

CITY MANAGER'S REPORT MARCH 22, 2021

5 WEST MAIN STREET UPDATE:

Chuck Moore, the Building Inspector recommended to the County Treasurer to engage the services of a Structural Engineer to conduct a structural inspection on the building before anything is done to it. It is my understanding that the recommendation will be taken to the March 18, 2021 County Land Bank meeting for discussion and possibly approval for the structural Inspection. I hope to bring additional information to the commission as soon as available.

RECREATIONAL MARIJUANA PAYMENTS: DISTRIBUTIONS TO LOCAL UNITS OF GOVERMENT

Michigan Department of Treasury started distributing more than \$45.7million collected from taxes and fees under the Michigan Regulation and Taxation of Marihuana Act (initiated Law 1 of 2018).

As part of the Act, after funding statutorily defined distributions, disbursements will be as follows:

- 15% to municipalities in which a marihuana retail store or a microbusiness is located, allocated in proportion to the number of marijuana retail stores and marijuana microbusinesses within the municipality.
- 15% to counties in which a marijuana retail store or a marijuana microbusiness is located, allocated in proportion to the number of marijuana retail stores and marijuana microbusinesses within the county.
- 35% to the School Aid Fund to be used for K-12 education.
- 35% to the Michigan Transportation Fund to be used for repair and maintenance of the roads and bridges.

Cities, villages, townships and counties will be receiving nearly \$10 million under the Act. The distribution rate for FY2020 Recreational Marijuana payments is slightly over \$28,000.00 per licensed marijuana retail sore and microbusiness.

The City of Hartford received\$28,001.32. Payment based on the number of licensed retail stores and microbusinesses located within municipalities' jurisdiction.

GREAT LAKES CULTIVATION ADVISORS, LLC.

Mr. Howard Ballard of Great Lakes Cultivation Advisors, LLC presented the Site Plan for his property located on 501 Hillsborough Street, Hartford, MI 49057, for review and approval during the regular meeting held on March 8,2021. After the review, the Planning Commission recommended the approval of the Site Plan to the City Commission at the next meeting on March 22, 2021. The project would start with the existing building with 100 grow plants and an eye on future plan to expand.

PROSPECT STREET & WENDELL AVENUE RECONSTRUCTION UPDATE

These projects continue to move along very well. Michigan Department of Transportation has finally approved and signed the contract with the City. A pre-construction meeting was held on March 15, 2021. The Contractor, Brenner Excavating has elected to start the project sooner around May 10, 2021, instead of the end of the School year with the possibility of completion by the end of June.

The Pre-construction meeting for Wendell Avenue was held on March 19, 2021, the project is not expected to start until the end of the School year, with an estimated completion date by September 30, 2021.

STATE REVOLVING LOAN FUND

I mentioned in my last report that it is time to respond to the issues that the SAW Grant exposed within our Sewer System. We have gone through the list of vulnerable areas and prioritized the sections that demand immediate attention.

Unfortunately, this is going to be an expensive undertaking. The list of the projects identified is a little over \$4million dollars, but as a disadvantage community, we could get as much as twenty—five percent grant. The rest could be financed for up to thirty years at a rate of 2.175%. We must be able to justify the resources to pay back the loan before it can be approved. A rate adjustment is definitely necessary to undertake this project.