any conclusions presented in this appraisal report apply only as of the effective date indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.

Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinion:

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion
Market Value As-Is	Leased Fee	March 29, 2020	\$34,000

Compiled by Cushman & Wakefield of Illinois, Inc.

The value opinion in this report is qualified by certain assumptions, limiting conditions, certifications, and definitions, as well as the following extraordinary assumptions.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

Kevin Usealan of Legacy Realty Group was the broker on a February 2019 sale of the property. He indicated Outfront Media leases a small portion of the site on which is has placed two billboards and pays \$100 per month gross under a month-to-month lease. A copy of said lease was not available and so this analysis relies on the extraordinary assumption that such lease can be documented.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

Mr. Clyde Edwards
City of Flint
April 14, 2020
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Cushman & Wakefield of Illinois Inc.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD OF ILLINOIS, INC.



Susan P. Shipman, MAI
Senior Director
MI Certified General Appraiser
License No. 1201003814
susan.shipman@cushwake.com
248-358-6129 Office Direct

Summary of Salient Facts and Conclusions

Client:	City of Flint
Intended Use:	This appraisal is intended to provide an opinion of the Market Value of the Leased Fee interest in the property for the use of the Client in making a good faith offer to acquire the property. This report is not intended for any other use.
Intended User:	This Appraisal Report was prepared for the exclusive use of the City of Flint. Use of this report by others is not intended by the appraiser.
Identification of Real Estate:	Vacant Land 8537 North Dort Highway Mount Morris, Genesee County, MI 48458
Highest & Best Use (As if Vacant):	A commercial use built to its maximum feasible building area.
Type of Value	Market Value. (defined later in this report)
Real Property Interest Valued:	Leased Fee
Current Ownership:	James H. Olsted
Sale History:	<p>The property was purchased by the current owner, James H. Olsted, on February 12, 2019 from Tiffini Jones Trust for \$24,140. Subsequently, the purchaser paid off the land contract and a Warranty Deed was recorded in April 2019. The property consisted of two tax parcels and was zoned R-2 at the time of sale. The buyer subsequently combined the parcels and rezoned the property C-2 for commercial use. Kevin Usealan of Legacy Realty Group has a sign on the property offering it for sale at \$45,000. He said there have been a couple of interested parties, but no hard offers made.</p> <p>The most recent sale price is 29.0 percent below our concluded opinion of Market Value As Is. The current market value is higher because the sale involved two discrete but contiguous parcels, the larger one being off the corner, whereas it is now one parcel with corner frontage. Also, the property has been rezoned from R-2 residential to C-2 commercial.</p> <p>To our knowledge, the property has not otherwise sold or transferred within three years of the effective date of the appraisal.</p>
Current Disposition:	To the best of our knowledge, the property is not under contract of sale but it is offered for sale via a broker sign on the property, as noted above. We were not able to find the property offered on the broker's website or in the multi-listing service using RealComp.
Personal Property:	Personal property was excluded from our valuation.

Date of Inspection:	March 29, 2020
Effective Date of Valuation:	March 29, 2020 (As Is)
Date of Report:	April 14, 2020
Extraordinary Assumptions:	Kevin Usealan of Legacy Realty Group was the broker on a February 2019 sale of the property. He indicated Outfront Media leases a small portion of the site on which is has placed two billboards and pays \$100 per month gross under a month-to-month lease. A copy of said lease was not available and so this analysis relies on the extraordinary assumption that such lease can be documented.
Hypothetical Conditions:	This appraisal does not employ any hypothetical conditions.
Exposure and Marketing Times:	There is great uncertainty as to how the COVID-19 global pandemic will impact real estate. A detailed discussion of investment considerations including the pandemic is presented later in this report. In the subject's local market, brokers indicate some deals are cancelled and others stalled when it comes to improved properties. The impact on land deals is multifold: <ul style="list-style-type: none"> • Vacant land can be inspected without violating the social-distancing policy but Michigan Governor Whitmer's "stay-at-home" order will deter and/or delay some doing so. • As new construction is curtailed aside from projects necessary for the public health, new development will likely be limited to build-to-suit projects until the market knows how the pandemic will impact leasing and occupancy in existing improved properties. • Inevitably, there will be investors looking for a good deal with interest rates low and willing to purchase on a speculative basis.

VALUATION INDICES		Market Value
VALUE DATE		As-Is
		March 29, 2020
Land Value		
Indicated Value:		\$34,000
Per Acre:		\$4,538
FINAL VALUE CONCLUSION		
Real Property Interest:		Leased Fee
Concluded Value:		\$34,000
Per Acre:		\$4,538
EXPOSURE AND MARKETING TIMES		
Exposure Time:		6-18 Months
Marketing Time:		12-24 Months

Property Photographs



SOURCE: GENESEE COUNTY GIS (FOR ILLUSTRATIVE PURPOSES ONLY, NOT-TO-SCALE)

EAST FRANCES ROAD FRONTAGE, FACING SOUTH/SOUTHEAST



NORTH DORT HIGHWAY FRONTAGE, FACING NORTHWEST



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Scope of Work

Overview

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. Our concluded scope of work is summarized below, and in some instances, additional scope details are included in the appropriate sections of the report:

Research

- We inspected the property and its environs. Physical information on the subject was obtained from the property owner's representative, public records, and/or third-party sources.
- Regional economic and demographic trends, as well as the specifics of the subject's local area were investigated. Data on the local and regional property market (supply and demand trends, rent levels, etc.) was also obtained. This process was based on interviews with regional and/or local market participants, primary research, available published data, and other various resources.
- Other relevant data was collected, verified, and analyzed. Comparable property data was obtained from various sources (public records, third-party data-reporting services, etc.) and confirmed with a party to the transaction (buyer, seller, broker, owner, tenant, etc.) wherever possible. It is, however, sometimes necessary to rely on other sources deemed reliable, such as data reporting services.

Analysis

- Based upon the subject property characteristics, prevailing market dynamics, and other information, we developed an opinion of the property's Highest and Best Use.
- We analyzed the data gathered using generally accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value.
- The results of each valuation approach are considered and reconciled into a reasonable value estimate.

This Appraisal Report has been prepared in accordance with our interpretation of your institution's guidelines and the Uniform Standards of Professional Appraisal Practice (USPAP).

Cushman & Wakefield of Illinois, Inc. has an internal Quality Control Oversight Program. This Program mandates a "second read" of all appraisals. Assignments prepared and signed solely by designated members (MAIs) are read by another MAI who is not participating in the assignment. Assignments prepared, in whole or in part, by non-designated appraisers require MAI participation, Quality Control Oversight, and signature.

Report Option Description

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as an Appraisal Report in accordance with USPAP guidelines. The terms "describe," "summarize," and "state" connote different levels of detail, with "describe" as the most comprehensive approach and "state" as the

least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within the report:

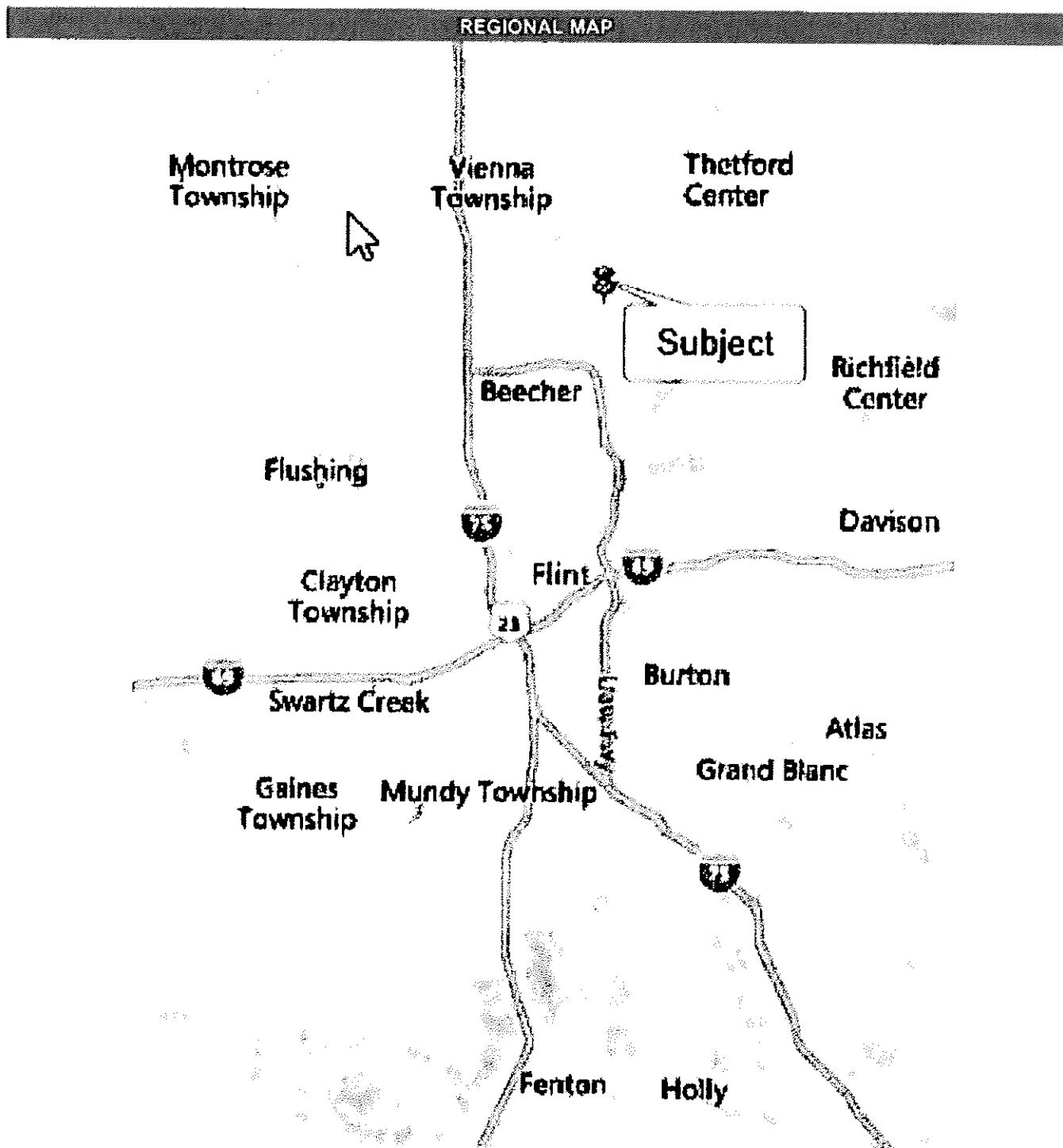
- Summarizes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Summarizes the Scope of Work used to develop the appraisal
- Summarizes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Summarizes the rationale for the Highest and Best Use opinion

Valuation Process

There are three generally accepted approaches to developing an opinion of value: Cost, Sales Comparison and Income Capitalization. We considered each in this appraisal to develop an opinion of the market value of the subject property. In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers.

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

Regional Analysis



Regional Analysis

Introduction

The short- and long-term value of real estate is influenced by a variety of interacting factors. Regional analysis identifies those factors that affect property value, and the role they play within the region. The four primary forces that determine the supply and demand for real property, and consequently affect market value, are: environmental characteristics, governmental forces, social factors, and economic trends.

The subject property is located in the Genesee Township in the north central portion of the Flint CBSA.

Economic & Demographic Profile

The following profile of the Flint CBSA was provided by Moody's Analytics, whose core assets of proprietary editorial and research content as well as economic and financial databases are a source of information on national and regional economies, industries, financial markets, and demographics.

Moody's Analytics approach to the analysis of the U.S. economy consists of building a large-scale, simultaneous-equation econometric model, which they simulate and adjust with local market information, creating a model of the U.S. macro economy that is both top-down and bottom-up. In this model, those variables that are national in nature are modeled nationally while those that are regional in nature are modeled regionally. Interest rates, prices, and business investment are modeled as national variables; key sectors such as labor markets (employment, labor force), demographics (population, households, and migration), and construction activity (housing starts and sales) are modeled regionally and then aggregated to national totals. This approach allows local information to influence the macroeconomic outlook. Therefore, changes in fiscal policy at the national level (changes in tax rates, for example) are translated into their corresponding effects on state economies. At the same time, the growth patterns of large states, such as California, New York, and Texas, play a major role in shaping the national outlook.

In addition, on a regional basis, the modeling system is explicitly linked to other states through migration flows and unemployment rates. Moody's Analytics model structure also takes into account migration between states.

ECONOMIC DRIVERS



EMPLOYMENT GROWTH RANK

2018-2020
275
4th quintile

2018-2023
343
5th quintile

Best=1, Worst=410

RELATIVE COSTS

LIVING
89%

BUSINESS
94%

U.S.=100%

VITALITY

RELATIVE
77%
Rank: 326

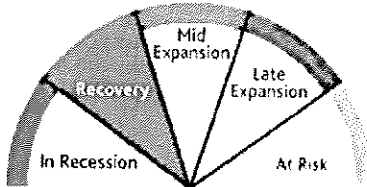
Best=1, Worst=403

QUALITY

OF LIFE
374

Best=1, Worst=378

BUSINESS CYCLE STATUS



STRENGTHS & WEAKNESSES

STRENGTHS

- » High housing affordability and land for commercial and residential development

WEAKNESSES

- » Reliance on domestic vehicle industry
- » Persistent population losses and low labor force participation
- » Poorly educated workforce
- » Below-average per capita income
- » Lead poisoning from water supply

FORECAST RISKS

SHORT TERM

LONG TERM

RISK EXPOSURE
2019-2024

241

3rd quintile

Highest=1
Lowest=403

UPSIDE

- » New infrastructure projects help to sustain strong construction growth

DOWNSIDE

- » COVID-19 becomes a longer-lasting pandemic, significantly damaging manufacturing and the economy
- » Population losses are more pronounced
- » Worsening hospital finances lead to fewer jobs in the healthcare industry

MOODY'S RATING

A2

COUNTY
AS OF SEP 27, 2017

Recent Performance. Flint's auto-centric economy was making progress heading into the current period of COVID-19-related stress. In the wake of the United Automobile Workers strike, FLI has overtaken the state and nation in year-ago job growth for the first time since 2013. The unemployment rate has fallen to a cycle low of 4.3%, the lowest since 2000, but this owes to a hiring spurt that preceded the public health response to the pandemic and unfolding fallout in the labor market. Elsewhere, house price appreciation, while outpacing the state and national rates, has slowed as home sales have slipped.

COVID-19. The containment measures in place to combat COVID-19 will sap the economy's momentum, with employment set to fall sharply in the second quarter. Infections are more prevalent in FLI than elsewhere and population density, which puts many areas at risk of expanding contagion, ranks in the top quartile of areas nationwide. Another demographic risk factor working against FLI is its aging population; nearly one-third of residents are older than 55.

Though FLI is less exposed to industries hardest-hit by the COVID-19 pandemic—tourism, finance and foreign trade—the economic consequences will be significant since factory output will grind to a halt under the statewide "stay at home" order. Additionally, the University of Michigan-Flint has suspended in-person classes and is offering refunds for students who move out of university housing, crimping a key source of revenue. Layoffs are possible if the school cannot weather the financial blow. Finally, FLI's high concentration of business/professional service jobs is misleading since it owes mainly to large numbers of temporary workers who are the first to get laid off when labor demand weakens.

GM. The next two quarters will be difficult for manufacturing, which will experience a sharper

than average decline in employment. Nearly half of factory jobs are in transportation equipment and specifically motor vehicle and parts manufacturing. GM has suspended production at its North America plants, including in FLI, where it is the top employer. The automaker has kept a limited number of voluntary workers for customer care, but remaining workers have been classified as temporarily laid off and the Flint assembly plant has closed. Although the current administration has compelled GM to manufacture ventilators, using the power under the Defense Production Act, this not happening in FLI. Moreover, even after automakers resume production, weak demand will be an obstacle with fiscal stimulus providing only a partial offset to ongoing income losses that will hurt spending.

Healthcare. Despite a large and growing senior population, healthcare will fail to expand in FLI as the number of younger residents dwindles. Healthcare employment has held relatively steady since 2012 and will continue to do so in the short run. Hospitals face challenges due to a small pool of qualified workers. Furthermore, healthcare workers are on the front lines and are the most likely to fall ill, further decreasing the labor supply. Additionally, medical providers are delaying or canceling nonurgent appointments, diagnostics and procedures, though some such as Hurley Medical are shifting to telemedicine.

Flint's near-term forecast has been downgraded significantly since the fall. With businesses having to close shop, output, income and employment will fall. FLI's weak demographics, reliance on cyclical manufacturing, and few avenues of growth suggest the area will underperform even after the virus threat is curbed.

Sebastian Mintah
February 2020

1-866-275-3266
help@economy.com

2013	2014	2015	2016	2017	2018	INDICATORS	2019	2020	2021	2022	2023	2024
13.4	13.4	13.5	13.7	13.8	14.1	Gross metro product (C12\$ bil)	14.2	14.2	14.4	14.6	14.8	15.0
2.6	-0.4	1.1	1.5	0.3	2.5	% change	0.4	0.2	1.6	1.5	1.2	1.1
138.1	138.4	138.2	139.4	139.8	141.0	Total employment (ths)	142.2	143.0	142.9	143.1	143.5	143.5
2.1	0.3	-0.1	0.8	0.3	0.9	% change	0.9	0.5	-0.0	0.1	0.3	0.0
9.7	8.1	6.2	6.0	6.0	5.0	Unemployment rate (%)	5.0	5.3	5.7	6.2	6.3	6.4
1.6	3.3	4.9	3.2	2.4	4.4	Personal income growth (%)	4.6	4.1	3.0	4.4	4.1	3.4
41.6	42.7	43.5	45.0	46.2	48.1	Median household income (\$ ths)	49.5	51.4	53.5	55.5	57.4	59.3
415.6	412.8	410.4	408.8	407.5	406.4	Population (ths)	405.0	403.6	401.9	400.4	399.0	397.5
-0.6	-0.7	-0.6	-0.4	-0.3	-0.3	% change	-0.4	-0.3	-0.4	-0.4	-0.4	-0.4
-3.3	-3.4	-2.5	-1.9	-1.5	-1.2	Net migration (ths)	-1.5	-1.4	-1.8	-1.6	-1.5	-1.4
227	271	345	322	404	435	Single-family permits (#)	481	475	710	990	1,025	972
0	72	68	52	30	195	Multi-family permits (#)	183	78	168	213	207	194
114.3	123.9	132.1	140.1	150.9	162.1	FHFA house price (1995Q1=100)	171.4	181.3	190.1	198.1	204.4	211.1

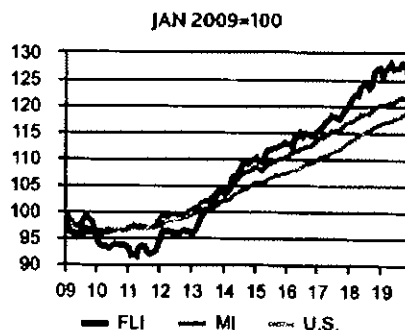
ECONOMIC HEALTH CHECK

3-MO MA	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19
Employment, change, ths	0.2	0.6	0.7	-0.1	-0.7	0.8
Unemployment rate, %	5.4	5.1	4.9	5.1	5.1	5.0
Labor force participation rate, %	56.7	56.9	56.8	56.9	56.7	56.6
Average weekly hours, #	36.7	37.1	37.3	37.1	37.2	37.4
Industrial production, 2012=100	115.3	117.3	116.5	113.4	113.8	114.1
Residential permits, single-family, #	410	351	416	460	497	551
Residential permits, multi-family, #	44	44	120	127	104	16
Dec/Dec	2014	2015	2016	2017	2018	2019
Employment, change, ths	2.3	0.9	-0.7	1.1	0.3	1.4

Unchanged from prior 3-mo MA

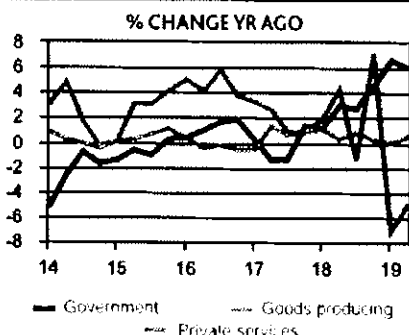
Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX



Source: Moody's Analytics

CURRENT EMPLOYMENT TRENDS



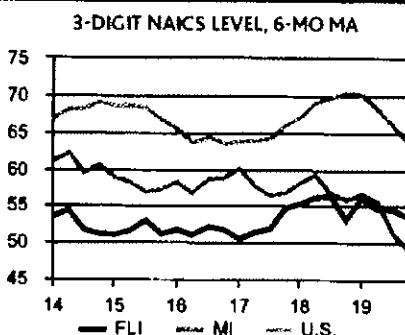
Sources: BLS, Moody's Analytics

% CHANGE YR AGO, 3-MO MA

	Dec 18	Jun 19	Dec 19
Total	11	0.7	0.0
Mining	2.5	1.3	3.0
Construction	8.6	3.7	2.9
Manufacturing	1	-3.7	-11.8
Trade	0.3	2.0	-0.8
Trans/Utilities	5.1	14.3	1.4
Information	4.8	0.8	1.7
Financial Activities	0.7	-2.6	0.1
Prof & Business Svcs	7.0	4.4	3.0
Edu & Health Svcs	-1.5	1.2	-2.4
Leisure & Hospitality	1.2	2.9	1.8
Other Services	0.8	1.3	0.7
Government	1.1	2.7	6.6

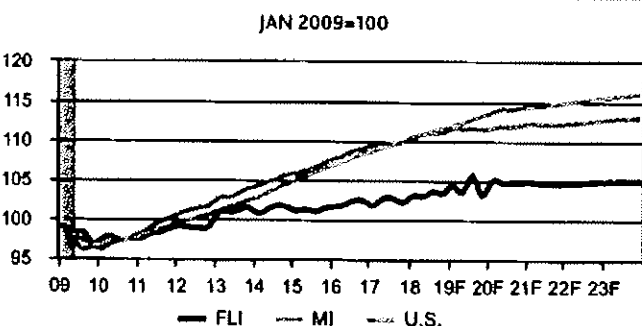
Sources: BLS, Moody's Analytics

DIFFUSION INDEX



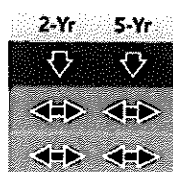
Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE

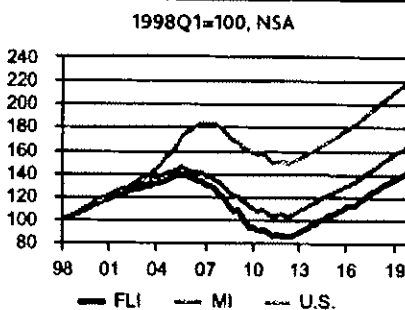


Sources: BLS, Moody's Analytics

FORECAST VS. 6 MO PRIOR

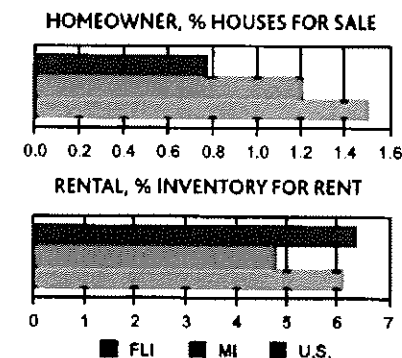


HOUSE PRICE



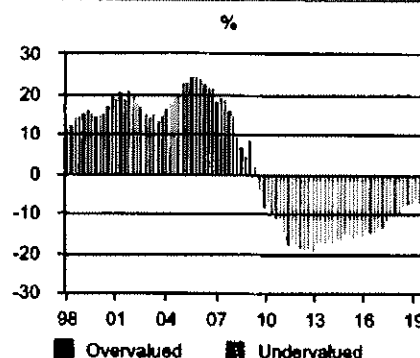
Sources: FHFA, Moody's Analytics

VACANCY RATES



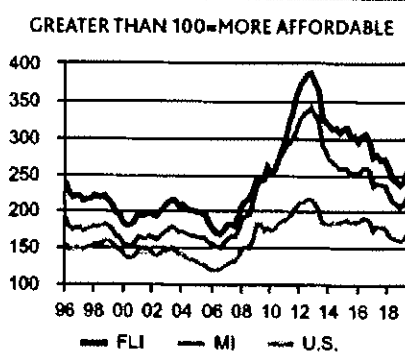
Sources: Census Bureau, ACS, Moody's Analytics, 2018

HOUSE PRICE TRENDS

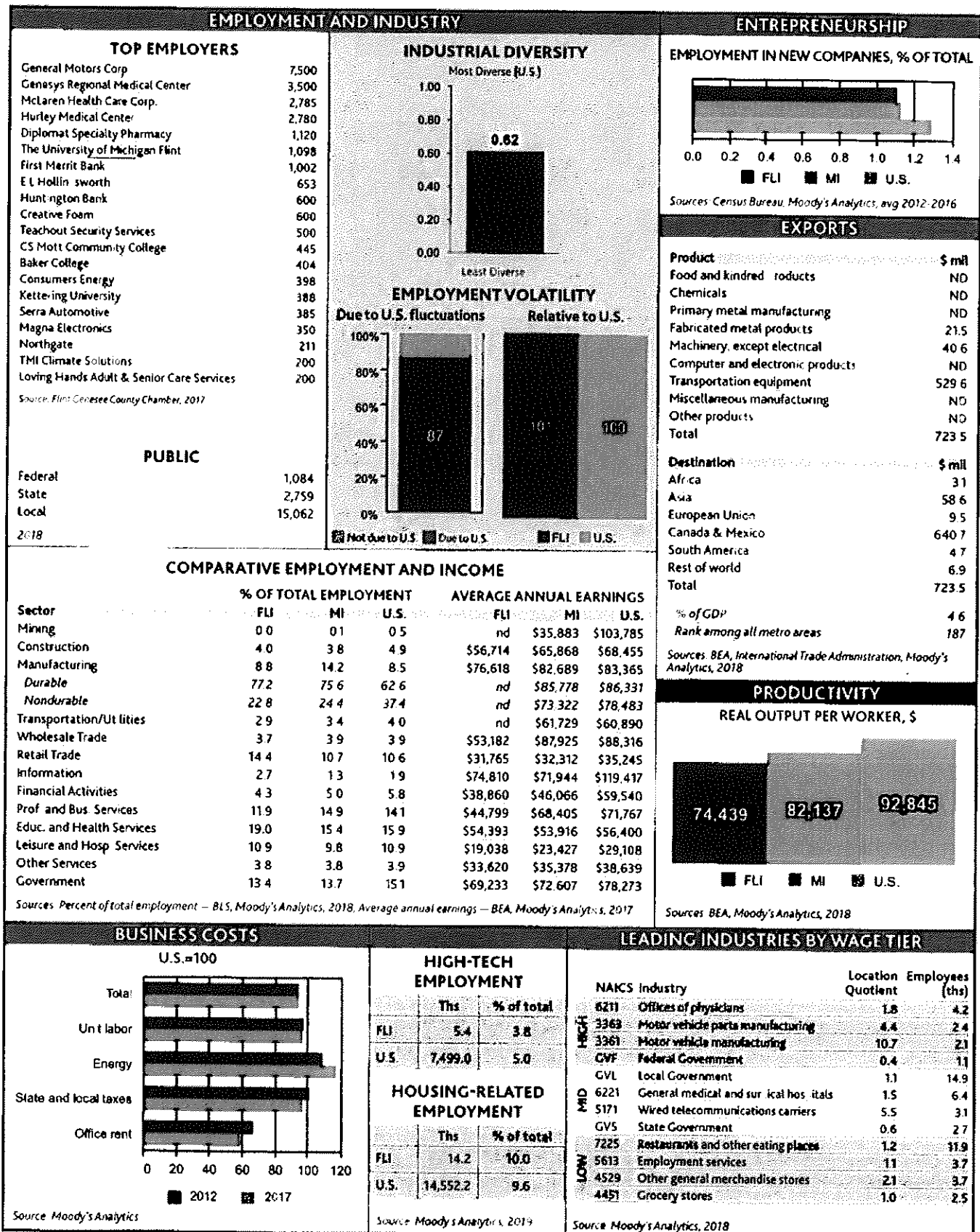


Sources: FHFA, Moody's Analytics

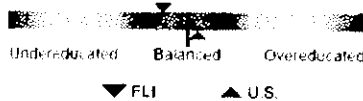
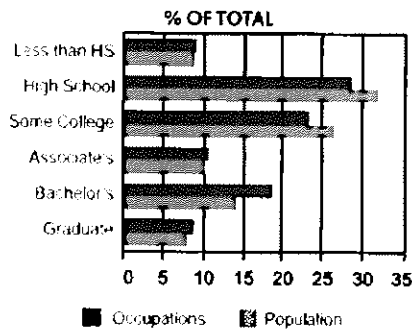
HOUSING AFFORDABILITY



Sources: NAR, Moody's Analytics



SKILLS MISMATCH

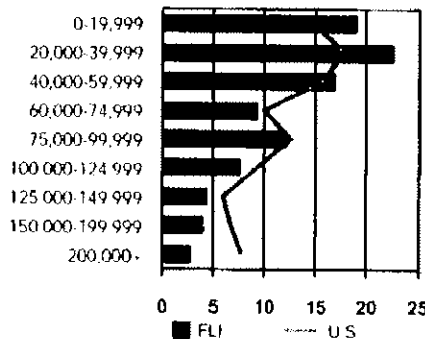


ECONOMIC DISENFRANCHISEMENT

Index	2018	Rank*
Gini coefficient	0.47	131
Palma ratio	3.3	129
Poverty rate	18.8%	54

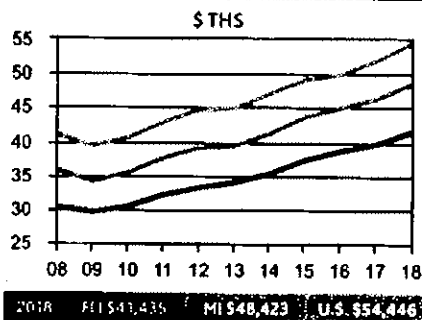
*Most unequal=1, Most equal=403

HOUSEHOLDS BY INCOME, %



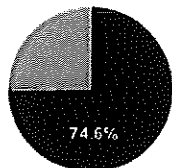
Sources: Census Bureau, ACS, Moody's Analytics, 2018

PER CAPITA INCOME



COMMUTER FLOWS

RESIDENTS WHO WORK IN FLI

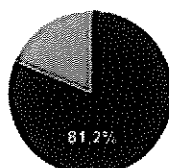


Top Five Outside Sources of Jobs

Location	Share
Warren MI	16.3
Saginaw MI	2.7
Detroit MI	1.6
Lansing MI	1.1
Ann Arbor MI	0.9

Sources: Census Bureau, Moody's Analytics, avg 2009-2013

WORKERS WHO LIVE IN FLI



Top Five Outside Sources of Workers

Location	Share
Warren MI	10.5
Saginaw MI	2.4
Lansing MI	0.5
Detroit MI	0.4
Bay City MI	0.3

MIGRATION FLOWS

INTO FLINT MI

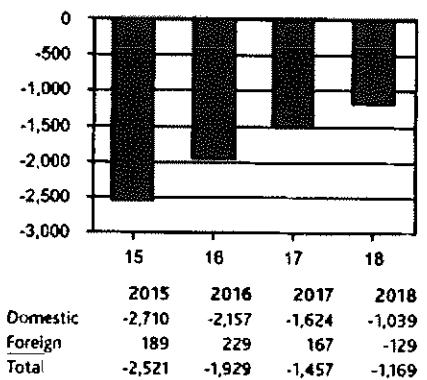
Location	Number of Migrants
Warren MI	5,264
Saginaw MI	610
Detroit MI	512
Lansing MI	320
Grand Rapids MI	206
Ann Arbor MI	185
Bay City MI	100
Tampa FL	88
Phoenix AZ	81
Houston TX	73
Total in migration	13,503

FROM FLINT MI

Location	Number of Migrants
Warren MI	3,974
Saginaw MI	639
Detroit MI	508
Lansing MI	379
Grand Rapids MI	322
Ann Arbor MI	210
Phoenix AZ	203
Tampa FL	162
Bay City MI	139
Fort Worth TX	119
Total out-migration	13,567

Net migration -64

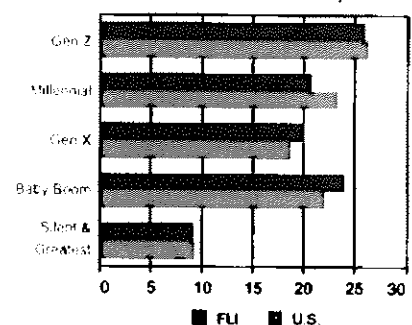
NET MIGRATION,



Sources: IRS (top), 2018, Census Bureau, Moody's Analytics

GENERATIONAL BREAKDOWN

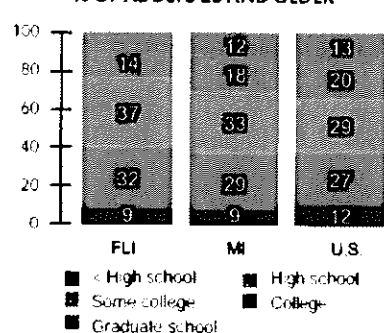
POPULATION BY GENERATION, %



Sources: Census Bureau, Moody's Analytics, 2018

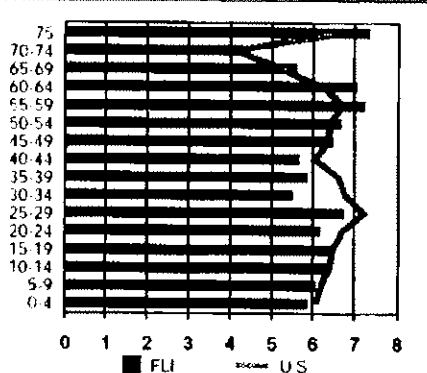
EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER

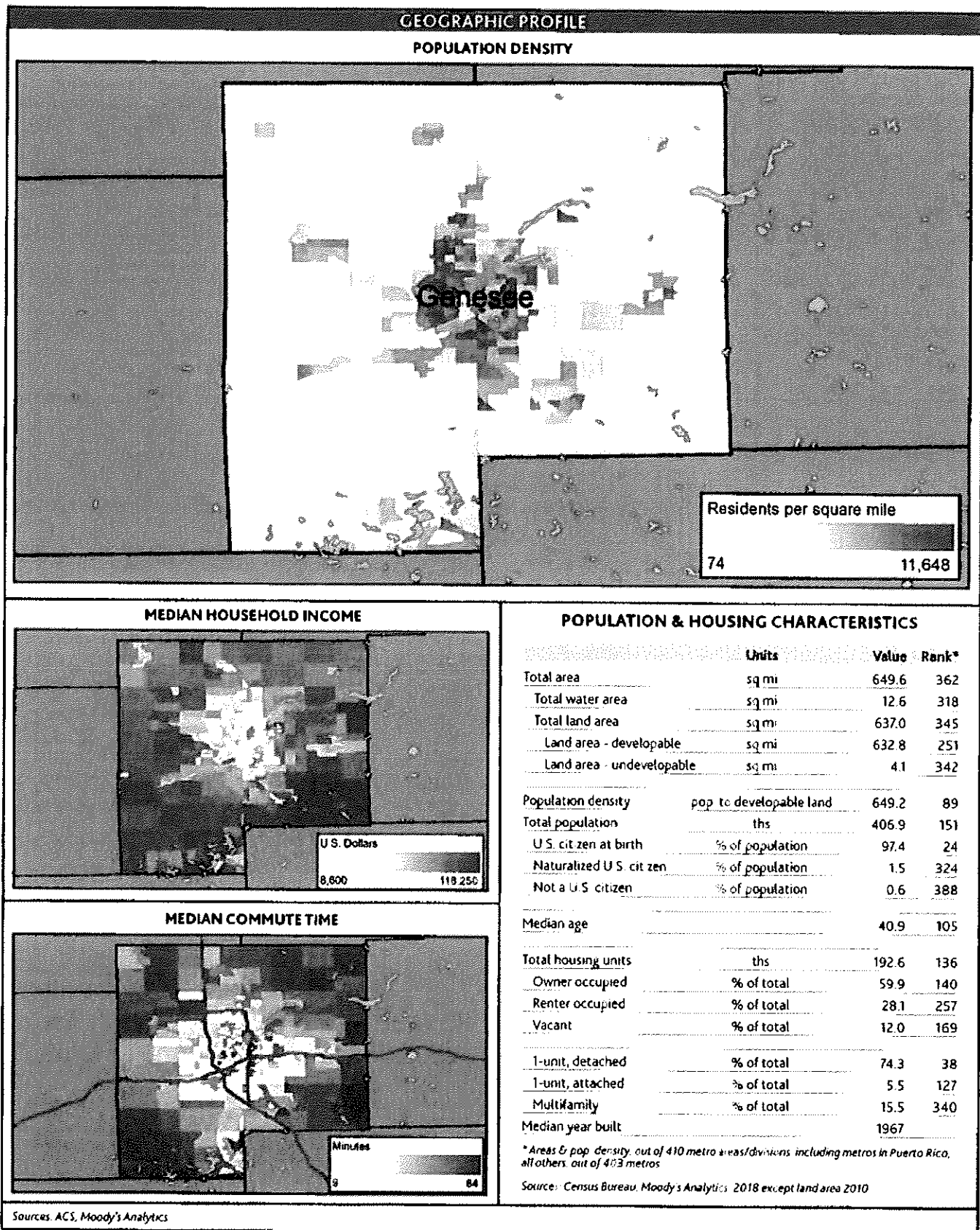


Sources: Census Bureau, ACS, Moody's Analytics, 2018

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics, 2018



Demographics Information

Local Area Analysis

We analyzed a primary demographic profile for the subject based on a radius of approximately three miles from the property. To add perspective to this analysis, we segregated our survey into one, three, and five mile concentric circles with a comparison to the CBSA, state, and the United States. This data is presented on the following page.

DEMOGRAPHIC SUMMARY					
	1.0-Mile Radius	3.0-Mile Radius	5.0-Mile Radius	48458 Zip Code	Flint CBSA
POPULATION STATISTICS					
2000	5,095	19,639	63,923	24,229	436,135
2019	3,852	16,435	53,827	20,321	416,378
2024	3,748	16,078	52,618	19,929	410,513
Compound Annual Change					
2000 - 2019	-1.46%	-0.93%	-0.90%	-0.92%	-0.24%
2019 - 2024	-0.55%	-0.44%	-0.45%	-0.39%	-0.28%
HOUSEHOLD STATISTICS					
2000	2,147	7,672	24,034	9,398	169,824
2019	1,648	6,531	20,822	7,992	163,872
2024	1,614	6,434	20,506	7,887	162,596
Compound Annual Change					
2000 - 2019	-1.38%	-0.84%	-0.75%	-0.85%	-0.19%
2019 - 2024	-0.42%	-0.30%	-0.31%	-0.26%	-0.16%
AVERAGE HOUSEHOLD INCOME					
2000	\$38,842	\$45,157	\$44,238	\$44,396	\$53,130
2019	\$44,112	\$47,668	\$46,232	\$47,009	\$62,544
2024	\$49,878	\$54,095	\$52,912	\$53,902	\$70,679
Compound Annual Change					
2000 - 2019	0.67%	0.29%	0.23%	0.30%	0.86%
2019 - 2024	2.49%	2.56%	2.74%	2.77%	2.48%
OCCUPANCY					
Owner Occupied	69.20%	70.19%	66.68%	70.22%	69.47%
Renter Occupied	30.80%	29.81%	33.32%	29.78%	30.53%

SOURCE: © 2019 Experian Marketing Solutions, Inc. • All rights reserved

Population

Experian Marketing Solutions, Inc., provides historic, current and forecasted population estimates. Patterns of development density and migration are reflected in the current levels of population estimates.

Between 2000 and 2019, Experian Marketing Solutions, Inc., reports that the population within the three-mile radius declined at a compound annual rate of -0.93 percent. This is characteristic of suburban areas in this market. This trend is expected to continue into the near future albeit at a slightly slower pace. Expanding to the five-mile radius, population is expected to decline -0.45 percent per annum over the next five years.

Households

A household consists of a person or group of people occupying a single housing unit, and is not necessarily a family unit. When an individual purchases goods and services, these purchases are a reflection of the entire household's

needs and decisions, making the household a critical unit to be considered when reviewing market data and forming conclusions about the trade area as it impacts the retail center.

Figures provided by Experian Marketing Solutions, Inc., indicate that the number of households are increasing at a faster rate than the growth of the population. Several changes in the way households are being formed have caused this acceleration, specifically:

- The population is living longer on average. This results in an increase of single-and two-person households;
- Higher divorce rates have resulted in an increase in single-person households; and
- Many individuals have postponed marriage, also resulting in more single-person households.

According to Experian Marketing Solutions, Inc., the three-mile radius grew at a compound annual rate of -0.84 percent between 2000 and 2019. Consistent with national trends the trade area is experiencing household changes at a rate that varies from population changes. That pace is expected to continue through 2024, and is estimated at -0.3 percent.

Local Market Area Income

Income levels, either on a per capita, per family or household basis, indicate the economic level of the residents of the trade area and form an important component of this total analysis. Average household income, when combined with the number of households, is a major determinant of an area's retail sales potential.

Trade area income figures for the subject support the profile of a broad middle-income market. According to Experian Marketing Solutions, Inc., average household income in the three-mile radius in 2019 was approximately \$47,668, 112.93 percent of the CBSA average (\$42,211) and 101.40 percent of the state average (\$47,009).

Further analysis shows a relatively broad-based distribution of income, although skewed toward the lower income brackets similar to the distribution within the larger CBSA. This information is summarized as follows:

DISTRIBUTION OF HOUSEHOLD INCOME					
Category	1.0-Mile Radius	3.0-Mile Radius	5.0-Mile Radius	48458 Zip Code	Flint CBSA
\$150,000 or more	1.88%	2.34%	2.29%	2.30%	5.54%
\$125,000 to \$149,999	1.03%	1.85%	2.03%	1.99%	3.85%
\$100,000 to \$124,999	3.58%	4.69%	4.11%	4.22%	6.67%
\$75,000 to \$99,999	8.20%	7.89%	7.91%	7.47%	11.11%
\$50,000 to \$74,999	16.21%	17.49%	16.21%	16.88%	18.95%
\$35,000 to \$49,999	17.91%	18.47%	16.71%	18.33%	15.65%
\$25,000 to \$34,999	12.99%	13.11%	13.09%	13.75%	11.28%
\$15,000 to \$24,999	20.34%	17.09%	16.49%	17.16%	12.02%
Under \$15,000	17.85%	17.06%	21.16%	17.90%	14.91%

SOURCE: © 2019 Experian Marketing Solutions, Inc. All rights reserved

The previous chart makes it clear that the distribution of higher income level households increases as distance from the subject increases.

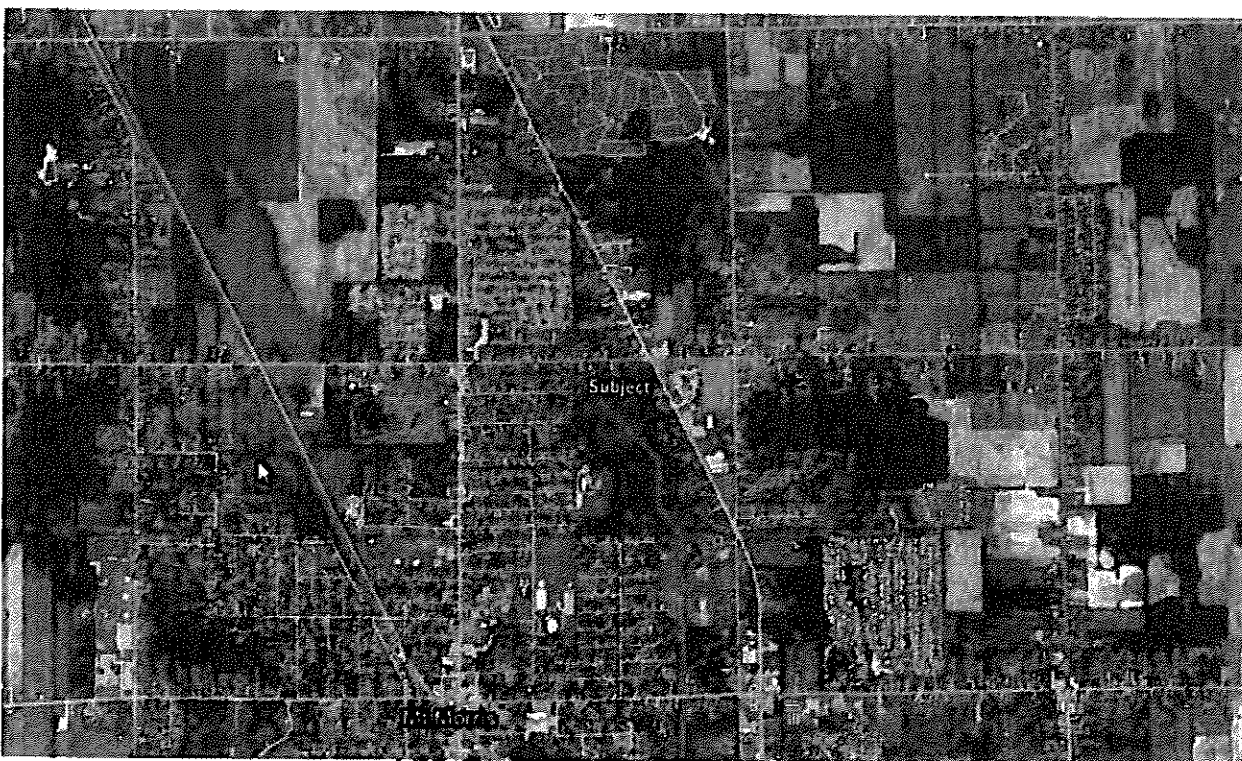
Conclusion

We analyzed the retail trade history and profile of the subject's region and local market area, defined as a three-mile radius from the subject, in order to make reasonable assumptions regarding the continued performance of the market.

- As such we believe the property will serve a market encompassing a radius of five miles. Over the next five years, both the population and number of households in the subject's trade area are projected to remain fairly stable. Household income levels in the area are lower than the state or CBSA both significantly above national levels.
- The subject has average accessibility via the regional Interstate network and local arterials that provide linkages throughout the Flint CBSA.
- Based on our analysis we concluded that the subject is well positioned within its market area and the prospect for net appreciation in real estate values is expected to be good.

Neighborhood Analysis

The subject is in Genesee Township but influenced by the nearby city of Mount Morris. This location is outside the expressway ring that circles the urban Flint area. Growth in the area has been a result of the urban migration to the surrounding townships. The primary land use is residential, as can be seen in the aerial photograph below, with supportive commercial uses along the connecting arterials and ample agricultural land as one moves away from such arterials.



Access to the neighborhood is by way of the US-23/Mount Morris Road interchange to the subject's west or the I-475/Saginaw Highway interchange, to the southwest.

The land uses immediately surrounding the subject property are primarily single-family residential with commercial uses interspersed. The North Dort Mobile Home Park is immediately across the highway from the subject and is an older park probably developed in the 1950s with smaller home sites and older homes, in plain view with very little natural vegetation to screen it. We also observed two larger, older commercial buildings within view of the subject property to be vacant mostly vacant. Both appear to have originally been industrial uses. There were no signs of new development occurring and most of the properties are in fair to average condition at best.

The outlook for the neighborhood is not positive but neither negative – more of the same. There is nothing on the horizon to suggest any significant change for the better or worse, except for the COVID-19 situation. The Flint area in general was hard hit in the last recession and the recent shutdown of the automotive plants due to the COVID pandemic has resulted in increases in unemployment and as a consequence, declining household income for consumer expenditures.

Investment Considerations

Overview

Prior to the current market disruption brought on by the Covid-19 pandemic, the U.S. economy had officially begun its eleventh consecutive year of growth in the second half of 2019; a new record for the longest economic expansion in history. Economic growth beat market expectations during the fourth quarter of 2019, and the unemployment rate hit a 50-year low as it sits at 3.5%. As the economy moved closer to full employment in what many viewed as late-cycle growth, the uncertainty of the global economy had raised the fears of a recession. During the year, American consumers continued to profit from the expansion, despite the threat of possible recession. The Federal Reserve cut interest rates for the third time in 2019 as a means of shielding the U.S. economy from global slowing. Additionally, payroll employment rose by 2.1 million in 2019, falling short of payroll employment gains in 2018, at 2.7 million, according to the Bureau of Labor Statistics. The trade war between the U.S. and China took a step in the right direction, as phase one of the deal was signed by President Donald Trump and senior Chinese leaders on January 15. Further considerations include:

- Throughout the holiday season there were concerns by consumers over business conditions and job prospects. Despite confidence levels being high, there was an expectation that holiday spending would drop. During fourth quarter 2019, the Consumer Confidence Index came in at 125.9 in October, 126.8 in November and 126.5 in December. Momentum looked to further growth in early-2020 as the economy had not shown signs of weakening.
- Consumer spending growth estimates for the fourth quarter currently sit around 2.5%. Retail sales rose each month during the fourth quarter and in December retail sales increased 0.3%. Despite major big-box retailers reporting a decline in sales during the holiday period, coupled with a lack of mall foot traffic, retail sales improved in December.
- All major U.S. Indices rose during the fourth quarter, with the S&P 500, Dow Jones and Nasdaq improving by 0.3%. Materials and energy were the best-performing sectors in the S&P 500, while IBM, Cisco Systems and Apple led the Dow Jones. For the year, the S&P 500, Nasdaq and the Dow rose 28.9%, 35.2% and 22.3%, respectively.
- U.S. commercial real estate investment activity was generally down during 2019, as transaction volume sat 2% below 2018's year-end total. For the fourth quarter, transaction volume was down 7% in a year-over-year comparison, ending the quarter with \$162.1 billion in activity, according to Real Capital Analytics.
- With Boris Johnson as the new United Kingdom Prime Minister, the United Kingdom left the European Union (EU) on January 31, 2020. The Brexit deal has been passed through the House of Commons and is now in the House of Lords and is expected to pass. During the United Kingdom's transition period, the UK will follow all of the EU's rules and the trading relationship will remain the same. The transition period will last until December 31, 2020 or until the two sides agree upon a United Kingdom-EU free trade deal.
- Entering 2020 on a stable, if not strong economic footing, the novel coronavirus has clearly had a severe impact on the economy. Keeping in mind that a majority of the information in this report contains the latest concrete data available (typically as of 4Q 2019), events have been changing rapidly, and the latest statistical information available has been provided, as available. Some further thoughts on recent events:
- The commercial real estate sector is not the stock market. It is often slower moving and the leasing fundamentals do not swing wildly from day-to-day. If the virus has a sustained and material impact on the broader economy, it will have feed through impacts on property as well.

- The outbreak has prompted a flight to quality, driving investors into the bond markets, where lower rates are creating more attractive debt/refinance options.
- If past outbreaks are a useful guide, then COVID-19 should largely be contained by the first half of 2020. Most anticipate a strong rebound in markets in the second half of the year.

Economic Conditions

Leading up to the current economic turbulence, the current U.S. economic expansion cycle was over a decade old and was, by general consent, a strong economy and getting stronger. Despite this, interest rates, which help determine the cost of borrowing money for investments, had lingered near historic lows since the 2008 recession. Interest rates went unchanged through December 2015, when the Federal Reserve increased the rate for the first time in almost a decade. Following more tariffs being implemented on trade and inventories, the Federal Reserve Chairman Jerome Powell had shown an openness to cutting rates based on how the economy responded to the new trade deals made during the past year. In turn, the Federal Reserve reduced interest rates for a third time in 2019 to combat the trade war and boost the economy. The benchmark interest rate was reduced to a range of 1.5% to 1.75%. As of Q4, the central bank did not see a recession coming in the near-term and the reduced rate looked to offer additional protection from global slowdown and uncertainty. The Federal Reserve spent much of 2019 providing the American economy with insurance through interest rate cuts.

In addition, the U.S.-China trade war appears to have come to halt, as the two sides reached agreement on a deal that will see the U.S. reduce tariffs on \$120 billion in Chinese products from 15% to 7.5%. China has agreed to purchase \$200 billion worth of U.S. products over the next two years as part of the deal. The deal is a huge win for the U.S. as total exports to China would increase to approximately \$260 billion 2020 and almost \$310 billion in 2021.

On March 11, 2020, the World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic. Economies around the world face significant headwinds as seen by the severe drop in demand for some services (such as travel, hospitality and entertainment). Further reduced economic activity has resulted from increasing social distance measures, including quarantines or lockdowns, throughout Europe and North America, as governments have taken unprecedented actions to stop the spread of the virus. As the stock market remains extremely volatile and financial markets struggle to quantify events that are still unfolding, there remains a lack of comparable transactions and market data. This leaves many CRE participants reporting that they are not yet able to accurately assess risk. Proceeding through these uncertain times, the reader is asked to consider some key events that have transpired:

- The disintegration of an alliance between OPEC and Russia has caused crude oil prices to dip to the lowest level since 2016 (and approaching levels not seen since the early 2000s). The steep decline has also deeply impacted the stock market, as reduced economic activity caused by the coronavirus has resulted in a notable global drop in 2020-Q1 oil consumption as compared to the same time last year.
- On Thursday March 12, 2020, the Federal Reserve announced that it would inject up to \$5 trillion into short-term markets to offset economic impacts brought on by the novel coronavirus.
- On Sunday, March 15, 2020, the Federal Open Market Committee cut interest rates to near zero for the first time since the 2008 recession. Since then, it has announced dollar swap lines with various foreign central banks, as well as various credit facilities aimed at backstopping and providing liquidity to key parts of financial markets.
- On Tuesday, March 17, 2020, Amazon announced the hiring of 100,000 new distribution workers to keep up with the online shopping surge caused by the coronavirus. Amazon has stated that the coronavirus

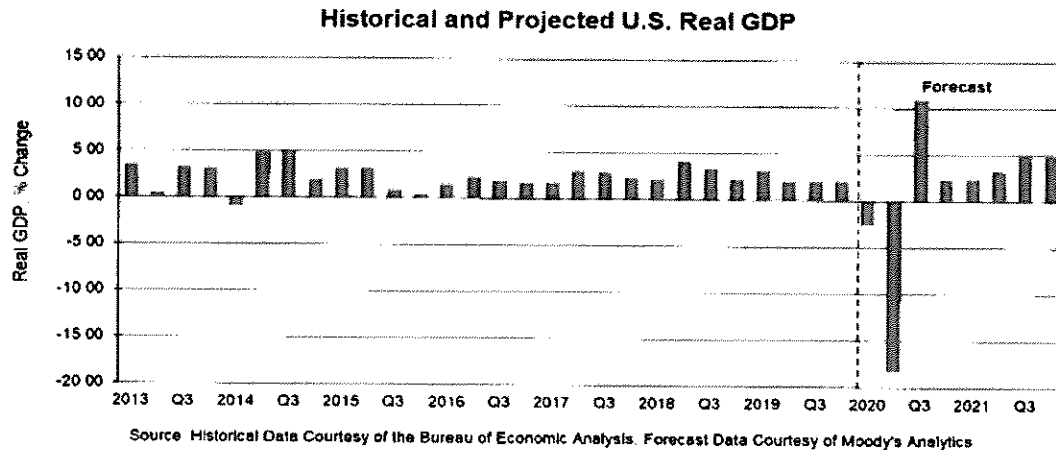
outbreak has caused a surge of online shopping in the United States to keep with the demand. The company will also invest more than \$355 million to raise pay for hourly employees in warehouse and distribution roles through April. Amazon is prioritizing medical supplies, household staples and other high-demand products through its warehouses until April 5, 2020.

- On Thursday, March 19, California Governor Gavin Newsom put into effect a shelter-in-place order to extend to all 40-million Californians.
- Also on Thursday March 19, The Labor Department reported a 30% increase in unemployment claims.
- On Friday March 20, New York Governor Andrew Cuomo ordered residents to shelter in their homes, which was subsequently followed by Illinois Governor J.B. Pritzker. Many other states increased precautions throughout the week as well.
- On Friday March 20, President Trump announced that he had invoked the Defense Production Act, a law
- On Wednesday March 25, the White House and Congress agreed to deliver \$2 trillion in government relief. This is the largest stimulus in history and more than double the \$800 billion bill that was passed in 2008 during the financial crisis.
- On Friday March 27, the President signed the "Coronavirus Aid, Relief, and Economic Security Act," or "CARES Act" into law. The unparalleled \$2.2 trillion economic rescue package provides measures that include \$1,200 in direct payments to eligible Americans, and \$500 to children. The Treasury Department received \$500 billion that will support programs direct loans to airlines, cargo, and companies deemed important to national security. Additionally, the Treasury can provide loans or loan guarantees for other companies as well as provide funds to backstop lending programs to the Fed. Other funds will be divided as such: \$377 billion will go to loans and other forms of aid to small businesses; \$250 billion will help provide relief for unemployed workers; and \$100 billion has been assigned to boost healthcare. The bill finances a response with a price tag that amounts to 10% of 2019 nominal GDP.

In recent times, the CRE market has been driven by investor demand and strong liquidity. Asset values can fall significantly in short periods of time if either of these two factors, often in conjunction with many others, change significantly. While Cushman & Wakefield is closely monitoring the latest developments and will continue to provide updates as events unfold, the reader is cautioned to consider that values and incomes are likely to change more rapidly and significantly than during standard market conditions. Furthermore, the reader should be cautioned and reminded that any conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property(ies) of this event, or any event, subsequent to the effective date of the appraisal.

While the consensus generally suggests that the U.S. is falling into recession, with GDP expected to decline significantly in Q2 2020, the market may be anticipating a second-half snap-back following the initial impacts of the Covid-19 pandemic. Although it is too soon to know how the economy will respond once the challenges pass, the world appears to be watching markets such as China to see how fast (or slow) the recovery may be. At this writing, there are a myriad of potential scenarios, some that include a sharp "V"-shaped recovery in the latter-part of 2020, and others that show a more moderate trend line for improvement. As an example, some forecasts show U.S. GDP declining as much as 10% (or more) during Q2 2020, while some recovery forecasts show GDP expanding by as much as 15% in Q4. Again, it is too soon to know.

The following graph displays historical and projected U.S. real GDP percentage change (annualized on a quarterly basis) from first quarter 2013 through fourth quarter 2021:



Further points regarding current economic conditions are as follows:

- Moody's baseline forecasts a 2.5% drop in GDP for 1Q 2020, followed by a drop of 18.3% in the second quarter. By 3Q 2020, Moody's is expecting a strong rebound at 11.0% as we move out of the bottleneck and then maintain healthy growth rates through the end of 2021.
- Gross domestic product grew by an annualized rate of 2.1% in the fourth quarter 2019, according to the "advance" estimate released by the Bureau of Economic Analysis. And prior to the current disruption, economists had forecast continued economic expansion through 2021. The National Association for Business Economics had forecast 1.8% GDP growth in 2020, while the Urban Land Institute's annual forecast survey expected the economy to grow 1.9% in 2021. GDP correlates strongly with the commercial real estate sector, so a strong economy indicates strong support for our business going forward.
- Commercial and multifamily mortgage loan originations increased 7% in third quarter 2019 (latest data available) when compared to the end of 2018, according to the Mortgage Bankers Association's Quarterly Survey of Commercial/Multifamily Mortgage Banker. Low interest rates are the cause for increased commercial and multifamily borrowing and lending and should lead to continued support into 2020.

Property Analysis

Site Description

Shape: Irregularly shaped

Topography: Level at street grade

Primary Land Area: 7.49 acres / 326,352 square feet

Frontage/Access/Visibility: The subject property has frontage on the following streets:

N Dort Hwy	579 feet (est.)
E Frances Rd	230 feet (est.)

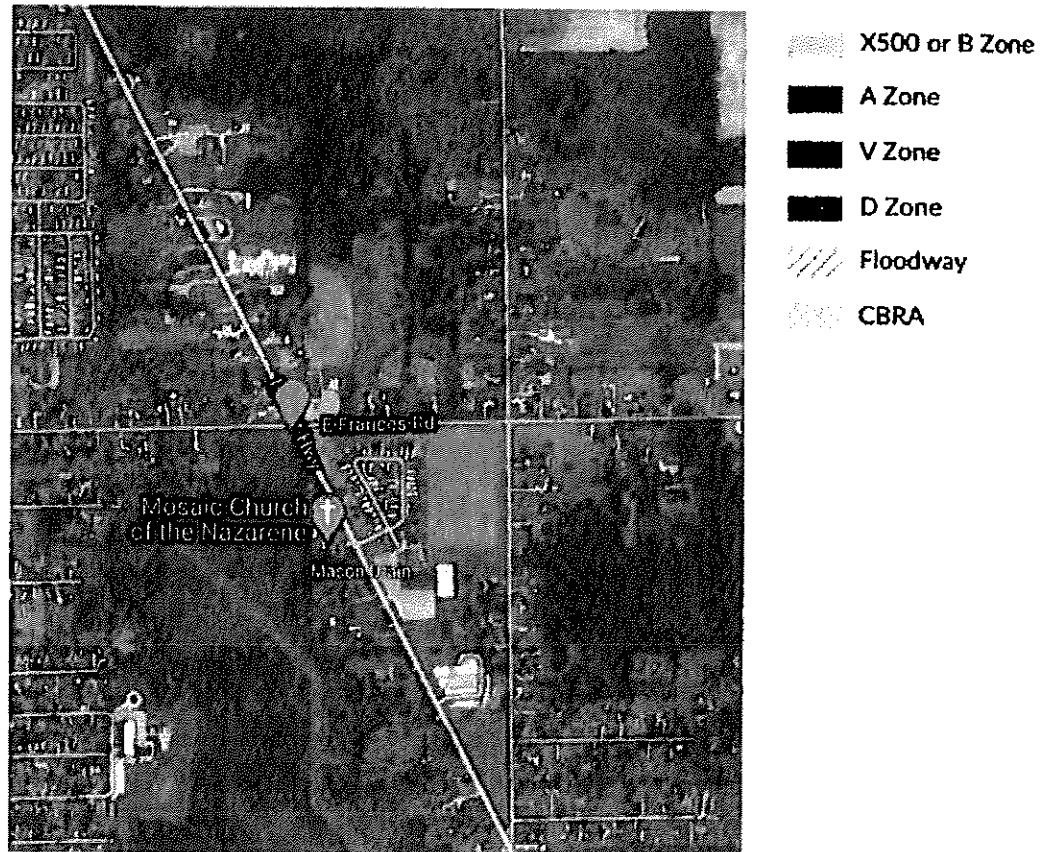
Site Improvements: There are no traditional site improvements on the property – e.g. parking lots, yard lighting, and the like. The site is reported to have been previously improved with a single-family residence with a foundation remaining and likely well and septic systems, but such have been unused in years it is assumed they do not contribute value to the property.

Land Use Restrictions: There is a communications tower on the site near the billboards and the property owner reported it is controlled by the County Drain Commission with no income to the property. It lies at the frontage near the billboards and requires nominal land area to support it. The billboards are taxed as personal property in the state of Michigan and also required relatively nominal land area to support them.

We were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use and do not perceive that the tower and billboards would do so. Still, we highly recommend a title search to determine whether any adverse conditions exist.

Flood Zone Description: The subject property is located in flood zone X (Areas determined to be outside the 500 year flood plain) as indicated by FEMA Map 260490075D, dated September 25, 2009.

The flood zone determination and other related data are provided by a third-party vendor deemed to be reliable. If further details are required, additional research is required that is beyond the scope of this analysis.



Overall Site Utility: Average

Location Rating: Average

Real Property Taxes and Assessments

Current Property Taxes

The subject property is located in the taxing jurisdiction of Genesee Township, and the assessor's parcel identification is 11-06-200-037. In Michigan, taxes are based on the assessment level multiplied by the tax rate. For existing owners, the assessment rate used is the Taxable Value (TV), which is based on the previous year's TV multiplied by an annual inflation factor that tends to constrict increases. Upon sale, however, the cap is lifted and the TV is reset to the State Equalized Value (SEV), which is supposed to represent 50 percent of the actual market value of the property. Based on the market value definition, which presupposes a sale of the property, the appraiser will estimate property taxes to a new owner.

According to the online tax records, the subject's 2019 property taxes are delinquent. As this analysis assumes a sale of the property on the valuation date, it is likewise assumed delinquent taxes would be paid by the seller at closing such that a buyer of the site would not incur any tax liability from before the valuation date.

The assessment and taxes for the property are presented in the following table:

PROPERTY ASSESSMENT INFORMATION	
Assessor's Parcel Number:	11-06-200-037
Assessing Authority:	Genesee Township
Tax Year:	2020
Equalization Rate:	50.00%
Are Taxes Current?	Taxes are not current
ESTIMATED TAXES	
SEV:	\$23,400
Total Tax Rate:	5.43%
Total Property Taxes:	\$1,270
<i>Compiled by Cushman & Wakefield of Illinois, Inc.</i>	

Zoning

General Information

The property is zoned C-2, Highway Commercial by Genesee Township. A summary of the subject's zoning is provided in the following table:

ZONING			
Municipality Governing Zoning:	Genesee Township		
Current Zoning:	C-2, Highway Commercial		
Is Current Use Permitted:	Not applicable		
Permitted Uses:	Uses permitted by right include but are not limited to antique shops; appliance sales and service; art galleries; bakeries; bowling alleys; administrative, executive, governmental and professional offices; contractor services and offices; clinics; clubs; curio stores; florist shops; furniture stores; golf driving range and miniature golf; grocery stores; hardware stores; libraries; museums; hospitals; hotels or motels; strip malls; music shops; nurseries; parking lots; pet sales and supply; printing, publishing, blueprint, photocopy shops; radio and TV sales and service; real estate offices; restaurant, including drive-through; second-hand stores excluding outdoor sales or displays; single-family dwellings on same parcel as business; sporting goods shops; public swimming pools; taverns and bars; indoor theaters; and accessory uses.		

ZONING REQUIREMENTS	CODE	SUBJECT INFORMATION	SUBJECT COMPLIANCE
Minimum Lot Area:	30,000 SF	326,532 SF	Complying
Minimum Lot Width:	120 feet	450 feet	Complying
Maximum Building Height:	3 stories	Not Applicable	Not Applicable
Maximum Lot Coverage (% of Lot Area):	35.0%	Not Applicable	Not Applicable
Minimum Yard Setbacks:			
Front (Feet):	40	Not Applicable	Not Applicable
Rear (Feet):	25	Not Applicable	Not Applicable
Side (Feet):	15 (each)	Not Applicable	Not Applicable

Compiled by Cushman & Wakefield of Illinois, Inc.

We analyzed the zoning requirements in relation to the subject property and considered the compliance of the existing or proposed use. We are not experts in the interpretation of complex zoning ordinances but based on our review of public information, the subject property appears to be a conforming parcel. Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our study correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence.

This appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

Valuation

Highest and Best Use

Highest and Best Use of Site as though Vacant

We considered the legal issues related to zoning and legal restrictions. We also analyzed the physical characteristics of the site to determine what legal uses would be possible and considered the financial feasibility of these uses to determine the use that is maximally productive. Considering the subject site's physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject site as though vacant is for development with a commercial use built to its maximum feasible building area, as demands warrants.

Land Valuation

Methodology

We used the Sales Comparison Approach to develop an opinion of land value. We examined current offerings and analyzed prices buyers have recently paid for comparable sites. A summary chart of the selected comparables as well as our analysis of the sales is presented on the following pages. Emphasis was placed on finding sales of larger (four acres or more) vacant land parcels in Genesee County, without public sewer available and zoned for some type of commercial development. All comparables meet that description with some variance as to utilities available. Also, Sale 5 is the purchase of over 14 acres with a small building on it. We adjusted the sale price of this comparable downward based on the contributory value of the building, estimated based on assessment records and *Marshall Valuation Service*.

Comparable land sale data sheets are presented in the Addenda of this report.

Analysis of Comparable Data

Property Rights Conveyed

The property rights conveyed in a transaction typically have an impact on the price that is paid. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time. At the end of the lease term, there is typically no reversionary value to the leasehold interest.

The subject's fee simple estate is being valued and all of the sales involved a transfer of fee simple title and so no adjustments are applied.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arm's-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments are required.

Financial Terms

The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We analyzed all of the transactions to account for atypical financing terms. To the best of our knowledge, all of the sales used in this analysis were accomplished with cash or market-oriented financing. In some cases, that included short-term land contract terms but brokers suggest that is typical of the market. Therefore, no adjustments are required.

Market Conditions

The comparable data analyzed occurred between October 2015 and May 2018. *RealComp®* indicates the market for commercial land improved over that span of time but has leveled off in the last couple of years. An overall adjustment of 2.0 percent per annum is applied.

Location

The sales are all in Genesee County but in communities with very different demographics. We primarily relied on household income demographics since this is an indicator of consumer expenditures and thus best relates to the potential commercial use of the subject property. We also considered the quality and type of proximate development.

Size

Size adjustments are based on the tendency in real estate unit pricing for the price per unit (in this case, the price per acre) to decrease as the number of units the real estate increases, and vice versa, all else being equal. In this case, there was no significant variance to warrant adjustment.

Public Utilities

Generally, the availability of public utilities is a desirable trait. This is particularly true with public sewer because septic systems are increasingly subject to local health code regulations, expensive to build and require land that cannot be otherwise developed. The subject has public water available but improvements would rely on a private septic system. None of the comparables match this exact description – one has public water and sewer available and the others have neither available. Those without either are adjusted upward by ten percent; the one with both available is adjusted downward by five percent.

Utility

Frontage, access, visibility and site configuration can impact the development potential of a property regardless of its zoning. In this case, the subject and all the comparable sales have sufficient frontage and size to accommodate a substantial development regardless with the possible exception of Comparable 1. It is a relatively narrow, deep lot unlike the subject and the other sales and is adjusted upward by five percent. Comparable 4, on the other hand is a regular, clear site with good frontage on two roadways and adjusted downward by ten percent.

SUMMARY OF LAND SALES											
PROPERTY INFORMATION					TRANSACTION INFORMATION						
No.	Location	Size (Acres)	Zoning	Configuration	Water/ Sewer	Grantor	Grantee	Sale Date	Sale Price	\$/Acre	COMMENTS
S	Subject Property	7.49	Commercial	Irregular	Public Water						
1	3164 Coldwater Road (Adjacent to) Mt. Morris, MI	10.35	Commercial	Rectangular, Deep Lot	Well & Septic	Champion Auto Properties	Auto Dealers Auction Inc.	5/18	\$42,500	\$4,106	Multiple zoning (C1 and C2) permits outside storage; purchased by adjacent property owner to expand auto auction operation
2	8176 N Genesee Road Flint, MI (Mt. Morris Twp)	11.57	R-2	Irregular	Public Water & Sewer	Guy & Jena Locke	Judi McIlroy	4/17	\$36,000	\$3,111	Lot widens out at back, advertised as having very sandy soils and potential uses from truck farm to small development
3	6500 State Road Goodrich, MI (Atlas Twp)	8.45	C-2 and Res	Rectangular, Deep Lot	Well & Septic	Deschner Family Trust	Brian Chounard	3/16	\$40,000	\$4,734	Zoned C-2 with (front 600 feet) and residential at rear; buyer rezoned to M-1 to develop a self-storage facility; long and narrow site
4	SEC W Grand Blanc Rd and Duffield Rd Gaines, MI	8.05	C-2	Rectangular	Well & Septic	Dean O & Suzanne Minnick	Nabeel Abby	1/16	\$24,000	\$2,981	Commercial-zoned parcel in a residential area
5	4150 E Bristol Road Burton, MI	10.17	C-3	Rectangular, Deep Lot	Well & Septic	4150 Bristol LLC	Associated Plumbing Heating & Cooling	10/15	\$34,000	\$3,343	500 FF along Bristol Road, improved with a 1,440-SF office/garage building built 1992 and renovated 2004
STATISTICS											
Low		8.05						10/15	\$24,000	\$2,981	
High		11.57						5/18	\$42,500	\$4,734	
Average		9.72						9/16	\$35,300	\$3,655	
Compiled by Cushman & Wakefield of Illinois, Inc.											

Compiled by Cushman & Wakefield of Illinois, Inc.

LAND SALE ADJUSTMENT GRID

Economic Adjustments (Cumulative)				Property Characteristic Adjustments (Additive)								
No.	Price/Acre & Date	Property Rights Conveyed	Conditions of Sale	Financing	Market ⁽¹⁾ Conditions	Price/Acre	Location	Size	Utilities	Utility ⁽²⁾	Other	Adj Price/Acre
1	\$4,106 5/18	Fee Simple 0.0%	Arm's-Length 0.0%	Market 0.0%	Inferior 3.7%	\$4,258 3.7%	Superior -20.0%	Similar 0.0%	Inferior 10.0%	Inferior 5.0%	Similar 0.0%	\$4,045 -5.0%
2	\$3,111 4/17	Fee Simple 0.0%	Arm's-Length 0.0%	Market 0.0%	Inferior 6.0%	\$3,298 6.0%	Inferior 15.0%	Similar 0.0%	Superior -5.0%	Similar 0.0%	Similar 0.0%	\$3,628 10.0%
3	\$4,734 3/16	Fee Simple 0.0%	Arm's-Length 0.0%	Market 0.0%	Inferior 8.4%	\$5,131 8.4%	Superior -30.0%	Similar 0.0%	Inferior 10.0%	Similar 0.0%	Similar 0.0%	\$4,105 -20.0%
4	\$2,981 1/16	Fee Simple 0.0%	Arm's-Length 0.0%	Market 0.0%	Inferior 8.8%	\$3,244 8.8%	Inferior 10.0%	Similar 0.0%	Inferior 10.0%	Superior -10.0%	Similar 0.0%	\$3,568 10.0%
5	\$3,343 10/15	Fee Simple 0.0%	Arm's-Length 0.0%	Market 0.0%	Inferior 9.3%	\$3,654 9.3%	Superior -20.0%	Similar 0.0%	Inferior 10.0%	Similar 0.0%	Similar 0.0%	\$3,289 -10.0%
STATISTICS												
	\$2,981	- Low									Low -	\$3,289
	\$4,734	- High									High -	\$4,105
	\$3,655	- Average									Average -	\$3,727

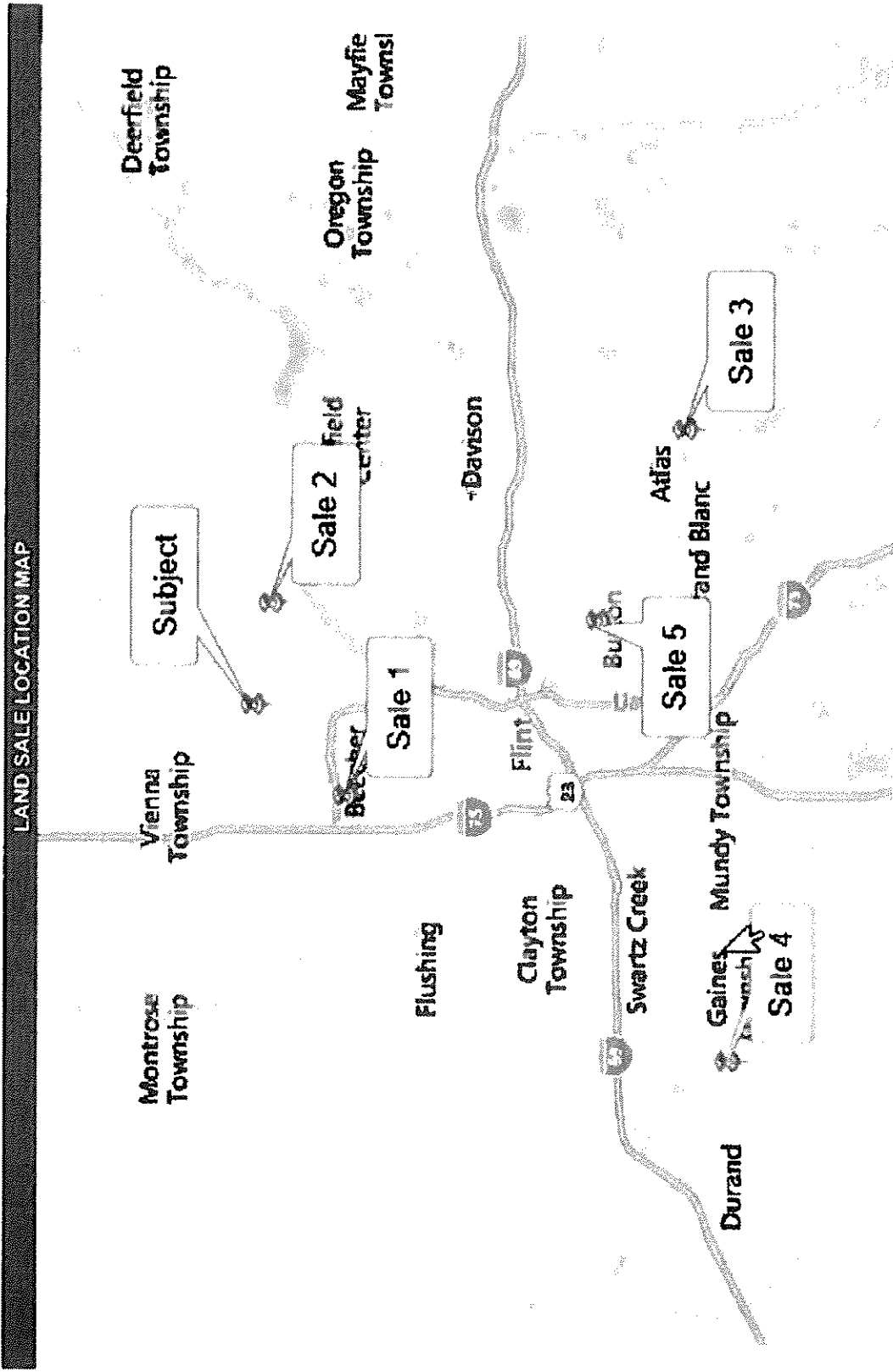
Compiled by Cushman & Wakefield of Illinois, Inc.

(1) Market Conditions Adjustment Footnote

Compound annual change in market conditions: 2.00%
Date of Value (for adjustment calculations): 3/29/20

(2) Utility Footnote

Utility includes shape, access, frontage and visibility.



Conclusion of Site Value

The adjustments applied to the comparable sales in the Land Sale Adjustment Chart reflect what we determined is appropriate in the marketplace.

Despite the subjectivity, the adjustments were considered reasonable and were applied consistently.

After a thorough analysis, the comparable land sales reflect adjusted unit values ranging from \$3,288.67 per square foot to \$4,105.09 per square foot, with an average of \$3,726.97 per square foot. We placed greatest reliance on Sale 2 as it required the least adjustment overall and concluded value of \$3,600 per acre for the land.

Contributory Value of the Ground Rent

The lease with Outfront Media pays \$100 per month in rent or \$1,200 per year. The lease is reportedly month-to-month and thus could be terminated at any time by either part with 30-day notice. The billboard use is "grandfathered" and can continue for as long as the billboards remain intact. The placement of the billboards on the site, generally along the northeast corner of the site, would not preclude commercial development of the rest of the site as there is ample frontage along both North Dort Highway.

We do not know when the billboards were erected but we do know that they were present in 2002 based on aerial photography observed, so they are at least 18 years old. We assumed another 10 to 20 years of economic life based on their observed quality and that the tenant would continue to advertise for another 10 years. The annual rent fixed at \$1,200 is reduced by 10% vacancy resulting in \$1,080 in annual effective net income. *RealtyRates.com* includes land leases as a property type in its Investor Survey. The subject would categorize as a "special purpose" with capitalization rates cited ranging widely from 2.84 to 15.19 percent.

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2020*						
LAND LEASES						
Property Type	Capitalization Rates			Discount Rates		
	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	2.03%	9.51%	6.86%	4.63%	10.01%	7.66%
Golf	1.79%	15.71%	8.48%	4.35%	18.21%	9.48%
Health Care/Senior Housing	2.65%	10.73%	6.79%	5.19%	11.29%	7.73%
Industrial	2.26%	9.87%	6.43%	4.86%	10.17%	7.43%
Lodging	1.96%	15.06%	7.00%	4.54%	15.56%	8.00%
Mobile Home/PV Park	2.12%	12.56%	7.38%	4.72%	13.06%	8.38%
Office	2.35%	9.27%	6.11%	4.96%	9.77%	7.11%
Restaurant	3.51%	14.81%	8.00%	6.11%	15.31%	9.00%
Retail	2.25%	10.76%	6.55%	4.89%	11.26%	7.55%
Self-Storage	2.41%	9.77%	7.61%	5.01%	10.27%	8.61%
Special Purpose	2.84%	15.19%	8.44%	5.68%	18.25%	9.98%
All Properties	1.73%	15.71%	7.17%	4.33%	16.21%	8.04%

*1st Quarter 2020 Data

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Given the risk associated with the lease being month-to-month, we believe a 15.0 percent capitalization rate is appropriate. Applying a 15.0 cap rate to the \$1,080 annual effective income forecast results in a contributory value of \$7,200 from the ground rent.

CONTRIBUTORY VALUE OF GROUND RENT	
Gross Potential Rent	\$1,200
Less Vacancy & Collection Loss @ 10%	-\$120
Effective Gross Rent	\$1,080
Divided by Capitalization Rate	15%
Indicated Contributory Value	\$7,200

Compiled by Cushman & Wakefield of Illinois, Inc.

Therefore, we concluded that the current market of the subject property as follows:

AS IS LAND VALUE CONCLUSION	
Value Per Acre	\$3,600
Total Acres	x 7.49
Indicated Value of Land	\$26,971
Contributory Value Land Lease	\$7,200
Indicate Value of Subject Property	\$34,171
Rounded to nearest \$1,000	\$34,000
LAND VALUE CONCLUSION	\$34,000
\$/Acre Basis	\$4,538
Compiled by Cushman & Wakefield of Illinois, Inc.	

Reconciliation and Final Value Opinion

Valuation Methodology Review and Reconciliation

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

The approach indicated the following:

FINAL VALUE RECONCILIATION		
	Market Value As-Is	Per Acre
Date of Value	March 29, 2020	
Land Valuation		
Land Value	\$34,000	
Land Value per Acre		\$4,538
Final Value Conclusion	\$34,000	\$4,538
<i>Compiled by Cushman & Wakefield of Illinois, Inc.</i>		

We gave sole weight to the Sales Comparison Approach because this mirrors the methodology used by purchasers of this property type.

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion
Market Value As-Is	Leased Fee	March 29, 2020	\$34,000
<i>Compiled by Cushman & Wakefield of Illinois, Inc.</i>			

Assumptions and Limiting Conditions

"Report" means the appraisal or consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"Cushman & Wakefield" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of Cushman & Wakefield who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

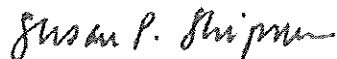
- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Cushman & Wakefield shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of Cushman & Wakefield any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of Cushman & Wakefield is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without Cushman & Wakefield's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by Cushman & Wakefield in writing to use or rely thereon, hereby agrees to indemnify and hold Cushman & Wakefield, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. Cushman & Wakefield assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. Cushman & Wakefield recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.

- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and Cushman & Wakefield make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.
- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. Cushman & Wakefield recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of Cushman & Wakefield, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- In the event of a claim against Cushman & Wakefield or its affiliates or their respective officers or employees or the Appraisers in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by Cushman & Wakefield or its affiliates for this Report and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and Cushman & Wakefield, its employees and the Appraiser have no liability to such recipients. Cushman & Wakefield disclaims any and all liability to any party other than the party that retained Cushman & Wakefield to prepare the Report.
- Unless otherwise noted, we were not given a soil report to review. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
- Unless otherwise noted, we were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.
- Unless otherwise noted, we were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.
- Unless otherwise noted, we observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.
- Unless otherwise noted, we did not inspect the roof nor did we make a detailed inspection of the mechanical systems. The appraisers are not qualified to render an opinion regarding the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

Certification

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Susan P. Shipman, MAI did make a personal inspection of the property that is the subject of this report.
- Susan P. Shipman, MAI has not provided prior services, as an appraiser or in any other capacity, within the three-year period immediately preceding acceptance of this assignment.
- No one provided significant real property appraisal assistance to the persons signing this report.
- As of the date of this report, Susan P. Shipman, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



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Addenda Contents

- Addendum A: Glossary of Terms & Definitions
- Addendum B: Comparable Land Sale Data Sheets
- Addendum C: Qualifications of the Appraiser

Addendum A: Glossary of Terms & Definitions

The following definitions of pertinent terms are taken from *The Dictionary of Real Estate Appraisal*, Sixth Edition (2015), published by the Appraisal Institute, Chicago, IL, as well as other sources.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Proposed Interagency Appraisal and Evaluation Guidelines, OCC-4810-33-P 20%)

Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

Cash Equivalency

An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash.

Depreciation

1. In appraising, a loss in property value from any cause, the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2. In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method.

Disposition Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer and seller is each acting prudently and knowledgeably.
- The seller is under compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider their best interest.
- An adequate marketing effort will be made in the limited time allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. In the case of Disposition value, the seller would be acting under compulsion within a limited future marketing period.

Ellwood Formula

A yield capitalization method that provides a formulaic solution for developing a capitalization rate for various combinations of equity yields and mortgage terms. The formula is applicable only to properties with stable or stabilized income streams and properties with income streams expected to change according to the J- or K-factor pattern. The formula is

$$RO = [YE - M(YE + P \cdot 1/S n - RM) - \Delta O \cdot 1/S n] / [1 + \Delta I \cdot J]$$

where

RO = Overall Capitalization Rate

YE = Equity Yield Rate

M = Loan-to-Value Ratio

P = Percentage of Loan Paid Off

1/S n = Sinking Fund Factor at the Equity Yield Rate

RM = Mortgage Capitalization Rate

ΔO = Change in Total Property Value

ΔI = Total Ratio Change in Income

J = J Factor

Also called mortgage-equity formula.

Exposure Time

1. The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal a retrospective estimate based on an analysis of past events assuming a competitive and open market. See also marketing time.

Extraordinary Assumption

An assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Hypothetical Conditions

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Insurable Replacement Cost/Insurable Value

A type of value for insurance purposes.

Intended Use

The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

Intended User

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

Leasehold Interest

The tenant's possessory interest created by a lease. See also negative leasehold; positive leasehold.

Liquidation Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a severely limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer is acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- The buyer is acting in what he or she considers his or her best interest
- A limited marketing effort and time will be allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. Under market value, the seller would be acting in his or her own best interests. The seller would be acting prudently and knowledgeably, assuming the price is not affected by undue stimulus or atypical motivation. In the case of liquidation value, the seller would be acting under extreme compulsion within a severely limited future marketing period.

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options and tenant improvements (TIs).

Market Value

As defined in the Agencies' appraisal regulations, the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

Mortgage-Equity Analysis

Capitalization and investment analysis procedures that recognize how mortgage terms and equity requirements affect the value of income-producing property.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Prospective Value upon Reaching Stabilized Occupancy

The value of a property as of a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy. At such point, all capital outlays for tenant improvements, leasing commissions, marketing costs and other carrying charges are assumed to have been incurred.

¹ "Interagency Appraisal and Evaluation Guidelines." Federal Register 75:237 (December 10, 2010) p. 77472.

Special, Unusual, or Extraordinary Assumptions

Before completing the acquisition of a property, a prudent purchaser in the market typically exercises due diligence by making customary enquiries about the property. It is normal for a Valuer to make assumptions as to the most likely outcome of this due diligence process and to rely on actual information regarding such matters as provided by the client. Special, unusual, or extraordinary assumptions may be any additional assumptions relating to matters covered in the due diligence process, or may relate to other issues, such as the identity of the purchaser, the physical state of the property, the presence of environmental pollutants (e.g., ground water contamination), or the ability to redevelop the property.

Addendum B:
Comparable Land Sale Data Sheets

LAND SALE COMPARABLE 1



Property Name:	Vacant Commercial Land
Address:	3164 Coldwater Road (Adjacent to)
City, State, Zip:	Mount Morris MI 48458
Jurisdiction:	Genesee
MSA:	Flint
Submarket:	
Property Type:	Land
Property Subtype:	Commercial
Classification:	N/A
ID:	544907
Tax Number(s):	1415400006

PROPERTY INFORMATION

Site Area (Acres):	10.3500	Public Utilities:	Partially Available
Site Area (Sq.Ft.):	450,846	Electricity:	Yes
Zoning:	C-1 and C-2 (permits outdoor storage/parking)	Water:	No
Utility:	Average	Sewer:	No
Access:	Average	Gas:	Yes
Frontage:	Good	Proposed Use:	Retail-Commercial
Visibility:	Good	Maximum FAR:	N/A
Shape:	Rectangular	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:	201806050069960	NOI:	N/A
Sale Date:	5/2018	Price per Sq.Ft.:	\$0.09
Sale Price:	\$42,500	Price per Acre:	\$4,106
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	Champion Auto Properties	Price per Potential Units:	N/A
Grantee:	Auto Dealers Auction Inc.		
Financing:	Market Rate		
Condition of Sale:	Arm's Length		

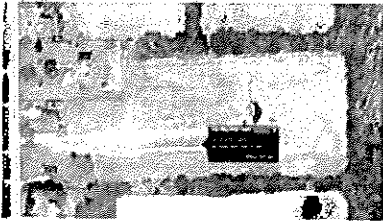
VERIFICATION COMMENTS

MLS #630000220439; Warranty Deed 201806050069960; Appraisal

COMMENTS

Sale of a 10.35-acre, deep rectangular site with 220 FF on Coldwater Road and the I-475 exit ramp to Clio Road, within the southwest quadrant of the I-475/Clio Road Interchange, in Mt. Morris Township. Site depth is about 2,050 feet. Purchased by adjacent property owner to the west to expand existing auto auction operation but property had been listed for sale for 7.6 months at an asking price of \$59,900.

LAND SALE COMPARABLE 2



Property Name	Vacant Land
Address:	8178 North Genesee Road (Mt. Morris Twp)
City, State, Zip	Flint MI 48458
Jurisdiction:	Genesee
MSA:	Flint
Submarket:	
Property Type	Land
Property Subtype	To Be Determined
Classification:	N/A
ID:	544924
Tax Number(s)	1102300020

PROPERTY INFORMATION

Site Area (Acres)	11.5710	Public Utilities:	All Available
Site Area (Sq.Ft.)	504,033	Electricity:	N/A
Zoning	R-2	Water:	N/A
Utility:	Average	Sewer	N/A
Access	Average	Gas	N/A
Frontage:	Average	Proposed Use:	N/A
Visibility:	Average	Maximum FAR:	N/A
Shape:	N/A	Potential Building Area:	N/A
Topography:	N/A	Potential Units:	N/A

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:	201705050037775	NOI:	N/A
Sale Date:	4/2017	Price per Sq Ft.:	\$0.07
Sale Price:	\$36,000	Price per Acre:	\$3,111
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	Guy & Jena Locke	Price per Potential Units:	N/A
Grantee:	Judi McIlroy		
Financing:	Short term LC, cash equivalent		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

MLS #216078215, Assessment Records, WD, Broker

COMMENTS

Sale of a 11.57-acre site with 100 FF along the east side of N Genesee Road, advertised as having "lots of potential for truck farm to a small development" with "very sandy soils".

LAND SALE COMPARABLE 3



Property Name: Vacant Commercial Land
Address: 6500 State Road
 (Atlas Township)
City, State Zip: Goodrich MI 48438-8710
Jurisdiction: Genesee
MSA: Flint
Submarket:
Property Type: Land
Property Subtype: Commercial
Classification: N/A
ID: 90702
Tax Number(s): 02-10-300-018

PROPERTY INFORMATION

Site Area (Acres):	8.4500	Public Utilities:	Partially Available
Site Area (Sq.Ft.):	368,082	Electricity:	Yes
Zoning:	C-2 and Res	Water:	No
Utility:	Average	Sewer:	No
Access:	Average	Gas:	Yes
Frontage:	Average	Proposed Use:	Self-Storage
Visibility:	Average	Maximum FAR:	N/A
Shape:	Rectangular	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:		NOI:	N/A
Sale Date:	3/2016	Price per Sq Ft.:	\$0.11
Sale Price:	\$40,000	Price per Acre:	\$4,734
Value Interest:	N/A	Price per Potential Building Area:	N/A
Grantor:	Deschner Family Trust	Price per Potential Units:	N/A
Grantee:	Brian Chouinard		
Financing:	N/A		
Condition of Sale:	N/A		

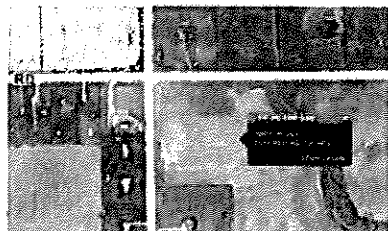
VERIFICATION COMMENTS

Warranty Deed, Atlas Township Minutes, MLS #216001489, Costar, Assessment Records, PTA

COMMENTS

This is the sale of a vacant parcel that was zoned both C-2 commercial, (front 600 feet) and residential in the rear. The buyer petitioned the township for rezoning to M-1, for development of self storage condo units. The site is long and narrow with 215 feet of frontage on State Road and a depth of approximately 1,300 feet.

LAND SALE COMPARABLE 4



Property Name:	Vacant Commercial Site
Address:	SE Corner W Grand Blanc Road and Duffield Road
City, State, Zip:	Gaines MI 48436
Jurisdiction:	Genesee
MSA:	Flint
Submarket:	
Property Type:	Land
Property Subtype:	Commercial
Classification:	N/A
ID:	220852
Tax Number(s):	10-20-100-010

PROPERTY INFORMATION

Site Area (Acres):	8.0500	Public Utilities:	Partially Available
Site Area (Sq.Ft.):	350,658	Electricity:	Yes
Zoning:	C-2	Water:	No
Utility:	Good	Sewer:	No
Access:	Average	Gas:	Yes
Frontage:	Good	Proposed Use:	N/A
Visibility:	Good	Maximum FAR:	N/A
Shape:	Rectangular	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:	201601220003723	NOI:	N/A
Sale Date:	1/2016	Price per Sq.Ft.:	\$0.07
Sale Price:	\$24,000	Price per Acre:	\$2,981
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	Dean O & Suzanne Minnick	Price per Potential Units:	N/A
Grantee:	Nabeel Abdy		
Financing:	Market Rate		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Warranty Deed, Assessment Records, CoStar

COMMENTS

Commercial-zoned parcel along the southeast corner of W Grand Blanc Road and Duffield Road in a residential area

LAND SALE COMPARABLE 5



Property Name: 15 Acres of Land with a Small Building
Address: 4150 East Bristol Road
City State, Zip: Burton MI 48519
Jurisdiction: Genesee
MSA: Flint
Submarket:
Property Type: Land
Property Subtype: Commercial
Classification: N/A
ID: 13004
Tax Number(s): 59-34-100-011

PROPERTY INFORMATION

Site Area (Acres):	14.4300	Public Utilities:	Partially Available
Site Area (Sq Ft):	628,571	Electricity:	Yes
Zoning:	C-3	Water:	No
Utility:	Average	Sewer:	No
Access:	Average	Gas:	Yes
Frontage:	Average	Proposed Use:	N/A
Visibility:	N/A	Maximum FAR:	N/A
Shape:	N/A	Potential Building Area:	N/A
Topography:	N/A	Potential Units:	N/A

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:		NOI:	N/A
Sale Date:	10/2015	Price per Sq Ft:	\$0.19
Sale Price:	\$120,000	Price per Acre:	\$8,316
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	4150 Bristol LLC	Price per Potential Units:	N/A
Grantee:	Associated Plumbing Heating and Cooling		
Financing:	Short-term L/C		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Assessment records, Realcomp MLS # 214075365

COMMENTS

This commercially-zoned parcel has nearly 500 feet of Bristol Road frontage, and 1,440 square foot office/garage building situated at the front of the site. Most of the rear or south portion of the site is considered to be surplus land for the current improvements. The building is centered along the street (northern) site boundary. The building is comprised of a 440-square foot garage area and a 1,000-square foot basic office area. Water is available at the street but the property relies on a private well and a septic system. This has been marketed for sale on and off since 2011.

Addendum C: Qualifications of the Appraiser



Susan P. Shipman, MAI Senior Director

Valuation & Advisory
Michigan Office
Cushman & Wakefield of Illinois, Inc
38701 West Seven Mile Road, Suite 140
Livonia, MI 48152
Direct 248-358-6129

Professional Expertise

Ms. Shipman, MAI, joined Cushman & Wakefield in 2019 and has been active in the real estate industry for over 25 years. Before joining Cushman & Wakefield she was a principal and treasurer for Terzo & Bologna. Prior to that, she was the owner and principal appraiser of Shipman & Associates, Director in the Real Estate Valuation & Advisory Services Group at Stout Risius Ross, and Director of Finance & Administration for Hobbs + Black Architects. She has also worked with the regional appraisal firms Oetzel Hanton & Williams and the Gerald Alcock Company.

Ms. Shipman's experience encompasses a variety of commercial, residential, and industrial engagements for numerous purposes including financing, estate and gift taxation, divorce proceedings, ad valorem taxation, condemnation, general litigation, financial reporting, purchase and sale advice, and insurance placement. She has appraised a wide range of property types including: apartments, office, senior housing, industrial, residential development, manufactured housing communities, retail self-storage, and special-purpose facilities. Her assignments have involved properties ranging in value from \$50,000 to \$120 million. Ms. Shipman also has vast experience in feasibility and market studies.

Memberships, Licenses, Professional Affiliations and Education

- Designated Member, Appraisal Institute (MAI #47255). As of the current date, Susan Shipman, MAI has completed the requirements of the continuing education program of the Appraisal Institute
- Certified General Real Estate Appraiser Michigan – License #12003814
- Previously held the position of Chapter President on the Board of Directors for the Appraisal Institute Great Lakes Chapter
- Alumnus of the Appraisal Institute's Leadership Development & Advisory Council
- 2017 recipient of the Appraisal Institute Great Lakes Chapter's Distinguished Service Award
- Detroit Chapter of Commercial Real Estate Women (formerly, CREW Treasurer on the Board of Directors)
- Masters of Business Administration, University of Michigan
- Bachelor Fine Arts, Florida Atlantic University

Publications, Presentations, Speaker Engagements

- Guest lecturer for the Institute for Professionals in Property Tax (IPT), the International Right-of-Way Association (RWA), the Turnaround Management Association (TMA), and the University of Michigan School of Business

RICK SNYDER
GOVERNOR

N425907

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

CERTIFIED GENERAL APPRAISER
LICENSE

BRUCE ALAN DAUBNER

LICENSE NO.
1201075335

EXPIRATION DATE
07/31/2020

AUDIT NO
3340789

THIS DOCUMENT IS DULY ISSUED
UNDER THE LAWS OF THE STATE
OF MICHIGAN



RESOLUTION NO.:

200260

PRESENTED:

JUN 22 2020

ADOPTED:

**RESOLUTION TO ENTER INTO PURCHASE AGREEMENT BETWEEN THE CITY
OF FLINT AND CSX TRANSPORTATION, INC. TO BENEFIT THE GRAND
TRAVERSE GREENWAY TRAIL PROJECT**

BY THE MAYOR:

WHEREAS, the City of Flint (the "City") desires to extend the regional trail network and trails connected to the Flint River Trail and, such desire has been cited as a priority in the City of Flint Parks & Recreation Departments Parks & Recreation Master Plan and the Imagine Flint Master Plan;

WHEREAS, the Grand Traverse Greenway Trail has been identified as a Top Priority Trail project for Genesee County and will become a non-motorized trail connection between the cities of Flint and Burton, with a future planned connection from Burton to Grand Blanc;

WHEREAS, the City entered into an agreement with the Michigan Department of Natural Resources ("MDNR") with respect to Michigan Natural Resources Trust Fund ("MNRTF") acquisition grant number TF08-075 for the acquisition of abandoned railroad property from CSX Transportation, Inc. ("CSX") in connection with the development of the Grand Traverse Greenway Trail Project ("GTGTP");

WHEREAS, the City has agreed to purchase four (4) parcels containing 47.26 acres, more or less, of real property located in the City of Flint, Genesee County, State of Michigan (the "Property"), for the development of the GTGTP in accordance with the terms and conditions set forth in the attached purchase agreement (the "Purchase Agreement");

WHEREAS, CSX desires to sell the Property to the City of Flint;

WHEREAS, the total purchase price for the Property shall be Five Hundred Twenty-Five Thousand and no/100 (\$525,000.00) Dollars (the "Purchase Price"). The Purchase Price is budgeted and funded from the following accounts:

Dept.	Name of Account	Account #	Grant #	Amount
DPD	Revenue	296-751.718-539.000	SMDNR10DRWY	\$521,505.25
DPD	Expense	296-751.718-971.000	SMDNR10DRWY	\$521,505.25
DPD	Expense	101-371.209-801.000	Available	\$3,494.75
DPD	Expense	101-371.209-971.000	(pending BA from 801.000)	\$3,494.75

WHEREAS, a deposit in the amount of Fifty-Two Thousand Five Hundred and no/100 (\$52,500.00) Dollars (the "Deposit") is required to be made by the City upon its execution of the Purchase Agreement;

WHEREAS, the City shall have a due diligence period of One Hundred Twenty (120) days from the execution of the Purchase Agreement to complete all of its inspections and investigations, including environmental reviews and to perform a baseline environmental assessment, of the Property;

WHEREAS, in the event that the City is not satisfied with the results of its investigations and inspections during the due diligence period, the City may terminate the Purchase Agreement by providing a notice of cancellation and request a refund of the Deposit;

WHEREAS, the Purchase Agreement provides, among other things, that the Parties will restrict the use of the Property by utilizing deed restrictions which: a) will limit the use of the Property to a recreational trail and ancillary uses; b) will limit the use of the groundwater underneath the Property; c) provides that CSX is not required to erect or maintain any fencing, railing or guard rails along any boundary lines between adjacent land(s) of CSX or its affiliates; d) will maintain the existing drainage on the Property in such a manner as not to impair the drainage of surface water from adjacent railroad operating property owned by CSX and not to redirect or increase the quantity or velocity of surface water runoff or any streams into CSX's drainage system or upon adjacent railroad operating property or other lands and facilities owned by CSX ; and e) will restrict the City from using the Property, or any portion thereof, for railroad freight service;

WHEREAS, subject to certain terms more fully described in the Purchase Agreement, CSX will reserve a number of easements, rights and interests associated with the Property, such as the mineral rights and exclusive perpetual utility easements, and these easements and other rights and interests will not be conveyed to the City with the Property. CSX will not provide copies to the City of any leases, licenses, easements, occupancies or limitations that are being retained by CSX. In the event that CSX or any third parties holding any such easements or other rights damage or disturb the railway, CSX or such third party is required to restore the railway to its former condition at its sole expense;

WHEREAS, the City is acquiring the Property subject to the terms and conditions of certain other existing leases, licenses, easements, occupancies and limitations which are identified in Exhibit D to the Purchase Agreement, and these specific leases, licenses, easements, occupancies and limitations will be conveyed by CSX to the City with the Property. CSX will provide the City copies, to the extent that such copies are within CSX's possession, of all leases, licenses, easements, occupancies and limitations that CSX is assigning to the City;

WHEREAS, the Purchase Agreement further provides that the City, to the extent permitted by law, will assume all risks associated with the environmental condition of the Property, regardless of the cause or date of origin of such condition; and will release all rights or claims against CSX relating to such condition or for any costs of remediation or cure of any environmental condition;

WHEREAS, the GTGTP will significantly enhance the revitalization of the Flint River system. The Flint River system and its watershed are vital resources to the City. The GTGTP will add miles of trails that will connect neighborhoods to the river and provide plenty of opportunities for children to play;

WHEREAS, the City's investment in the trailway is cited in the Master Plan as an important part of the strategy to link neighborhoods by non-motorized connections to parks, recreational facilities, the Flint River Trail, and Michigan's Iron Belle Trail and other regional trails;

WHEREAS, the provision of improved water quality and additional recreational opportunities will result in additional health benefits for residents. All residents deserve to have access to safe walking trails, places for kids to ride bicycles, and opportunities to enjoy a healthier river. By creating a healthier environment, the City will create a healthier place to live, which makes it easier for residents to live healthy lives;

WHEREAS, by caring for our natural resources, the City and Genesee County are being made a better place to live for residents and providing people across the state even more reasons to visit Flint, which increases the quality of life in Flint and attracts more businesses. Given the far reaching implications of this project, it would be in the City's best interests to expand the momentum of development from downtown Flint across the entire corridor along the river upstream and into the City's neighborhoods; and

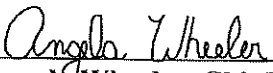
WHEREAS, Mayor Sheldon Neeley recommends entering into the Purchase Agreement between the City of Flint and CSX, in the form attached hereto.

NOW, THEREFORE, BE IT RESOLVED that the Flint City Council approves entering into the Purchase Agreement between the City of Flint and CSX with respect to the City's acquisition of four (4) parcels of real property consisting of 47.26 acres, more or less.

FURTHER, BE IT RESOLVED, Mayor Sheldon Neeley shall have the authority to execute the Purchase Agreement, together with such ancillary documents and such immaterial modifications to the Purchase Agreement as he shall deem necessary or advisable in order to effectuate these resolutions.

FURTHER, BE IT RESOLVED, that all lawful conduct and actions of the employees, contractors and/or agents of the City of Flint to effectuate this resolution are hereby ratified, adopted, affirmed and approved.

APPROVED AS TO FORM:




Angela Wheeler, Chief Legal Officer

FOR THE CITY OF FLINT:

Sheldon Neeley, Mayor



APPROVED AS TO FINANCE:



Amanda Trujillo, Acting Chief Financial Officer

APPROVED BY CITY COUNCIL:

Monica Galloway, City Council President



CITY OF FLINT

RESOLUTION STAFF REVIEW FORM

TODAY'S DATE: 6 / 5 / 2020

BID/PROPOSAL# N/A

AGENDA ITEM TITLE: Resolution to Enter into Purchase Agreement Between the City of Flint and CSX Transportation, Inc. to Benefit the Grand Traverse Greenway Trail Project

PREPARED BY: Kristin Stevenson, Planning & Development

VENDOR NAME: CSX Transportation, Inc. ("CSX")

BACKGROUND/SUMMARY OF PROPOSED ACTION:

The regional trail network and trails connected to the Flint River Trail has been cited as a priority in the City of Flint Parks & Recreation Department's Parks & Recreation Master Plan and the Imagine Flint Master Plan. In order to extend the regional trail network, the City secured funding from the Michigan Department of Natural Resources ("MDNR") through Michigan Natural Resources Trust Fund ("MNRTF") acquisition grant number TF08-075 for the acquisition of abandoned railroad property from CSX Transportation, Inc. ("CSX") in connection with the development of the Grand Traverse Greenway Trail Project ("GTGTP"). The acquisition of the property will allow for further advancement of the Grand Traverse Greenway Trail Project. The GTGTP works to provide: 1) more recreation, 2) health benefits, 3) economic development in and along the river.

FINANCIAL IMPLICATIONS: The purchase price for the property, consisting of 4 parcels and containing 47.26 acres, more or less, of real property located in the City of Flint, shall be \$525,000.00 from Michigan Department of Natural Resource grant funds. The grant was specifically written for this purpose and funds may only be used to invest in the GTGTP.

BUDGETED EXPENDITURE? YES ☒ NO ☐ IF NO, PLEASE EXPLAIN:

Dept.	Name of Account	Account Number	Grant Code	Amount
DPD	Revenue	296-751.718-539.000	SMDNR10GRWY	\$521,505.25
DPD	Expense	296-751.718-971.000	SMDNR10GRWY	\$521,505.25
DPD	Expense	101-371.209-801.000	Available in	\$3,494.75
DPD	Expense	101-371.209-971.000	(pending BA from 801.000)	\$3,494.75
FY 20/21 GRAND TOTAL				\$525,000.00

PRE-ENCUMBERED? YES ☐ NO ☒ **REQUISITION NO:** FY21



CITY OF FLINT

ACCOUNTING APPROVAL: Carissie Nelson Date: 06/16/20

WILL YOUR DEPARTMENT NEED A CONTRACT? YES ☐ NO ☒
(If yes, please indicate how many years for the contract) YEARS

WHEN APPLICABLE, IF MORE THAN ONE (1) YEAR, PLEASE ESTIMATE TOTAL AMOUNT FOR EACH BUDGET YEAR: (This will depend on the term of the bid proposal)

BUDGET YEAR 1

BUDGET YEAR 2

BUDGET YEAR 3

OTHER IMPLICATIONS (i.e., collective bargaining): NONE

STAFF RECOMMENDATION: (PLEASE SELECT): ☒ APPROVED ☐ NOT APPROVED

DEPARTMENT HEAD SIGNATURE: Suzanne Wilcox
Suzanne Wilcox, Director



CITY OF FLINT

SHELDON A. NEELEY
Mayor

RESOLUTION NO.:

200261
JUN 22 2020

PRESENTED:

ADOPTED:

RESOLUTION FOR THE CITY OF FLINT ("CITY") TO ACCEPT PAYMENT FROM THE GENESEE COUNTY CLERK - REGISTER OF DEEDS ("COUNTY"), FOR THE NOTARIZED AFFIDAVITS OF COMPLETED WORK FOR ADDRESSES INVOLVED IN THE FAST START PROGRAM, IN THE AMOUNT OF \$12,000

BY THE CITY ADMINISTRATOR:

WHEREAS, in 2016, the City launched the FAST Start pipe replacement program to remove and replace lead and galvanized steel service lines to residential homes in the City of Flint; and

WHEREAS, on May 10, 2019 the County entered into a Memorandum of Understanding ("MOU") with the Michigan Department of Treasury, to support the necessary contract work to append the property records maintained by Genesee County information documenting the composition of water service line properties within the City of Flint; and

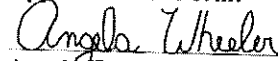
WHEREAS, under this MOU, the Michigan Department of Treasury will reimburse the County for payments made to relevant contractors up to \$50,000.00 from funds appropriated in PA 207 of 2018, Article XX, Sec. 118(6); and

WHEREAS, the county has developed the Genesee County Lead Pipe Software to create a record of City addresses serviced during the FAST Start pipe replacement program; and

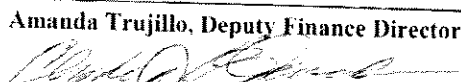
WHEREAS, the City has entered an agreement to provide 5,000 notarized affidavits, obtained by Goyette Mechanical, the vendor that serviced the lines, to the County for indexing;

IT IS RESOLVED that the appropriate City officials are authorized to do all things necessary, to accept the funding for the stated purpose, from the Genesee County - Register of Deeds, in the amount of \$12,000.

Approved as to Form:


Angela Wheeler, Chief Legal Officer

Approved as to Finances:


Amanda Trujillo, Deputy Finance Director


Clyde Edwards, City Administrator

CITY COUNCIL:


Monica Galloway, Council President

RESOLUTION STAFF REVIEW

Date:

June 8, 2020

Agenda Item Title:

RESOLUTION FOR THE CITY OF FLINT ("CITY") TO ACCEPT PAYMENT FROM THE GENESEE COUNTY CLERK - REGISTER OF DEEDS ("COUNTY"), FOR THE NOTARIZED AFFIDAVITS OF COMPLETED WORK FOR ADDRESSES INVOLVED IN THE FAST START PROGRAM, IN THE AMOUNT OF \$12,000

Prepared By:

Mayor's Office

Background/Summary of Proposed Action:

The county shall perform the following services:

1. Provide an index of notarized affidavits for the first 5,000 City of Flint addresses that received replacement of lead and galvanized steel service lines as part of the FAST Start pipe replacement program.
2. Each notarized affidavit will certify that the referenced address has complete copper water service lines and that all pre-existing, non-copper, service line material, has been removed.

The City shall perform the following services:

1. Provide 5,000 notarized affidavits for City of Flint addresses that received replacement of lead and galvanized steel service lines as part of the FAST Start pipe replacement program.
2. The affidavits provided by the City will comply with the template provided in Exhibit C of the contract between the County and the City.

Subject to providing the services as outlined above, the City will be paid ten-thousand dollars (\$12,000.00) upon providing 5,000 notarized affidavits to the County for indexing.

Financial Implications:

The \$12,000 will be added to the Mayor's Office budget, Professional Services Line *101-171.100-801.000*.

Budgeted Expenditure: Yes ____ No X

Please explain, if no: The Mayor's Budget will be adjusted for the additional funds.


Pre-encumbered: Yes ____ No X

Requisition #: NA

Other Implications: No other implications are known at this time.

Staff Recommendation: Staff recommends approval of this resolution.

APPROVAL



Genesee County and City of Flint Lead Pipe Annotation Program Agreement

This Agreement ("Agreement") between the City of Flint, a Michigan municipal corporation, 1101 S. Saginaw Street, Flint, MI 48502 ("City") and Genesee County Clerk-Register of Deeds ("County") describes the mutual benefits and obligations and City and County hereby enter into this Agreement and agree to the following:

I. RECITALS

- a. In 2016, the City of Flint launched the FAST Start pipe replacement program to remove and replace lead and galvanized steel service lines to residential homes in the City of Flint.
- b. On May 10, 2019, the Genesee County Clerk-Register of Deeds entered into a Memorandum of Understanding with the Michigan Department of Treasury, attached as **Exhibit A**, to support the necessary contract work to append the property records maintained by Genesee County information documenting the composition of water service line properties within the City of Flint. Under this Memorandum of Understanding, the Michigan Department of Treasury will reimburse the County for payments made to relevant contractors up to \$50,000.00 from funds appropriated in PA 207 of 2018, Article XX, Sec. 118(6) in Accounting Template 271T45625 as referenced in **Exhibit B**.
- c. The Genesee County Clerk/Register Office has developed the Genesee County Lead Pipe Software to create a record of City of Flint addresses serviced during the FAST Start pipe replacement program.

II. TERMS

- a. **Term:** This Agreement shall commence on February 3, 2020 until February 3, 2021.
- b. **Scope of Services:**
 - i. County shall perform the following services:
 1. Provide an index of notarized affidavits for the first 5,000 City of Flint addresses that received replacement of lead and galvanized

steel service lines as part of the FAST Start pipe replacement program.

2. Each notarized affidavit will certify that the referenced address has complete copper water service lines and that all pre-existing non copper service line material has been removed.

ii. City shall perform the following services:

1. Provide 5,000 notarized affidavits for City of Flint address that received replacement of lead and galvanized steel service lines as part of the FAST Start pipe replacement program.
2. The Affidavits provided by the City will comply with the template attached as **Exhibit C**.

c. **Compensation:**

- i. Subject to providing, the services as outline above, the City will be paid twelve-thousand dollars (\$12,000.00) upon providing 5,000 notarized affidavits to the County for indexing.

d. **Expenses:** The County is responsible for all expenses.

e. **Termination:** The County may terminate this Agreement by giving fourteen (14) days written notice to the City. The City, by its City Administrator, may terminate this Agreement at any time and for any reason. Should the City terminate this Agreement, the City shall be financially obligated to County for documented, unpaid work performed prior to the City's notification.

f. **Confidentiality:** County agrees that any information or records provided to County by the City, its officials, or employees, shall remain the property of the City and shall not be disclosed to third parties without the prior written consent of the City unless required by law. This paragraph shall survive the expiration or termination of this Agreement in perpetuity.

g. **Records Property of the City:** All documents, information, reports and the like prepared or generated by City as a result of this contract shall become the sole property of the City of Flint.

h. **Governing Law:** This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Michigan.

- i. **Ethics:** Pursuant to the Flint City Charter Section 1-602 (I) entitled Notice, every public servant, volunteer and city, contractor is to receive training and be provided with a copy of these ethical standards upon passage of this Charter or at the time of appointment and or hire or the commencement of services. Therefore, the contractor acknowledges receipt of Flint City Charter Section 1-602 and agrees that contractor and its staff shall abide by the terms and participate in any training provided by the City/or update orientation as may be necessary from time to time. Public servants are all persons employed or otherwise engaged by the corporation of the City of Flint to conduct business on its behalf including but not limited to elected officials, appointed employees, members of boards and commissions, classified employees, contractual employees, and volunteers. In accordance with Flint City Charter Section 1-602.
- j. **Severability:** The invalidity of any portion of this Agreement shall not invalidate the remainder of this Agreement, unless the elimination of the invalid portions shall substantially defeat the intent and purposes of the parties.
- k. **Non-Assignment:** This Agreement is personal to each of the parties and neither party may assign or delegate any of its rights or obligations under this Agreement without first obtaining the other's written consent.
- l. **No Third-Party Beneficiary:** No contractor, subcontractor, mechanic, materialman, laborer, vendor, or other person dealing with the principal County shall be, nor shall any of them be deemed to be third-party beneficiaries of this agreement, but each such person shall be deemed to have agreed (a) that they shall look to the principal County as their sole source of recovery if not paid and (b) except as otherwise agreed to by the principal County and any such person in writing, they may not enter any claim or bring any such action against the City under any circumstances. Except as provided by law, or as otherwise agreed to in writing between the City and such person, each such person shall be deemed to have waived in writing all rights to seek redress from the City under any circumstances whatsoever.
- m. **Time of Performance:** City's services shall commence immediately upon receipt of the notice to proceed and shall be carried out forthwith and without reasonable

delay. City and County agree that the schedule for completing the work plans detailed in the "Scope of Services" will be determined mutually by the City Administrator and the County.

- n. **Waiver:** Failure of the City to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement shall not be deemed a waiver of any term, covenant, or condition. Any waiver or relinquishment of any right or power hereunder at any one or more times shall not be deemed a waiver or relinquishment of that right or power at any other time.
- o. **Force Majeure:** Neither party shall be responsible for damages or delays caused by Force Majeure or other events beyond the control of the other party and which could not reasonably have been anticipated or prevented. For purposes of this Agreement, Force Majeure includes, but is not limited to, adverse weather conditions, floods, epidemics, war, riot, strikes, lockouts, and other industrial disturbances; unknown site conditions, accidents, sabotage, fire, and acts of God. Should Force Majeure occur, the parties shall mutually agree on the terms and conditions upon which the services may continue.
- p. **Integration:** This Agreement contains all of the terms and conditions of the agreement between the Parties. No amendments or modification to this Agreement will be valid unless in writing and signed by both parties. The Agreement shall be binding on the parties, their legal representatives, successors, and assigns. This Agreement abrogates and takes the place of all prior agreements or understandings that may have been made by the parties.
- q. **Arbitration:** County agrees that for all claims, disputes, and other matters arising out of or relating to this Agreement, County must provide Notice of the claim and request the City's consent to arbitrate within 30 days from the date the County knows or should have known the facts giving rise to the claim, dispute or question.
 - i. Notice of a request for arbitration must be submitted in writing by certified mail or personal service upon the City Attorney.
 - ii. Within 60 days from the date a request for arbitration is received by the City, the City shall inform County whether it agrees to arbitrate. If the City does not consent, County may proceed with an action in a court of

competent jurisdiction within the State of Michigan. If the City does consent, the within 30 days of the consent each party shall submit to the other the name of one person to serve as an arbitrator. The two arbitrators together shall then select a third person, the three together shall then serve as a panel in all proceedings. Any unanimous decision of the three arbitrators shall be a final binding decision. The City's failure to respond to a timely, conforming request for arbitration is deemed consent to arbitration.

- iii. The costs of arbitration shall be split and borne equally between the parties and such costs are not subject to shifting by the arbitrator.
- iv. The arbitrators shall have no power to add, subtract, or alter the terms of this Agreement.
- v. County's failure to comply with any portion (including timeliness) of this provision shall be deemed a permanent waiver and forfeiture of the claim, dispute, or question.
- r. **Whole Agreement:** This written agreement and any documents cited herein embody the entire agreement between the parties. Any additions, deletions or modifications hereto must be in writing and signed by both parties.

(Signature page on following page)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

APPROVED AS TO FORM:

Angela Wheeler, Chief Legal Officer

Clyde Edwards, City Administrator

Amanda Trujillo, Acting Finance Director

DocuSigned by:
Martin Cousineau

Genesee County, a Michigan Municipal Corporation
Martin Cousineau, Board Chair

TO THE HONORABLE CHAIRPERSON AND MEMBERS OF THE GENESEE COUNTY BOARD OF COMMISSIONERS, GENESEE COUNTY, MICHIGAN

LADIES AND GENTLEMEN:

BE IT RESOLVED, by this Board of County Commissioners of Genesee County, Michigan, that the request by the Clerk/Register to authorize a contract between the City of Flint and Genesee County, whereby the City of Flint will prepare and provide 5,000 notarized affidavits, to be filed in the office of the Register of Deeds, for the purpose of creating an enduring record of the maintenance of lead water lines within the city of Flint, at a cost not to exceed \$12,000.00 to be paid from account 231.00.00.23643.46205.000, with no General Fund appropriation being necessary, is approved (a copy of the memorandum request dated April 30, 2020, and supporting documents being on file with the official records of May 13, 2020 meeting of this Board of Commissioners), and the Chairperson of this Board is authorized to execute any necessary documents on behalf of Genesee County.

RESOLUTION REVIEW FORM

FROM: DOH/Mayor's Office
Division

DATE June 8, 2020
NO.

Law Office Login #

20-1078

RESOLUTION FOR THE CITY OF FLINT ("CITY") TO ACCEPT PAYMENT FROM THE GENESEE COUNTY CLERK - REGISTER OF DEEDS ("COUNTY"), FOR THE NOTARIZED AFFIDAVITS OF COMPLETED WORK FOR ADDRESSES INVOLVED IN THE FAST START PROGRAM, IN THE AMOUNT OF \$12,000 RECOVERY TECHNICAL ASSISTANCE GRANT (2016-00651) IN THE AMOUNT OF \$550,000 FOR FY20

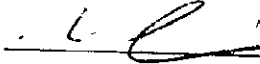
RESOLUTION NAME:

Date in: 6/8/2020

1. RESOLUTION REVIEW - Chief of Staff

The attached RESOLUTION is approved by a Chief of Staff in the Division. By signing, the Chief of Staff approves this resolution to be processed for signatures.

By: Brian Larkin



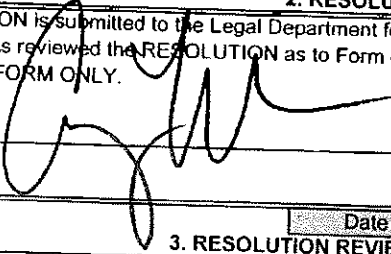
DATE: 6/8/2020
(Date)

Date in:

2. RESOLUTION REVIEW - LEGAL

The attached RESOLUTION is submitted to the Legal Department for Approval as to FORM ONLY. The Legal Department has reviewed the RESOLUTION as to Form on this form approves as to FORM ONLY.

By: Angela Wheeler
Chief Legal Officer



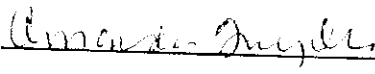
6/9/2020, and by signing
(Date)
DATE: 6/9/2020

Date in:

3. RESOLUTION REVIEW - FINANCE

The attached RESOLUTION is submitted to the FINANCE Department for approval as to FINANCE COMPLIANCE: The Finance Department reviewed this RESOLUTION, on 6/6/20 and by signing this form approves as to FINANCE COMPLIANCE.
(Date)

By: Amanda Trujillo
Deputy Finance Director



DATE: 6/10/2020

RESOLUTION NO.: **200262**
PRESENTED: 6-22-20
ADOPTED: _____

**RESOLUTION AUTHORIZING THE, DPW - WATER POLLUTION CONTROL
TO TERMINATE THE GAS TRANSPORTATION AND STORAGE AGREEMENT
WITH CONSUMERS ENERGY**

BY THE CITY ADMINISTRATION:

Since 1990, City Council has approved Gas Transportation and Storage Agreements with Consumers Energy to support the Water Pollution Control Facilities purchase of natural gas on the open market at a significant cost savings.

The Department of Public Works, Water Pollution Control has since then reduced the consumption of natural gas usage by permanently decommissioning their incinerators. Additionally, the cost of natural gas has declined greatly.

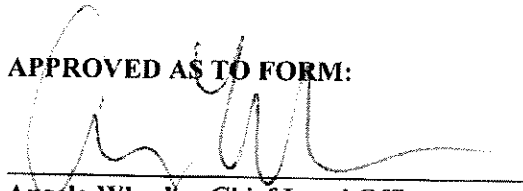
The current natural gas consumption projections support termination of the Transportation and Storage Agreement. Consumers Energy has proposed a Sales Rate Program Agreement which will no longer require the City to obtain natural gas on the open spot market.

Water Pollution Control has included funding for the cost of natural gas in the FY 20-21 budget.

IT IS RESOLVED, that the appropriate City Officials are hereby authorized to do all things necessary to terminate the Gas Transportation and Storage Agreement with the intent to enter into the Sales Rate Program between the City of Flint and Consumers Energy.

BE IT FURTHER RESOLVED, that the Department of Public Works Director and Water Pollution Control Manager be designated as the authorized representatives for all activities associated with intent to return DPW-WPC, address G-4652 Beecher Road, Flint, Michigan to the Sales Rate Program.

APPROVED AS TO FORM:


Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:


Amanda Trujillo, Interim Finance Director

FOR THE CITY OF FLINT:


Clyde Edwards, City Administrator

APPROVED BY CITY COUNCIL:


Monica Galloway, City Council President

RESOLUTION STAFF REVIEW

May 14, 2020

Agenda Item Title: Termination of the Natural Gas Transportation Agreement with Consumers Energy with the intent to enter into the Sales Rate Program for WPC

Prepared By: Krystal Wallace

Background/Summary of Proposed Action:

The Department of Public Works - Water Pollution Control seeks to terminate their current natural gas transportation agreement with Consumers Energy. The City originally entered into this agreement due to the high volume of gas consumption by the main Water Pollution Control Facility. Since that time WPC has decommissioned their incinerators, upgraded their HVAC systems, and completed several energy savings projects. These projects resulted in a 75% reduction of natural gas consumption at the main facility. Additional savings have also been realized due to the reduction of natural gas prices on the open wholesale market. These factors combined along with the difficulty of obtaining a Natural Gas Supplier on the Spot (Wholesale) Market that will sell small increments of natural gas to the City is the basis for this request. Additionally, once the gas transportation agreement is terminated the City will be allowed to enroll in a Sales Rate Program Agreement which will no longer require the City to obtain natural gas on the open spot market.

Financial Implications (i.e., budget, account information)

Failure to obtain a natural gas supplier will result in an unauthorized use charge (tariff) of \$30.00 per MCF of natural gas consumed during the billing period, in addition to the actual cost of the gas. The average monthly consumption for the facility is @2100 MCF. The exact costs cannot be predicted, due to the volatility of market conditions. Termination of the Consumers Energy Natural Gas Transportation and Storage and approving the proposed Sales Rate Program Agreement will reduce the City's possibility of an unauthorized use tariff. There is a 12-month waiting period from date the Termination Agreement is approved to the date of approval to enroll in the Sales Rate Program Agreement. The City will be responsible for securing a natural gas supplier for the 12-month waiting period.

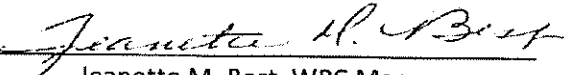
Budgeted Expenditure? Yes ☒ No ☐ Please explain if no:

Account No.: 590-550.100-920.200

Pre-encumbered? Yes ☐ No ☐ Requisition: N/A

Other Implications (i.e., collective bargaining): None

Staff Recommendation: Approve

Staff Person 
Jeanette M. Best, WPC Manager



AMENDMENT TO GAS TRANSPORTATION AGREEMENT

Date: February 3, 2015

Amendment No. 1

CONSUMERS ENERGY COMPANY
a Michigan Corporation
One Energy Plaza
Jackson, Michigan 49201-2276

CITY OF FLINT
1101 South Saginaw Street
Flint, Michigan 48502

(Herein called "Consumers")

(Herein called "Customer")

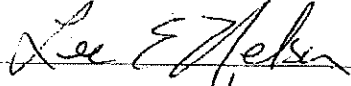
Date of Gas Transportation Agreement: June 5, 2006

Effective February 1, 2015, the above Gas Transportation Agreement between Consumers and Customer is amended as follows:

1. In Part I, Section 4 (ACQ), change "92,180 MMBtu" to "119,400 MMBtu."
2. In Part I, Section 6 (MDQ), change "350 MMBtu" to "515 MMBtu."
3. In Part I, Section 11, This Agreement may be executed and delivered in counterparts, including by facsimile or an electronic transmission thereof, each of which shall be deemed an original. Any document generated by the parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and introduced as evidence in any proceeding as if original business records. Neither party will object to the admissibility of such images as evidence in any proceeding on account of having been stored electronically.
4. Exhibit A. Identification of Plant Locations and Rates, is replaced by Exhibit A Identification of Plant Locations and Rates, Revision 1, attached hereto: To update ACQ for Water Pollution Control Facility located at 4652 Beecher Road, Flint, Michigan, Account #1000-0000-4430.

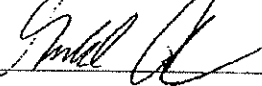
All other terms and provisions of said Gas Transportation Agreement as amended by previous amendments, if any, remain unchanged and said Agreement remains in full force and effect.

CONSUMERS ENERGY COMPANY

By 
Lee E Nelson
(Print or Type Name)

Title Director, West Corp Accts

CITY OF FLINT

By 
Gerald Ambrose,
(Print or Type Name)

Title Emergency Manager

EXHIBIT A

IDENTIFICATION OF PLANTS' LOCATIONS AND RATES

<u>Plant Name/ Address/ Account No</u>	<u>Annual Contract Quantity (MMBtu)</u>	<u>Designated Rate and Rate Code</u>	<u>Type of Account*</u>	<u>Alternate Fuel Type and Percentage</u>	<u>"Authorized Gas" Rate</u>
City of Flint Water Pollution Control Facility 4652 Beecher Road Flint, MI 48532 # 1000-0000-4430	119,400	CB-LT 3503	M		GS3 287

TOTAL 119,400

*M -- Master Account, C -- Contiguous Account, A -- Aggregated Account

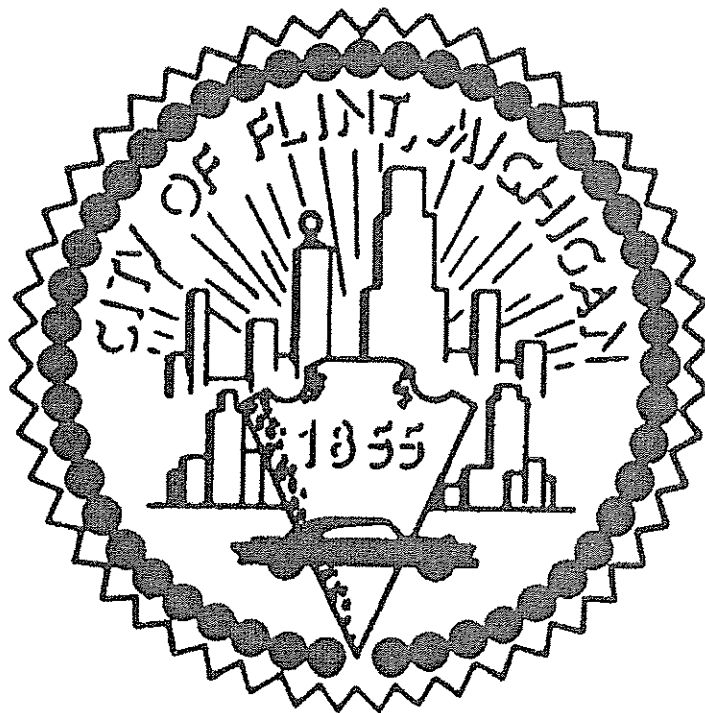
**WPC- Natural Gas Storage
and Transportation**

CONTRACT 03-155

CONSUMERS ENERGY

CITY OF FLINT

MICHIGAN



Contract 3-155

(Purchasing No. 30000202)

SEP 03 2003

PRESENTED: SEP 03 2003
ADOPTED:
Submission #: O3EFM 0608

BY THE EMERGENCY FINANCIAL MANAGER

RESOLUTION

Since 1990, City Council has approved Gas Transportation and Storage Agreements with Consumers Energy, 212 West Michigan Ave., Jackson, Michigan to support the Water Pollution Control Facilities purchase of natural gas on the open market at a significant cost savings. The contract must be renewed September 1, annually, and

Consumers Energy has proposed a renewal contract similar to last year's, with the same terms and conditions, and a slight increase in storage price from \$0.0345/million btu to \$0.0360/million btu. This will result in an annual cost increase of about \$444. Water Pollution Control has included the costs for gas storage and transportation in the operations and maintenance budget line item for gas. Funding for said services will come from account 590-2495-56900-920200.

The Proper City Officials, upon the Emergency Financial Manager's approval, are hereby authorized to enter into a contract with Consumers Energy for Gas Transportation and Storage Agreement and to provide for the same transportation rates and the lease renewal for 53,825 MMBTU of non-interruptible storage volume at \$0.0360/million btu. (Sewer Fund)

Approved-Purchasing Department


Derrick F. Jones

Approved as to Funds


Peter M. Dobrzeniecki

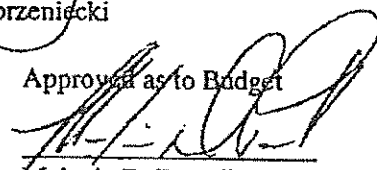
Approved - Contract Compliance


Derrick F. Jones

Approved as to Form


Karen L. Folks

Approved as to Budget


Melanie D. Purcell

082703 - KRN

DIRECTED TO:

ENACT ☒ REFER TO COUNCIL ☐ FAIL ☐
 DATED: 9-3-03
Edward J. Kurtz
Emergency Financial Manager



GAS STORAGE AGREEMENT PART I

Date of Agreement: August 8, 2003

CONSUMERS ENERGY COMPANY
a Michigan Corporation
212 West Michigan Avenue
Jackson, Michigan 49201-2277

CITY OF FLINT
a Municipal corporation
1101 South Saginaw Street
Flint, Michigan 48502

(Herein Called "Consumers")

(Herein Called "Customer")

In consideration of the mutual commitments contained herein, Consumers and Customer agree as follows:

1. This Agreement shall be effective: September 1, 2003
2. Date of Gas Transportation Agreement: August 26, 1996
3. Consumers shall provide the Customer gas storage service in accordance with the terms of this Agreement. This Agreement consists of this Part I, Part II, Terms and Conditions of Gas Storage Service, attached hereto and made a part hereof, and Contract Storage Service Rate CS, attached hereto as Attachment A and made a part hereof. Attachment A is subject to modification by the Michigan Public Service Commission.
4. Maximum quantity of gas to be stored hereunder at any time is 53,825 MMBtu.
5. Maximum quantity of gas to be injected into storage in any calendar month is 53,825 MMBtu.
6. Maximum quantity of gas to be withdrawn from storage in any calendar month is 53,825 MMBtu.
7. The primary term will continue through August 31, 2004
8. Date of existing Gas Storage Agreement which is being terminated: June 27, 2002

9. Customer's address(es) for notices referred to in Part II, Terms and Conditions of Gas Storage Service, Section 10, Notices:

Billing:

City of Flint
PO Box 1900
Flint, Michigan 48502

All Other Notices:

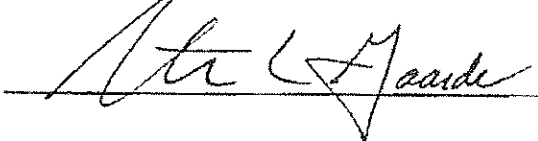
City of Flint
Water Pollution Control Facility
Attn: WPC Supervisor
G4652 Beecher Road
Flint, Michigan
Phone: (810) 766-7210
Fax: (810) 230-3154

Inez Brown
City Clerk
1101 South Saginaw Street
Flint, Michigan 48502
Phone: (313) 766-7413

CUSTOMER ACKNOWLEDGES THAT IT HAS RECEIVED THE ATTACHED TERMS AND CONDITIONS REFERRED TO IN SECTION 3 ABOVE.

CONSUMERS ENERGY COMPANY

By:



Steven L. Gaarde
(Print or Type Name)

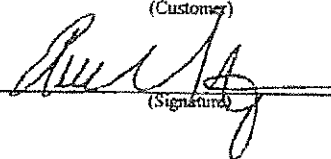
Title:

Director of Pricing and
Rate Admin.

CITY OF FLINT

(Customer)

By:



Edward Kurtz

(Print or Type Name)

Title:

Emergency Financial Manager

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be executed on its behalf by its respective officers, duly authorized.

WITNESSES,

THE CITY OF FLINT, A Municipal Corporation,

Karen Folks

James W. Rutherford

James W. Rutherford, Mayor

Inez M. Brown

Inez M. Brown, City Clerk

APPROVED AS TO FORM:

Karen Folks

Karen Folks
Provisional Chief Legal Officer

APPROVED AS TO FUNDS:

Peter Dobrzeniecki

Peter Dobrzeniecki, Finance Director

Melanie Purcell

Melanie Purcell, Budget Director

APPROVED AS TO AFFIRMATIVE ACTION:

Derrick Jones

Derrick Jones, Purchasing Agent
Contract Compliance Officer

GAS STORAGE AGREEMENT PART II

TERMS AND CONDITIONS OF GAS STORAGE SERVICE

1. DEFINITIONS

As used in this Agreement, the following terms have the following meanings:

- (1) **Allowance for Use and Loss** - See Section F1.1(b) of Gas Rate Schedule
- (2) **Annual Contract Quantity (ACQ)** - See Section F1.1(c) of Gas Rate Schedule
- (3) **Authorized Tolerance Level** - See Section F1.1(d) of Gas Rate Schedule
- (4) **Cubic Foot of Gas** - See Section F1.1(e) of Gas Rate Schedule
- (5) **Day** - See Section F1.1(f) of Gas Rate Schedule
- (6) **Gas** - See Section F1.1(h) of Gas Rate Schedule
- (7) **Gas Rate Schedule** - The Company's Schedule of Rates Governing the Sale of Natural Gas Service as approved by the Michigan Public Service Commission
- (8) **Gas Transportation Agreement** - The Gas Transportation Agreement between Consumers and Customer identified in Part I
- (9) **Maximum Daily Quantity (MDQ)** - The MDQ specified in Part I of the Gas Transportation Agreement pursuant to Section F1.1(k) of Gas Rate Schedule
- (10) **MMBtu** - See Section F1.1(l) of Gas Rate Schedule
- (11) **Month** - See Section F1.1(m) of Gas Rate Schedule
- (12) **System Supply Gas** - Gas procured by Consumers for sale to its customers
- (13) **Total Heating Value Per Cubic Foot** - See Section F1.1(o) of Gas Rate Schedule

2. STORAGE QUANTITIES

Customer may deliver and withdraw gas from storage in daily quantities that are not in excess of the MDQ; provided, however, if requested by the Customer, Consumers may, if it determines that conditions on its system permit, accept gas for storage in excess of the MDQ.

Gas delivered to Consumers under the Gas Transportation Agreement in excess of the Authorized Tolerance Level shall be stored by Consumers pursuant to this Agreement subject to the limitations stated herein.

The gross quantity of gas delivered to Consumers for storage under this Agreement during each month shall be calculated as follows:

$$SG_D = D - C - AT_e$$

SG_D = The gross quantity of gas delivered to Consumers during the month for storage. If SG_D is a negative number, it will equal net withdrawals from storage; provided, net withdrawals shall never exceed the quantity of gas in storage at the beginning of the month.

- D = Net quantity of gas delivered to Consumers under the Gas Transportation Agreement during the month for which the calculation is being made. Net quantity equals total deliveries minus quantities Consumers will retain under the Gas Transportation Agreement.
- C = Total deliveries by Consumers to the Customer under the Gas Transportation Agreement (excluding any System Supply Gas) during the month for which the calculation is being made.
- AT_c = The net change, between the beginning and end of the month for which the calculation is being made, in the quantity of gas Customer is maintaining in Consumers system under the Gas Transportation Agreement pursuant to the applicable Authorized Tolerance Level during the month for which the calculation is being made.

The Customer shall not use gas from the Authorized Tolerance quantities being held by Consumers under the Gas Transportation Agreement while there is gas in storage under this Agreement except to the extent the Customer is prevented from withdrawing gas from storage by an event or occurrence by Subsection A of Section 7, Force Majeure.

If SG_D is greater than zero, the net quantity of gas injected for storage pursuant to the Agreement during the month will be the gross quantity of gas delivered to Consumers for storage (SG_D) minus two percent of SG_D which will be retained by Consumers for compressor fuel.

Total gas in storage at the end of the month will equal the total gas in storage at the beginning of such month plus the net quantity of gas injected for storage during such month or minus the net withdrawals from storage (see definition of SG_D above), whichever is applicable, but in no event less than zero.

3. CHARGES

A monthly administration charge of \$200.00 per account per month will be charged to Customer. A storage charge of \$0.0360 per MMBtu/month will be charged to Customer on the net volumes of gas remaining in storage each month.

If the quantity of gas in storage at the end of any month exceeds the maximum quantity stated in Part I which Customer is permitted to store hereunder, the Customer shall pay an additional charge of \$0.25 per MMBtu/month for all excess gas in storage.

For gas remaining in storage after termination of Customer's right to put additional gas into storage hereunder, Customer will, in lieu of the above storage charges, be assessed a holdover charge of \$0.25 per MMBtu/month until it is removed.

4. PAYMENT

Each month, Consumers will endeavor to render a bill to the Customer for service during the prior calendar month. Payment shall be due 21 days from the date of mailing of said bill. A late payment charge will be assessed in accordance with Section F, Transportation Service, of the Gas Rate Schedule on any bill not paid when due provided that the late payment charge shall not exceed the maximum rate permitted by law.

5. TERM

This Agreement shall be effective on the effective date stated in Part I and shall remain in effect for a primary term ending on the date stated in Part I. All gas stored under this Agreement must be removed from storage by the end of the primary term ending on the date stated in Part I.

Notwithstanding the foregoing, Customer's right to put additional gas into storage shall terminate if the Gas Transportation Agreement terminates.

6. DELIVERY OF GAS

All gas to be stored hereunder will be delivered to Consumers in accordance with the Gas Transportation Agreement.

7. FORCE MAJEURE

- A. The provisions of the Gas Rate Schedule excusing Consumers performance in the event of interruptions in service, variations in the pressure, variations in the service characteristics or other causes beyond Consumers reasonable control (currently Rule B2.1, Character of Service) shall apply to all service provided by Consumers under this Agreement.
- B. The term "Force Majeure" as used in this section shall mean any act, omission or circumstance occasioned by or as a consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind enumerated or otherwise, beyond the reasonable control of the Customer.
- C. Except as provided below in this section, the Customer shall not be considered in default or be liable for any failure in performing its duties and obligations hereunder to the extent and for so long as such duties and obligations are prevented from being performed by Force Majeure. The Customer shall give notice and full particulars of such Force Majeure in writing to Consumers as soon as practicable after the occurrence of the cause relied upon. Failure to give such notice shall constitute waiver of the right to the benefits of this Subsection C. Such Force Majeure affecting the performance hereunder by Customer, however, shall not relieve it of liability in the event of its failure to use due diligence to remedy the situation and to remove the Force Majeure in an adequate manner and with all reasonable dispatch, nor shall such Force Majeure relieve Customer from its obligations to make payments of amounts when due hereunder.

8. SUCCESSORS AND ASSIGNS

Neither party shall assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. Unauthorized assignments shall be void. Any such assignment shall not release the assigning party from any of its obligations under this Agreement. Nothing herein contained shall prevent or restrict either party from pledging, granting a security interest in, or assigning as collateral all or any portion of such party's interest in this Agreement to secure any debt or obligation of such party under any mortgage, deed of trust, security agreement or similar instrument.

9. NOTICES

All notices, bills and payments shall be addressed to Consumers at the applicable address stated below, or to Customer at the applicable address stated in Part I.

For Payments:

Consumers Energy Company
Addressed in accordance
with the instructions set
forth on the invoice.

For Nomination and All Other Notices:

Consumers Energy Company
Attn: Gas Transportation Services Dept
Room P11-433
1945 W Parnall Road
Jackson MI 49201

Any nomination changes by Customer or its agent shall be made by telephoning Consumers' Gas Transportation Services Department at (517) 788-2491 or (517) 788-5808.

The addresses and phone numbers of either party may be changed by the addressee giving at least thirty (30) days' written notice to the other party.

10. APPLICABLE LAW

This Agreement will be construed in accordance with the laws of the State of Michigan and shall be subject to all valid laws of the United States and the State of Michigan, and to the applicable valid orders, rules and regulations of duly constituted governmental authorities having jurisdiction.

11. TERMINATION OF PRIOR AGREEMENTS AND ENTIRE AGREEMENT

Any existing Gas Storage Agreement(s) designed in Part I as being terminated is terminated as of the effective date of this Agreement. As of the effective date of this Agreement, all gas in storage pursuant to said terminated agreement(s) shall be covered by this Agreement.

With respect of the subject matter hereof, this Agreement supersedes all previous agreements, representations, understandings and negotiations, either written or oral, and constitutes the entire Agreement between the parties hereto.

CONTRACT STORAGE SERVICE RATE CS

Availability

Subject to any restrictions, this rate is available to any customer desiring storage service provided the Company has determined that it has sufficient available and uncommitted storage capacity to perform the service requested.

Delivery of gas into or out of storage may be subject to interruption at the sole discretion of the Company.

A customer requesting service on this rate shall make written application for such service on a form provided by the Company. A storage agreement shall also be required.

Monthly Rate

Administrative Fee

\$200 per account per month, plus

Storage Charge

\$0.20 per Mcf to \$1.50 per Mcf, as negotiated.

Unauthorized Gas Usage Charge

The Company is authorized to charge storage customers for deliveries to, or redeliveries from, storage in excess of the maximum volumes set forth in the storage agreement. The penalty rates shall not exceed the sum of \$6.00 per Mcf plus the currently effective Gas Cost Recovery Factor.

Fuel Used for Injection

All volumes placed in storage shall be subject to a 2.0 percent gas-in-kind for fuel used for injection.

Due Date and Late Payment Charge

The due date of the customer's bill shall be not more than 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance outstanding, net of taxes, shall be assessed to any bill which is not paid in full on or before the due date shown thereon.

General Terms and Conditions

This rate is subject to all general terms and conditions shown on Sheet No. E-1.00 of the Company's Gas Rate Schedule.

Term and Form of Contract

All service under this rate shall require a written contract which must be approved by an officer of the Company or a duly authorized agent before it shall be binding upon the Company.

Issued April 1, 1998 by
P. A. Elbert,
President and Chief Executive Officer - Gas,
Jackson, Michigan

Effective for service rendered on
and after April 1, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1998
in Case No. U-11645

Please contact Krystal Wallace at extension 3621 once signed or if there are any questions.

RESOLUTION REVIEW FORM

FROM: DPW - WATER POLLUTION CONTROL

Department

Law Office Login #

RESOLUTION NAME:

Consumers Energy Resolution Terminate the Natural Gas Storage and Transportation with the intent to enter into the Sales Rate Program

RESOLUTION REVIEW - LEGAL

Date In:

5/19/2020

Date Out:

5/19/2020

The attached RESOLUTION is submitted to the Legal Department for Approval as to **FORM ONLY:**

By: Angela Wheeler


Chief Legal Officer

RESOLUTION REVIEW - FINANCE

Date In:

6/15/2020

Date Out:

6/16/20

The attached RESOLUTION is submitted to the Finance Department for Approval as to **FUNDING/FINANCE ONLY:**

By: Amada Trujillo


Interim Financial Director

THIS RESOLUTION MAY NOW GO TO THE CITY ADMINISTRATION FOR SIGNATURE AND APPROVAL



RESOLUTION NO.: 200263

PRESENTED: JUN 22 2020

ADOPTED: _____

**RESOLUTION TO APPROVE PERMANENT EASEMENT FOR THE WALKING
PATH AT HURLEY MEDICAL CENTER TO HONOR ALISA STEWART**

BY THE CITY ADMINISTRATOR:

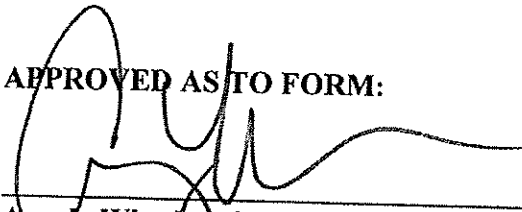
WHEREAS, The City desires to dedicate an easement and walking path. The purpose of the easement and walking path is to honor Alisa Stewart, a Hurley employee who was killed in a car accident.

WHEREAS, Hurley Medical Center assumes responsibility for construction of and maintenance for the walking path. Hurley Medical Center will also insure it as well as assume full liability. The City of Flint will be able to terminate the easement at any time and Hurley will not have any assigning rights. Below is the legal description.

MCFARLAN & CO'S WESTERN ADDITION. THAT PART OF LOT 8 AND SLY 44 FT OF LOT 6 LYING SLY OF FOLL DESC LINE: BEG AT A PT ON ELY LINE OF SD LOT 8, 29 FT NWLY FROM SELY COR OF SD LOT; TH WLY TO A PT ON NLY LINE OF SD LOT, 42 FT SWLY FROM NELY COR OF SD LOT; TH WLY TO P.O.E. ON ELY LINE OF PATRICK ST., 22 FT NWLY FROM NWLY COR OF SD LOT 6; ALSO THAT PART OF NLY 19 FT OF LOT 10 LYING NLY OF FOLL DESC LINE: BEG AT SELY COR OF SD LOT 10; TH WLY TO P.O.E. ON NLY LINE OF SD LOT, 40 FT NELY FROM NWLY COR OF SD LOT. BLK 34.

IT IS RESOLVED that the City Administrator is hereby authorized to do all this necessary to enter into this Easement and Walking Path with Hurley Medical Center.

APPROVED AS TO FORM:



Angela Wheeler, Chief Legal Officer

FOR THE CITY OF FLINT:



Clyde Edwards, City Administrator

APPROVED AS TO FINANCE:

Amanda Trujillo, Acting Finance Director

APPROVED BY CITY COUNCIL:

Monica Galloway, City Council President

RESOLUTION STAFF REVIEW

June , 2020

Agenda Item Title:

Resolution to Approve Permanent Easement for Walking Path at Hurley Medical Center to Honor Alisa Stewart

Submitted By:

Victoria Cooper Legal Department

Summary of Proposed Action:

The City desires to dedicate an easement and walking path. The purpose of the easement and walking path is to honor Alisa Stewart, a Hurley employee who was killed in a car accident.

Financial Implications:

None

Dept.	Name of Account	Account #	Grant #	Amount

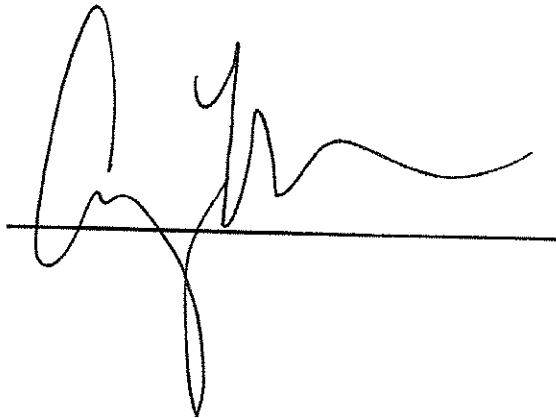
Other Implications:

None

Staff Recommendation:

Approval.

Staff Person: _____



HURLEY MEDICAL CENTER WALKING PATH EASEMENT AGREEMENT

This agreement (the Agreement) is entered into on this June __, 2020, between the City of Flint, a Michigan municipal corporation, of 1101 S. Saginaw St., Flint, MI (Grantor), and Hurley Medical Center, a Michigan municipal hospital, of One Hurley Plaza, Flint, MI (Grantee), on the following terms and conditions.

Grantee is developing a walking path on a vacant city block in the City of Flint, Michigan bordered by Fifth Avenue, Patrick Street, Begole St. and University Avenue. The block is comprised of numerous parcels, one (1) of which is owned by Grantor. The walking path would be available for use by the public and would beautify the area.

Terms

1. **Purpose.** Grantor and Grantee own adjacent parcels of vacant land. Grantee wishes to purchase an easement from Grantor across Grantor's land for purposes of an asphalt walking path, which will burden Grantor's parcel (#40-12-386-017) for the benefit of Grantee's adjacent parcels.
2. **Burdened Property.** Grantor owns land in City of Flint, County of Genesee, Michigan, described on the attached exhibit 1 (the Burdened Property).
3. **Consideration.** Grantee, in consideration of the grant of the easement stated in this Agreement agrees to pay Grantor \$1.00 payable at the time of the signing of this Agreement.
4. **Description of the Easement.** Grantor grants to Grantee an easement for constructing and maintain an asphalt walking path for pedestrian use over the Burdened Property 5 feet in width and as described and shown on the attached exhibit 1 (the Easement), for the benefit of the benefited property (the Benefited Property). See Exhibit 2.
5. **Condition and maintenance.** Grantee shall be solely responsible for maintaining the Easement and shall not allow it to become unsightly or a nuisance. Any ruts or deterioration shall be promptly filled/corrected. The walking path shall be used only by pedestrians and non-motorized travel (e.g. bicycles).

6. **Interest in realty.** The walking path is to be an easement over the Burdened Property for the use and benefit of the Benefited Property and cannot be assigned unless with the express written permission of Grantor.

7. **Insurance.** The Grantee shall obtain liability insurance as part of its owner's policy for the Benefited Property to cover any liabilities that arise as a result of the use of the Benefited Property of the Easement and the owner of the Benefited Property's liability policy shall name the owner of the Burdened Property as an insured party for the owner of the Benefited Property's use of the Easement.

8. **Indemnification.** Grantee agrees to indemnify and hold Grantor harmless from any and all claims, debts, causes of actions, or judgments for any damage to any property or injury to any person that may arise out of use of the Easement. This provision shall survive the termination of this Agreement.

9. **Entire agreement.** This Agreement and all exhibits constitute the entire agreement between the parties regarding the subject matter of this Agreement, and all prior negotiations and agreements regarding the Easement between the parties, whether written or oral, shall be of no further force and effect. This Agreement may not be modified except by a written document signed by both parties

10. **Notice.** Except as otherwise provided, all notices required under this Agreement shall be effective only if in writing or in a form of electronic or facsimile transmission that provides evidence of receipt and shall be either personally served, electronically transmitted, or sent with postage prepaid to the appropriate party at its address as set forth in the introductory paragraph of this Agreement. Either party may change its address by giving notice of the change or a new facsimile transmission number to the other as provided in this section.

Notices for the City of Flint and Hurley Medical Center should be submitted to the following:

The Mayor of the City of Flint and the City Administrator to:

Mayor Sheldon A. Neeley and Clyde Edwards, City Administrator at saneeley@cityofflint.com and cedwards@cityofflint.com or

Address: 1101 S. Saginaw Street

Flint, MI 48502

And

Hurley Medical Center, Attn. Risk/Legal, One Hurley Plaza, Flint, MI 48503

11. **Severability.** If any term, covenant, or condition of this Agreement or the application of which to any party or circumstance shall be to any extent invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall be effective, and each term, covenant, or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

12. **Termination.** Grantor may terminate this Easement upon sixty (60) days' notice to Grantee.

13. **Jurisdiction and venue.** Any disputes under this conveyance shall be subject to the laws of the state of Michigan and venue for any disputes shall lie in Genesee, Michigan.

14. **Time is of the essence.** Time shall be of the essence in the performance and actions undertaken under this Agreement.

15. **Exhibits.** The following exhibits are attached to and are a part of this Agreement:

Exhibit 1—Legal Description of the Burdened Property

Exhibit 2—Schematic of the Easement

15. **Effective date.** Owner and Grantee have signed this Agreement, and it shall be effective as of the day and year first above written.

Grantor: City of Flint

Grantee: Hurley Medical Center

Sheldon Neeley, Mayor

Melany Gavulic, President & CEO

STATE OF MICHIGAN)
GENESEE COUNTY)

Acknowledged before me in Genesee County, Michigan, on June ___, 2020, by Sheldon Neeley, Mayor of the City of Flint.

Notary public, State of Michigan, County of Genesee.
My commission expires:

STATE OF MICHIGAN)
GENESEE COUNTY)

Acknowledged before me in Genesee County, Michigan, on June ____, 2020, by Melany Gavulic, President
& CEO, Hurley Medical Center.

Notary public, State of Michigan, County of Genesee.
My commission expires:

Drafted by and when recorded return to:
Peter M. Bade
One Hurley Plaza
Flint, MI 48503

Exhibit 1

Legal Description of the Burdened Property

MCFARLAN & CO'S WESTERN ADDITION. THAT PART OF LOT 8 AND SLY 44 FT OF LOT 6 LYING SLY OF FOLL DESC LINE: BEG AT A PT ON ELY LINE OF SD LOT 8, 29 FT NWLY FROM SELY COR OF SD LOT; TH WLY TO A PT ON NLY LINE OF SD LOT, 42 FT SWLY FROM NELY COR OF SD LOT; TH WLY TO P.O.E. ON ELY LINE OF PATRICK ST., 22 FT NWLY FROM NWLY COR OF SD LOT 6; ALSO THAT PART OF NLY 19 FT OF LOT 10 LYING NLY OF FOLL DESC LINE: BEG AT SELY COR OF SD LOT 10; TH WLY TO P.O.E. ON NLY LINE OF SD LOT, 40 FT NELY FROM NWLY COR OF SD LOT. BLK 34.

11/2/2017

Flint Property Portal

Patrick St



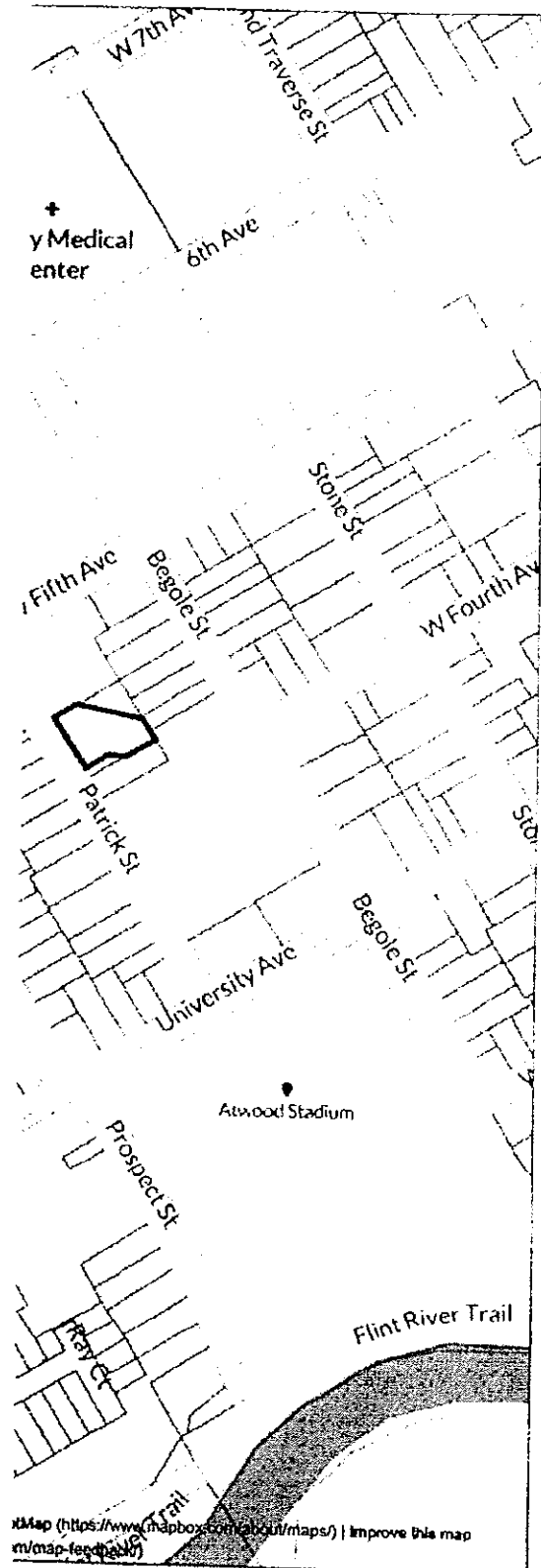
Street photo: October 5 2017

Parcel Number	40-12-386-017
Zip Code	48503
Future Land Use	University Avenue Core
Structure on Property	No
Use	Residential
Owner Name	CITY OF FLINT
Owner Address	1 HURLEY PLAZA, FLINT, MI, 48503
Publicly Owned	Yes
Parcel Size (Acres)	0.28
City Ward	Ward 5
Census Tract	15
Census Block Group	Block 2008
Current Zoning District	C1
Draft Zoning District	UC
Tall Grass	No
Trash and/or Debris	No
Community Maintenance Commitment	No
Mowed by the Community	September 2016
Cleaned up by the Community	No

Please remember that the information on this website reflects the Land Bank and City of Flint's current data, but is not always accurate as property conditions change quickly. You can help us correct inaccurate information by sending Property Updates.

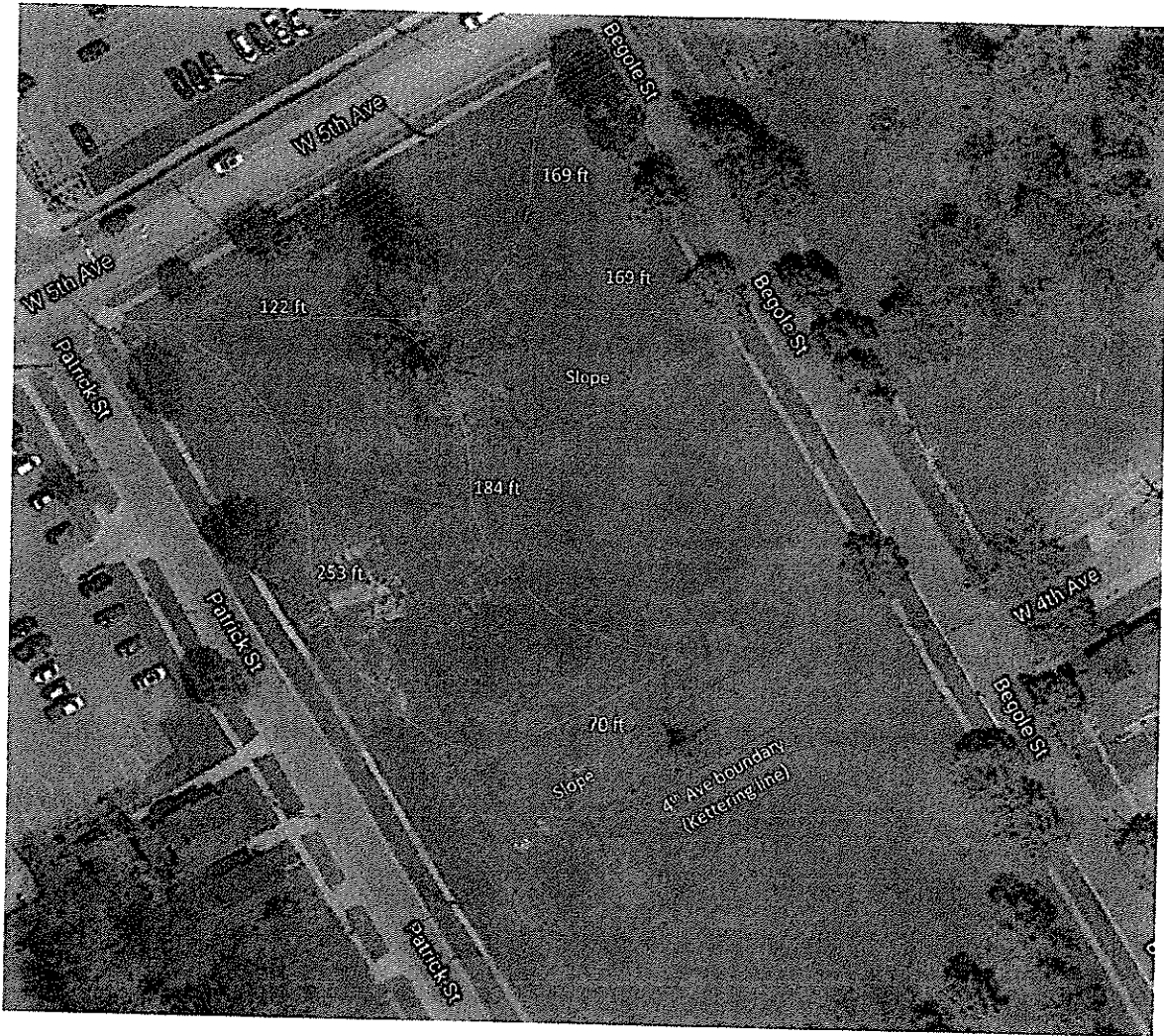
- Parcel is NOT on Hurley Holdings, xls

<https://flintpropertyportal.com/>



Map (https://www.mapbox.com/about/maps/) | Improve this map
m/map-feedback

Exhibit 2



ORDINANCE NO. _____

An Ordinance to amend the Flint City Code of Ordinances by amending Chapter 31, General Offenses; Article I, In General.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF FLINT:

Sec. 1. An Ordinance to amend the Flint City Code of Ordinances by amending Chapter 31, General Offenses; Article I, by the addition of Section 31-19.8 Bias Crime Reporting which shall read in its entirety as follows:

§ 31-19.8 Bias Crime Reporting.

(A) DEFINITIONS: THE DEFINITIONS AND PROVISIONS CONTAINED IN THIS SECTION SHALL GOVERN THE CONSTRUCTION, MEANING, AND APPLICATION OF THE FOLLOWING WORDS AND PHRASES USED IN THIS CHAPTER. GOVERN THE CONSTRUCTION, MEANING, AND APPLICATION OF THE FOLLOWING WORDS AND PHRASES USED IN THIS CHAPTER.

1. PROTECTED CLASS MEANS RACE, COLOR, CREED, RELIGION, ANCESTRY, NATIONAL ORIGIN, SEX, DISABILITY, AGE, MARITAL STATUS, STATUS WITH REGARD TO PUBLIC ASSISTANCE, SEXUAL ORIENTATION, GENDER IDENTITY, GENDER EXPRESSION, AND VETERAN STATUS.
2. DISABILITY MEANS A PHYSICAL OR MENTAL IMPAIRMENT THAT SUBSTANTIALLY LIMITS ONE

OR MORE MAJOR LIFE ACTIVITIES, INCLUDING THE FUNCTIONS OF CARING FOR ONE'S SELF, PERFORMING, MANUAL TASKS, WALKING, SEEING, HEARING, SPEAKING, BREATHING, LEARNING, AND WORKING; A RECORD OF A PHYSICAL OR MENTAL IMPAIRMENT; OR BEING REGARDED AS HAVING A PHYSICAL OR MENTAL IMPAIRMENT.

3. GENDER EXPRESSION MEANS THE PRESENTATION OF AN INDIVIDUAL INCLUDING PHYSICAL APPEARANCE, CLOTHING CHOICE AND ACCESSORIES, AND BEHAVIORS THAT EXPRESS ASPECTS OF GENDER IDENTITY OR ROLE, GENDER EXPRESSION MAY OR MAY NOT CONFORM TO A PERSON'S GENDER IDENTITY.
4. GENDER IDENTITY MEANS A PERSON'S ACTUAL OR PERCEIVED GENDER-RELATED ATTRIBUTES, SELF-IMAGE, APPEARANCE, EXPRESSION, OR BEHAVIOR, WHETHER OR NOT SUCH CHARACTERISTICS DIFFER FROM THOSE TRADITIONALLY ASSOCIATED WITH THE PERSON'S ASSIGNED SEX AT BIRTH.
5. SEX MEANS MALE OR FEMALE. THE TERMS "BECAUSE OF SEX" AND "ON THE BASIS OF SEX" INCLUDE PREGNANCY, ANY ILLNESS ARISING OUT OF AND OCCURRING DURING THE

**COURSE OF A PREGNANCY,
CHILDBIRTH, OR RELATED
MEDICAL CONDITIONS.**

**6. SEXUAL ORIENTATION MEANS
A COMPONENT OF AN
INDIVIDUAL'S IDENTITY
THAT INCLUDES A PERSON'S
SEXUAL AND EMOTIONAL
ATTRACTION TO ANOTHER
PERSON AND THE BEHAVIOR
AND/OR SOCIAL AFFILIATION
WHICH MAY RESULT FROM
THIS ATTRACTION AND
INCLUDES A LESBIAN
WOMAN, GAY MALE,
BISexual PERSON OR
HETEROSEXUAL PERSON.**

**7. VETERAN STATUS MEANS (A)
A VETERAN OF THE ARMED
FORCES OF THE UNITED
STATES; (B) A MEMBER OF
THE MICHIGAN NATIONAL
GUARD; OR (C) A MEMBER OF
A RESERVE COMPONENT.**

**(B) NO PERSON SHALL KNOWINGLY
OR RECKLESSLY REPORT TO A CITY
OF FLINT POLICE OFFICER, CITY OF
FLINT DISPATCHER, OR OTHER
CITY OF FLINT PERSONNEL THAT
AN INDIVIDUAL WHO IS AN ACTUAL
OR PERCEIVED MEMBER OF A
PROTECTED CLASS HAS
COMMITTED, OR MAY OR WILL
COMMIT, A CRIME, IF SUCH
REPORT IS BASED IN WHOLE OR IN
PART ON THE INDIVIDUAL'S
MEMBERSHIP IN A PROTECTED
CLASS AND NOT ON A REASONABLE
SUSPICION OF CRIMINAL ACTIVITY
IN CONSIDERATION OF ALL
AVAILABLE FACTS AND THE
TOTALITY OF THE
CIRCUMSTANCES.**

**(C) ANY PERSON WHO VIOLATES THIS
CHAPTER IS GUILTY OF A**

**MISDEMEANOR, PUNISHABLE BY A
FINE OF NOT MORE THAN \$500 AND/
OR IMPRISONMENT UP TO 90 DAYS
AND MUST COMPLETE COURT
ORDERED BIAS TRAINING.**

**Sec. 2. This Ordinance shall become
effective this _____ day of _____,
2020, A.D.**

**Adopted this _____ day of
_____, 2020, A.D.**

FOR THE CITY:

Sheldon A. Neeley, Mayor

Inez M. Brown, City Clerk

APPROVED AS TO FORM:

Angela Wheeler, Chief Legal Officer

200267

ORDINANCE NO. _____

An Ordinance to amend the Flint City Code of Ordinances by amending Chapter 18, Taxation; Funds; Purchasing; Article IV, Purchases.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF FLINT:

Sec. 1. An Ordinance to amend the Flint City Code of Ordinances by amending Chapter 18, Taxation; Funds; Purchasing; Article IV, by the addition of Section 18-21.14 Sale of City Personal Property which shall read in its entirety as follows:

§ 18-21.14 SALE OF CITY PERSONAL PROPERTY.

- (A) THE CITY MAY DISPOSE BY SALE AT PUBLIC AUCTION OF CERTAIN PERSONAL PROPERTY BELONGING TO THE CITY. THE PROCEDURE FOR SELLING PERSONAL PROPERTY OF THE CITY AT AUCTION SHALL BE SET FORTH IN THIS SECTION.
- (B) THE PURCHASING DIRECTOR IS RESPONSIBLE FOR THE SALE, LEASE, AND TRANSFER OF ALL CITY PERSONAL PROPERTY.
- (C) WHEN IT HAS BEEN DETERMINED BY ANY DEPARTMENT HEAD OF A DEPARTMENT OF THE CITY THAT SAID DEPARTMENT HAS PERSONAL PROPERTY OWNED BY THE CITY WHICH MAY IN THE BEST INTEREST OF THE CITY BE DISPOSED OF, SAID DEPARTMENT HEAD MUST SUBMIT TO THE PURCHASING DIRECTOR A REPORT OF SUCH PROPERTY WHICH SHALL BE SUFFICIENTLY DETAILED LISTING THE ITEMS AND THE ESTIMATED FAIR MARKET VALUE OF EACH ITEM. IF THE PURCHASING DIRECTOR CONCURS

WITH THE DEPARTMENT HEAD'S RECOMMENDATION, THE PURCHASING DIRECTOR SHALL FIND THE PERSONAL PROPERTY ELIGIBLE FOR SALE BY AUCTION.

- (D) THE PURCHASING DIRECTOR SHALL APPOINT OR DESIGNATE A QUALIFIED AUCTION COMPANY TO COMPETITIVELY BID, SALE, LEASE AND TRANSFER PERSONAL PROPERTY OWNED BY THE CITY AND MAINTAIN RECORDS OF ALL SALES.
- (E) THE SALES UNDER THIS SECTION SHALL BE CONDUCTED IN ACCORDANCE WITH THE UNIFORM COMMERCIAL CODE AND ANY OTHER APPLICABLE LAW OF THE STATE OF MICHIGAN.
- (F) NOTHING CONTAINED HEREIN IS INTENDED TO CONTRADICT OTHER MEANS OF SELLING PERSONAL PROPERTY OWNED BY THE CITY.

Sec. 2. This Ordinance shall become effective this _____ day of _____, 2020, A.D.

Adopted this _____ day of _____, 2020, A.D.

FOR THE CITY:

Sheldon A. Neeley, Mayor



Inez M. Brown, City Clerk

APPROVED AS TO FORM:

Angela Wheeler, Chief Legal Officer