



City of Grand Rapids 2022 Commission Workshop

November 10, 2022, 10 a.m.

FY 2023 Performance Management Review and FY 2024 Budget Schedule (tentative)

- Tuesday, Sept. 6 FY 2022 Annual Performance Management Report
- Wednesday, Nov. 10 2022 City Commission Workshop
- Tuesday, December 6 Detailed Financial Update

2023

- Tuesday, Feb. 21 FY 2023 Mid-year Performance Management Update
- Tuesday, April 25 Intro of the FY 2023 Preliminary Fiscal Plan (10 a.m.)
- Tuesday, May 2* Budget Review Workshop (9 a.m.)
- Thursday, May 4* Budget Town Hall (6 p.m.)
- Thursday, May 11* Budget Review Workshop (9 a.m.)
- Tuesday, May 16* Public Hearing at City Commission (7 p.m.)
- Tuesday, May 23 City Commission Adoption (10 a.m.)

**Specially scheduled meetings*



Values

Our values are what we how we make decisions. They are embedded throughout the entire plan and drive all City work.

Accountability

Always acting with integrity and transparency and being responsible for what we do and say.

Collaboration

Working together in partnership with others; teamwork.

Customer Service

Professionally serving those who live in, work in or visit the city. Providing respectful, excellent, high quality service and assistance before, during and after the person's interactions with the City.

Equity

Leveraging City influence to intentionally remove and prevent barriers created by systemic and institutional injustice.

Innovation

Challenging how things have been done before. Fulfilling community needs by offering new ways to serve our customers and enhance operations. Being nimble, self-aware and open to feedback.

Sustainability

Making decisions with the goal of achieving long-term net positive benefits that are informed by an understanding of how those decisions will impact climate resiliency and the environment, people and communities, and finances, both today and in the future.

Vision

Grand Rapids will be nationally recognized as an equitable, welcoming, innovative and collaborative city with a robust economy, safe and healthy community, and the opportunity for a high quality of life for all.

Mission

To elevate the quality of life through City services.

Priorities



Governmental Excellence

A fiscally resilient government powered by high performing and knowledgeable staff equipped with the appropriate tools and resources to offer excellent, equitable and innovative public service.



Economic Prosperity and Affordability

Residents, employees and businesses have pathways to financial growth and security.



Engaged and Connected Community

Residents and stakeholders have awareness of and voice in decisions that affect them, and receive culturally-responsive and proactive communication.



Health and Environment

The health of all people and the environment are advocated for, protected and enhanced.



Mobility

Innovative, efficient, low-carbon and equitable mobility solutions are safe, affordable and convenient to the community.



Safe Community

All people feel safe and are safe at all times throughout our community.

Affirm Priorities and Key Items to be Discussed

| SP Priority | Commission Focus Areas | Key Topics | |
|-------------------------------------|---|---|---|
| Governmental Excellence | <ul style="list-style-type: none"> Fiscal Sustainability Talent Attraction & Retention | <ul style="list-style-type: none"> Financial Report ERP Facilities Assessment | <ul style="list-style-type: none"> Third Ward Equity Fund Second Ward Corridor Improvement Legislative Opportunities |
| Economic Prosperity & Affordability | <ul style="list-style-type: none"> Housing & Homelessness COVID Relief & Economic Recovery 201 Market Development Community Master Plan | <ul style="list-style-type: none"> Affordable Housing Fund Cannabis Excise Tax Allocation Process Major Projects: 201 Market/Amphitheater, Greenway | <ul style="list-style-type: none"> RAP Grant Community Transformation Fund River Redevelopment 201 Market Development Community Master Plan |
| Engaged & Connected Community | <ul style="list-style-type: none"> Participatory Budgeting | <ul style="list-style-type: none"> Neighborhood Associations Immigrant/Refugee Community Engagement Participatory Budgeting Implementation | <ul style="list-style-type: none"> NCL safe community engagement Commission Night Out Feedback |

Affirm Priorities and Key Items to be Discussed

| <u>SP Priority</u> | <u>Commission Focus Areas</u> | <u>Key Topics</u> | |
|----------------------|---|---|--|
| Mobility | <ul style="list-style-type: none"> Climate Change COVID Relief & Economic Recovery | <ul style="list-style-type: none"> Parking Rates DASH Update | <ul style="list-style-type: none"> Parking Enforcement / Speed Trailers |
| Health & Environment | <ul style="list-style-type: none"> Climate Change Parks and Park Amenities | <ul style="list-style-type: none"> Communitywide Greenhouse Gas Emissions and Target Municipal Renewable Energy Climate Action and Adaptation Plan Equitable, Healthy and Zero Carbon Buildings Initiative (E.H.Zero) Materials Management System | <ul style="list-style-type: none"> Urban Agriculture Park Improvements and Acquisition Reducing Childhood Lead-Based Paint Exposure/Residential Rental Certification Program Opioid Settlement Funding |
| Safe Community | <ul style="list-style-type: none"> Public Safety Reform Crime Prevention & Violence Reduction | <ul style="list-style-type: none"> Place-Based Pilots / Collective Impact Fire Training Center & Stations / Coldbrook | <ul style="list-style-type: none"> Co-Response: HOT and the Mobile Crisis Response Team Police Department Action Plan and Strategic Plan Update |

Key Topics to Discuss Today

| Brief Update | Update and Policy Questions |
|--|--|
| <p data-bbox="89 425 1133 478"><u>Highlights of Collaborative Engagement Initiatives</u></p> <ul data-bbox="89 578 1057 1006" style="list-style-type: none"><li data-bbox="89 578 1057 635">• Enterprise Resource Planning (ERP)<li data-bbox="89 649 700 706">• Facilities Master Plan<li data-bbox="89 721 700 778">• River Redevelopment<li data-bbox="89 792 777 849">• Community Master Plan<li data-bbox="89 863 993 921">• Commission Night Out Feedback<li data-bbox="89 935 840 992">• Safe Community Initiatives | <p data-bbox="1286 425 2127 478"><u>Affordable and Healthy Housing</u></p> <ul data-bbox="1286 499 2293 756" style="list-style-type: none"><li data-bbox="1286 499 1796 556">• Affordable Housing<li data-bbox="1286 571 2293 756">• Reducing Childhood Lead-Based Paint Exposure through the Residential Rental Certification Program <p data-bbox="1286 863 2382 921"><u>Health, Environment and Climate Change</u></p> <ul data-bbox="1286 942 2395 1270" style="list-style-type: none"><li data-bbox="1286 942 2395 1063">• Communitywide Greenhouse Gas Emissions and Target<li data-bbox="1286 1078 2076 1135">• Materials Management System<li data-bbox="1286 1149 1770 1206">• Urban Agriculture<li data-bbox="1286 1220 2191 1278">• Park Improvements and Acquisition |

Financial Considerations

- Will provide detailed General Operating Fund financial briefing on December 6, 2022
 - FY22 and FY23 projections
 - ARPA
 - Budget Stabilization policy
- Economic factors
 - Recession risk
 - Inflation
 - Supply chain stress
 - Labor market
 - Interest rates

Changes to Labor Contracts

| | |
|-----------------------------|-----------------------------|
| Front-Loaded Wage Increases | Retention Pay |
| Juneteenth Holiday | Signing Bonuses |
| Pension Adjustments | Increased Bereavement Leave |
| Increased Shift Premium Pay | Increased Parental Leave |

Budget Amendments for Personnel Costs in FY2023

\$4,738,680 for all funds (\$3,115,816 in the General Fund)

Financial Outlook – Opioid Settlement

City Considerations

- On December 14, 2021, the City Commission approved resolutions to participate in the national settlement and the Michigan-based allocation agreements.
- With 100% participation by counties and municipalities, the City is projected to receive approximately \$4,157,807 over 18 years.
- The first two payments of approximately \$230,989 each to occur on an accelerated basis in 2022, likely fall 2022. The City has not received anything to date.
- The national settlement restricts use of these funds, but the permissible uses relate broadly to treatment, prevention, and abatement purposes.
 - All amounts must be used for Opioid Remediation, with certain exceptions.
 - At least 70% of the amounts must be used solely for future Opioid Remediation.
 - This means that 30% of the funds can be used for past Alleged Harms from opioids.
 - Any funds not used for Opioid Remediation must be identified and reported.

- Affordable Housing Fund Board
- Housing Ideas from Participatory Budgeting
- Reducing Childhood Lead-Based Paint Exposure/Residential Rental Certification Program



Affordable and Healthy Housing



Affordable Housing Fund Board

The \$5M in American Rescue Plan Act funds must be allocated quickly.

Request for Proposals

- Draft RFP and refine expectations (Oct – Dec)
 - Consider committee structure for a working sprint
- Issue RFP (Jan 1 – Feb 15)
- Review Proposals and make Award selections (before March 30th, 2023)

Affordable Housing Fund Board

Long-term Focus

Long-term Fund Strategy

- Craft a strategy for long-term funding priorities of non-ARPA funds.
- Devise strategy for additional investment in AHF and alignment across housing system (public/private/philanthropic)
- Establish time-limited goals for fundraising and future investments

Housing Ideas from Participatory Budgeting

- Youth Affordable Housing Support (top 3 idea in 2 of 3 Wards)
- Additional affordable housing ideas submitted through the process
 - Support for homebuyers
 - Support for improvements to emergency shelters
 - Support for development of new housing
 - Support for repair/improvement to existing housing



Reducing Childhood Lead-Based Paint Exposure

Lead Free Kids Grand Rapids Advisory Committee Final Report

Presented to City Commission during Committee of the Whole on February 25, 2020

Amend the City's housing code to require the following in the rental certification process:

- Lead-based paint testing in homes built before 1978
- Remediation of lead-based paint hazards identified
- Consider making this a targeted approach



Completed 2022 Activities

- ✓ Researched National Best Practices
 - Consulted with National Center for Healthy Housing (TACTIC Report)
 - Review approaches used in 20 other cities and five states
 - Interviews with Rochester NY, Detroit MI, Pittsburg PA, Toledo OH
- ✓ Aligned with Federal and State law
 - Coordinated with the Michigan Department of Community Health
- ✓ Prepared an Impact Assessment
 - Considered financial, environment, health, housing, and equity
- ✓ Considered Integration
 - City operations, public health
- ✓ Completed Ordinance Review
 - City's Property Maintenance Code
 - 2012 International Property Maintenance Code (IPMC) with local amendments
 - 2021 IPMC

High Level of
Health
Protection

Efficient,
User-
Friendly
Program

Financial
Impact

Equity



Proposed Approach and City Cost

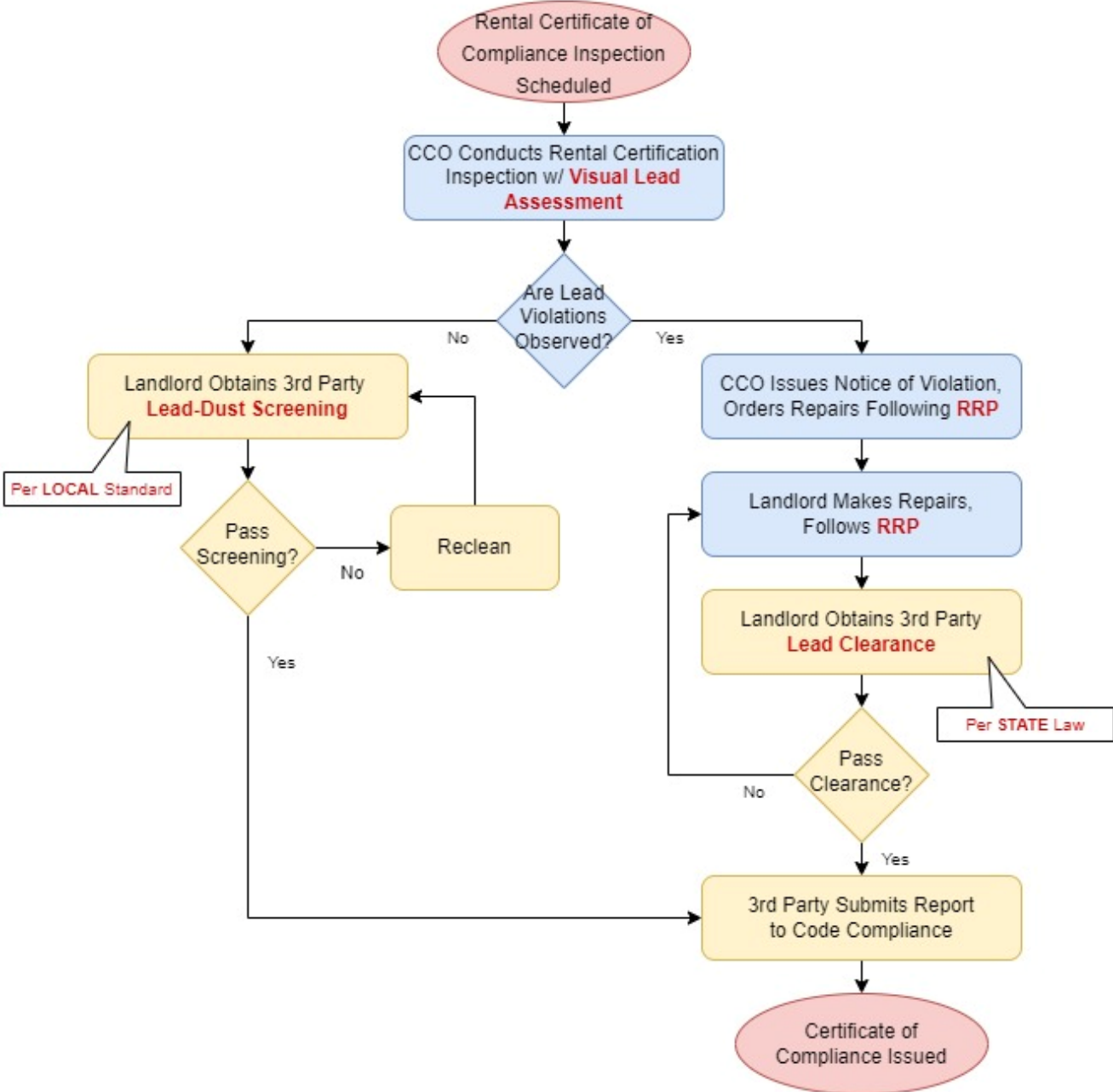
Approach

- Cost-effective local dust sampling standard
- Target interior hazards and lead dust
- Use third-party lead inspectors (like mechanical safety inspection program)
- Part of existing Residential Rental Certification program
- Wrap-around services and incentives to promote full risk assessment and full lead abatement

Estimated City Cost

- \$10,000 – A one-time cost to update data system to allow online reporting and data management for lead dust screening
- \$7,500 – An annual cost for Code Compliance staff training and certifications

Proposed Process



Estimated Cost: Amortized Financial Impact of Inspections

\$3 - \$17 per month

| Anticipated Rental Property Owner Expenses for Newly Required Inspections | | | | | | |
|---|-------------------------------------|---------|--------------------------------------|---------|--|---------|
| | Pass Visual Inspection All Units | | Fail Visual Inspection First Unit | | Fail Visual Inspection Subsequent Unit(s) | |
| Total Cost/Unit | \$ 202 | | \$ 400 | | \$ 275 | |
| | Annually | Monthly | Annually | Monthly | Annually | Monthly |
| 2-Year Cert | \$ 101 | \$ 8 | \$ 200 | \$ 17 | \$ 138 | \$ 11 |
| 4-Year Cert | \$ 51 | \$ 4 | \$ 100 | \$ 8 | \$ 69 | \$ 6 |
| 6-Year Cert | \$ 34 | \$ 3 | \$ 67 | \$ 6 | \$ 46 | \$ 4 |

Estimated Cost of Inspections for the Private Sector

| Estimated <u>First</u> Inspection Cost | |
|--|---------------------------|
| All Units (6 Years) | Annual Impact |
| \$5.0 Million | \$400,734 - \$1.1 Million |

- Number of units due for first re-certification during the next 6 years ranges from 1,914 - 5,282 annually
- Costs are for new first inspection and do not include existing property certification fees
- Depends on the number of units on the property and results of the visual inspection; assumptions used:
 - 95% pass visual inspections
 - Of 5% failing visual inspection, 60% are single-family/first units (\$400) and 40% subsequent units (\$275)

Improving the Approach to Controlling Lead-Based Paint Hazards

- Professional and community standards have risen regarding environmental exposures
- Lead Free Kids GR Advisory Committee was visionary in recommending interventions be strengthened to include cost-effective, ongoing maintenance strategies that reduce the number of children with lesser exposures

| | |
|--------|--|
| 1990's | <p>LIMITED AND EXPENSIVE</p> <p>Health Target: Blood lead levels below 10.0 micrograms per deciliter ($\mu\text{g}/\text{dL}$)</p> <p>Housing Approach: Capital improvement strategy (lead hazard control projects)</p> <p>Cost: High. A typical lead hazard control capital improvement project is currently \approx\$20,000</p> |
| 2020's | <p>COMPREHENSIVE AND COST-EFFECTIVE</p> <p>Health Target: Blood lead levels below 5 $\mu\text{g}/\text{dL}$ and changed to 3.5 $\mu\text{g}/\text{dL}$ in 2021</p> <p>Housing Approach: Property maintenance strategy (annual assessment and maintenance)</p> <p>Cost: Low. Periodic inspection coupled with maintenance costs</p> <p><i>Approach consistent with medical evidence that any level of lead in children's bodies is detrimental to healthy development</i></p> |

Equity & Health Impacts



What are SDOH?

- Conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality of life outcomes and risks

What is the relationship of housing with SDOH?

- Access to safe, decent, affordable housing is a well-documented social determinant of health that can lead to great health disparity.

Value Proposition

| | Anticipate Outcomes | Implementation Impacts |
|------------------------|---|---|
| Health | <ul style="list-style-type: none"> • Fewer lead poisoned children (improved long-term health, educational attainment, behavioral health, employment, reduced delinquency, crime) • Reduced health inequities | <ul style="list-style-type: none"> • None |
| Housing | <ul style="list-style-type: none"> • Safer housing • Investment in housing • Increased property value • Level playing field for federally assisted housing • Reduced housing inequities | <ul style="list-style-type: none"> • Occasional relocation for tenants while abating hazards (as required) • Potential for some or all costs to be passed on to tenants • Limited short-term vacancy |
| Economic | <ul style="list-style-type: none"> • Projected return on investment at \$1.39 per dollar invested • Reinvestment and economic activity • Project up to \$1.1 million in new business for inspection industry/year | <ul style="list-style-type: none"> • Current maintenance and repair costs for property owners estimated at \$2,235 per year would continue • Additional cost to property owner for third-party inspection \$202 - \$400 per unit, or \$3 - \$17 per month |
| City Operations | <ul style="list-style-type: none"> • Advancement of City of Grand Rapids strategic priorities (Health and Environment, Equity) | <ul style="list-style-type: none"> • Increased pressure on currently effective Residential Rental Certification program • Marginal increased cost of operating the Residential Rental Certification program |

Proposed Next Steps

- Finalize ordinance for consideration and approval
- Work with stakeholders to develop implementation plan
 - property owners, inspection firms, tenants, contractors
- Develop and conduct education campaign
 - property owners, inspection firms, tenants, contractors
- Develop inspection roll out plan
- Train staff and complete system automation



QUESTIONS AND DISCUSSION

- Enterprise Resource Planning (ERP)
- Facilities Master Plan
- River Redevelopment
- Community Master Plan
- Commission Night Out Feedback
- Safe Community Initiatives

HIGHLIGHTS OF COLLABORATIVE ENGAGEMENT INITIATIVES



Enterprise Resource Planning (ERP) – Request for Proposals Update

Benefits of New ERP

- Increased productivity
- Efficiencies from standardized processes
- Easier management
- Reduced operating costs
- Better alignment to the City's business needs
- Improved decision-making
- Integrated knowledge
- Centralized data
- Mobility (smartphones and tablets)

Key Components of a Modern ERP

- Finance, Budget, Payroll, Human Resource Management (HRM), Performance Management, Timekeeping, and Business Intelligence

Accomplished:

- 11 respondents – SME team evaluated in July 2022
- Calling on references – August 2022
- Final two software and final four implementors – September/October 2022
- Final Discovery/on-site evaluation – November 8th & 9th 2022

Future Milestones:

- Choose vendor and software – November 2022
- Contract negotiation – December 2022/January 2023
- Implementation begins – February 2023

City-wide Facilities Master Plan

Fishbeck chosen as Project Manager for this approximately 1-year project beginning in November 2022

Project Benchmarks

Phase 1: Project scoping

- Begins in November
- Stakeholders/Focus Groups
- Comprehensive work Plan
- Project Schedule
- Fee Structure

Phase 2: Assessment

- Facility Conditions Assessment
- Operation/Maintenance Studies
- Space Use/Utilization Study
- Maintenance and Life-cycle Cost Estimates
- Feasibility Studies/ROI Analysis

Phase 3: Space Needs Analyses

- Decision-Making Framework
- Space Needs Analysis Report

Phase 4: Implementation Plan

- Financial Forecasting Model
- Facilities Master Plan

River Redevelopment Update

Restoring the Rapids

- Permitting milestones

River's Edge projects

- Permitting bundled with in-channel work
- Anticipated construction

Grand River Greenway

- DGRI \$55M in state grant



201 Market Update

Readiness for sale:

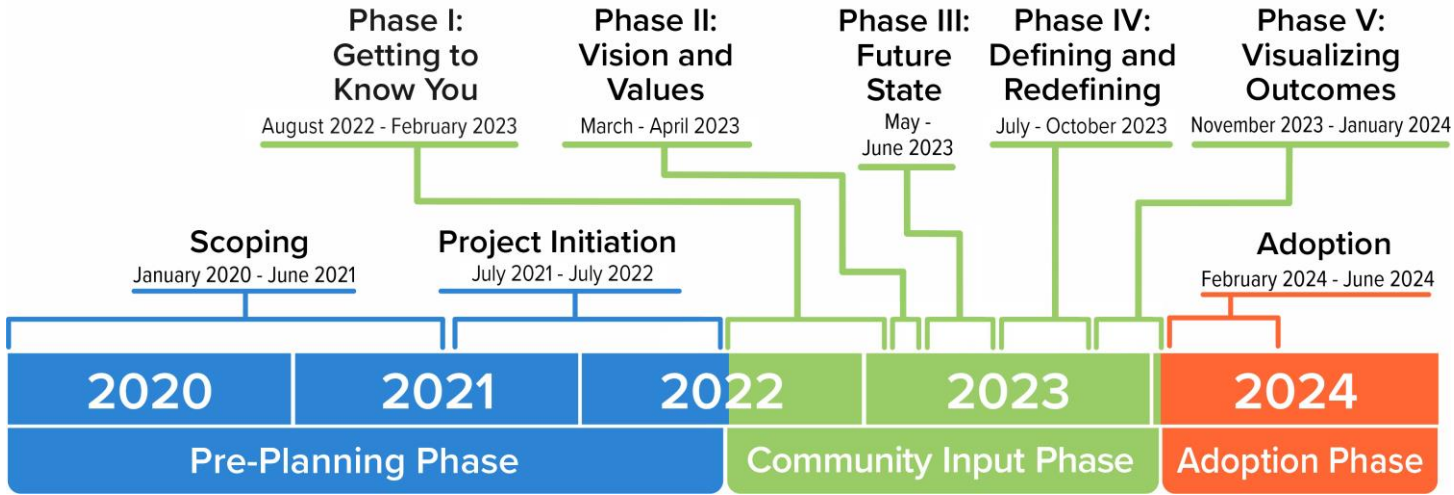
- City, County and CAA adopting revised mission statements
- Creating separate lots
- Anticipate extension on closing with CAA

Relocation to Kent County Road Commission site:

- Anticipate beginning next phase of design soon
- Approx. 2-year timeline

Amphitheater design work

Community Master Plan Timeline

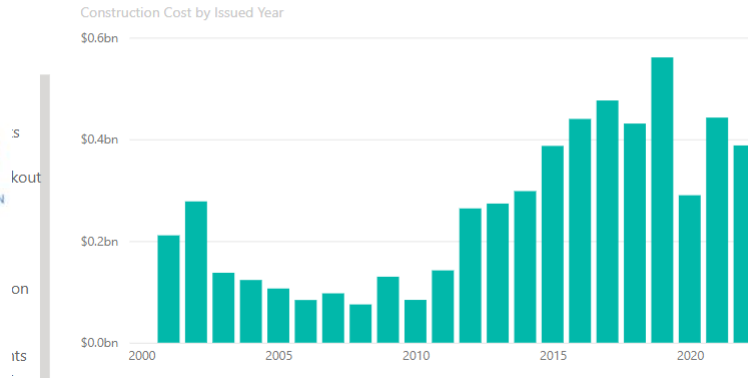


Community Master Plan



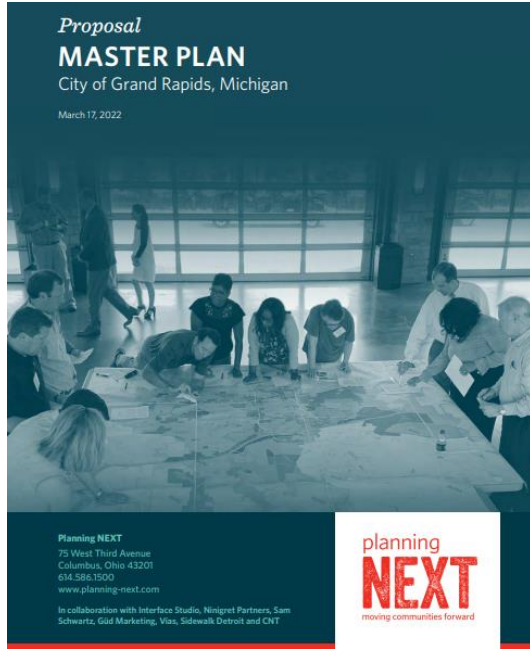
Private Development & Construction - Overview

DEVELOPMENT CENTER



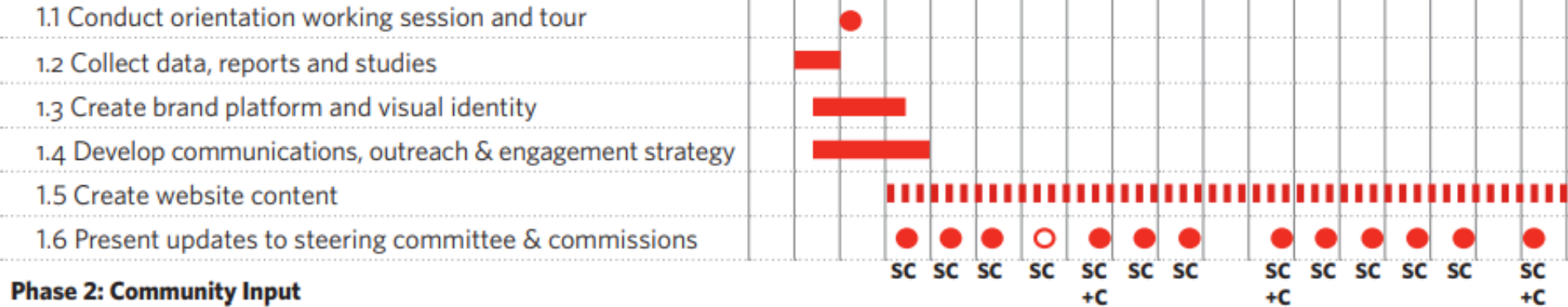
Community Master Plan – Next Steps

TASK / COMPONENTS

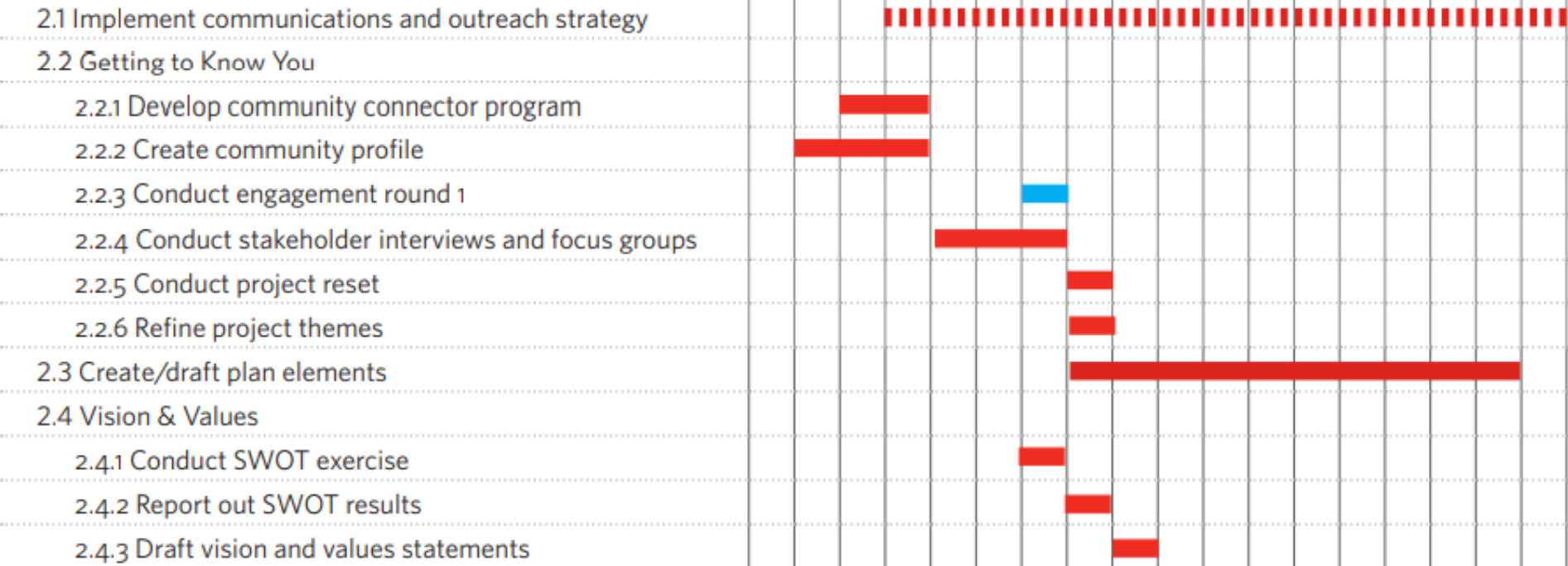


| 2022 | | | | | | 2023 | | | | | | | | | | | |
|------|-----|------|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|
| Jul | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec |

Phase 1: Pre-Planning



Phase 2: Community Input



Immigrant/Refugee Engagement

- Welcome Plan Coordinator hired & workgroups launched
- City of Grand Rapids on Welcome Plan Steering Committee
- Draft Language Access policy and implementation plan
- Glimpse of Africa (GOA) - Contract for monthly engagement sessions
- African Collaborative Network – Contract pending for City Staff training through Welcome Grand Rapids series
- Economic equity contracts with West Michigan Asian American Association (WMAAA), West Michigan Hispanic Chamber of Commerce (WMHCC), & Grand Rapids Area Black Businesses (GRABB) to increase Micro-Local Business Enterprises (MLBEs) certifications
- Hired additional grant funded staff in Office of Oversight and Public Accountability (OPA) to support immigrant and refugee engagement with a focus on public safety
- Partnered with community organizations to create refugee and immigrant focused "Know Your Rights" programming that provides an overview of rights granted under the U.S. Constitution, Rights of Dreamers under DACA, information regarding what to do when stopped by the police, the naturalization process, family reunification, and the role of Immigration and Customs Enforcement.
- Intentional outreach and appointment to Community Relations Commission
- Creation of the African Immigrant and Refugee Advisory Task Force

Commission Night Out Engagement Feedback

- Presentations and community feedback have been posted online along with full results from the National Community Survey.
- Received >1,000 individual comments during the three engagements, with top items for discussion varying among wards (safety was a top three discussion item across all)
- First Ward (337 comments)
 - Overall Feeling of Safety
 - Quality of the Natural Environment
 - Quality of the Transportation System
- Second Ward (346 comments)
 - Quality of Parks & Recreation Activities
 - Overall Health & Wellness Activities
 - Overall Feeling of Safety
- Third Ward (369 comments)
 - Overall Economic Health
 - Overall Feeling of Safety
 - Overall Design & Layout of Residential or Commercial Areas

Safe Community Initiatives

Police Chief's Review and Preliminary Actions

- Affirm values and direction of strategic plan
- Strengthen community involvement and participation
- Critical policy and training updates

Place Based Collective Impact Pilot

- Data Informed Community Engagement (DICE) areas
- Increase opportunity for relationships and partnerships; community building

Co-Response Models

- Homeless Outreach Team (HOT)
- Mobile Crisis Response

National Civic League Safe Community Public Engagement

- Facilitated engagement intended to define drivers for community safety in a broader context
- Combination of in-Ward engagements, virtual and targeted focus groups
- Met with broad group of individuals and organizations to help design/inform engagement strategy in late October/early November
- Engagement intended for winter 2022-23 (schedule in development)
- Intended to inform a number of public safety initiatives:
 - Near-term updates to current GRPD strategic plan (by end of 2020)
 - Longer-term support for effective community involvement



QUESTIONS AND DISCUSSION

- Communitywide Greenhouse Gas Emissions and Target
- Municipal Renewable Energy
- Materials Management System
- Urban Agriculture Committee Report
- Park Improvements and Acquisition



HEALTH, ENVIRONMENT AND CLIMATE CHANGE



2019 Preliminary Communitywide Greenhouse Gas Emissions Inventory Results

- Largest sources of greenhouse gas emissions:
 - Buildings (single family residential, commercial, multifamily)
 - Transportation (sedans, buses, heavy-duty vehicles)
 - Industrial
- Small contribution to communitywide emissions:
 - City of Grand Rapids government operations (approximately 2%)
 - Solid waste (waste to energy, yard waste) and other sources
- Emissions predominantly generated from fossil fuel consumption (natural gas, electricity, transportation fuel)



Figure 3: Relationship of Community and Government Operations Inventories

Setting a Communitywide GHG Science Based Target

Science-Based Target:

- ICLEI – Local Governments for Sustainability is a global network of > 2,500 local and regional governments committed to sustainable urban development
- Contracted to conduct internationally accepted methodology to measure communitywide emissions and calculate science-based targets (SBT) for emissions reductions
- ICLEI recommended a science-based target of 62.8% per capita reduction communitywide by 2030 from 2019 emissions
- City staff recommend adopting the 62.8% per capita science-based target as a preliminary target

Strategy

- Continue to engage community on longer term communitywide goals throughout Climate Action and Adaptation Plan and Community Master Plan creation processes

Primary drivers/required partners/challenges:

- City authority over non-governmental emission sources is limited
- Multiple entities with authority (MI legislature, Michigan Public Service Commission, LARA, Private Utilities, U.S. EPA, U.S. DOE)

Municipal GHG Reduction Goal and Strategy

Goals / Performance:

Greenhouse Gas Emissions (GHG)

- Goal: 85% emissions reduction from 2008 by 2030 and carbon neutral by 2040
- 2020 measure: 30%
- Projected to be: 82% GHG reduction if 100% renewable energy goal achieved

Renewable Energy

- Goal: 100% by end of FY2025 (6/30/25)
- 2021 measure: 37.5%
- Projected to be: 41% with LMFP

Reduction Strategy:

- Energy efficiency – RFP / consultant / audit / cost and benefit analysis for facilities / staff systems-thinking innovation exercise at retreat
- RNG from biodigester
- Renewable energy
- Electrification (transportation and buildings)

Butterworth Landfill Solar Opportunities

- Beneficial reuse options: ballasted solar, paved parking, open field/parkland or combination of those elements
- Butterworth Site Group – liable party under EPA consent decree
- Working for 5 years with Energy Advisory Committee and Consumers Energy on strategies to deploy solar
- Could support 16.5 MW_{AC} of solar generating an estimated 27.5 million kWh/year
- Primary circuit capacity currently limits "behind the meter" transmission and use potential



Figure 6. Reuse Suitability Zones Map

Butterworth Solar Obstacles and Recommendation

Challenges

- Unsuccessful in pursuing state/federal earmarks to offset capital costs
- Not eligible for ARPA funding
- Without external funding, too costly (rates to city increase 2x-3x from current behind-the-meter rate)

Opportunities

- Bipartisan Infrastructure Law, Inflation Reduction Act
- Battery storage (DOE Pilot)
- Parking lot partnership with solar carport (CAA, John Ball Zoo, The Rapid)

Recommendation

- Pause negotiations with Consumers Energy and monitor opportunities
- Get engineering estimates on feasibility of installing parking with solar carport on closed remediated superfund site
- Re-evaluate private development landscape (last approached in 2015)
- Pursue funding opportunities for primary circuit upgrades and solar storage pilot in parallel

Consumers Energy's Proposed Anchor Tenant Options for Butterworth Landfill Solar

Behind-the-Meter (BTM)

- BTM project would require equal or larger sized Front-of-the-Meter component
- ~1.5 MW capacity (8% of needed renewable)
- Could feed into the City's primary circuit, which provides electricity to the City's streetlighting, John Ball Zoo, parking facilities, fire stations; does not address peak use overnight
- New net operating cost would be ~3x current primary circuit rate of \$0.075/kWh
- Upfront capital cost of \$9-10M for Consumers
- 30-year contract term

Front-of-the-Meter (FTM)

- FTM project would require interconnect with Consumers grid @ ~\$1M
- Up to 16.5 MW capacity, City would not directly receive any of the generated power
- Would feed directly into Consumers grid
- City would be required to bring on additional partner/subscribers to finance
- New net operating cost would be \$0.079/kWh plus participating accounts' electricity cost (primary circuit rate of \$.075/kWh, other City account rates around \$0.13/kWh)
- Upfront capital cost of \$45-50M for Consumers
- 30-year contract term

Additional Municipal Renewable Energy Opportunities

Short-Term

- Consider allocating future funding of approximately \$200,000 annually to purchase 30-40 million kWh in renewable energy credits (RECs)
 - Increase our renewable performance from 41% to 100%
 - Interim measure while considering other longer-term opportunities
- Consider participating in Consumers Energy's Solar Gardens program (further information and discussion in early December)

Longer-Term

- Complete an energy and emissions audit for operations (buildings, utilities, fleet)
- Continue to evaluate opportunities at Butterworth Landfill
- Continue to evaluate other renewable energy opportunities (on-site solar; Consumers Energy's voluntary programs)



QUESTIONS AND DISCUSSION

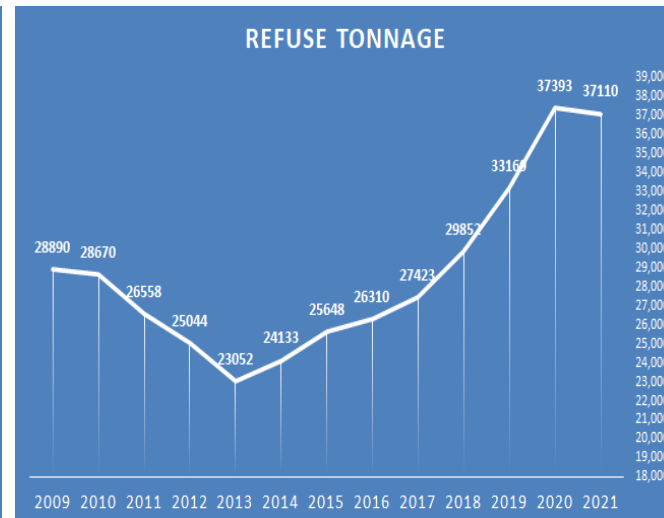
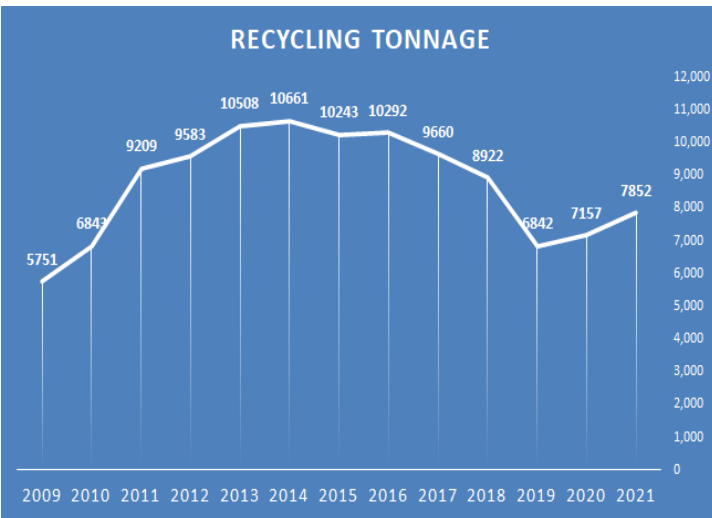
Materials Management – Current State

Refuse Collection

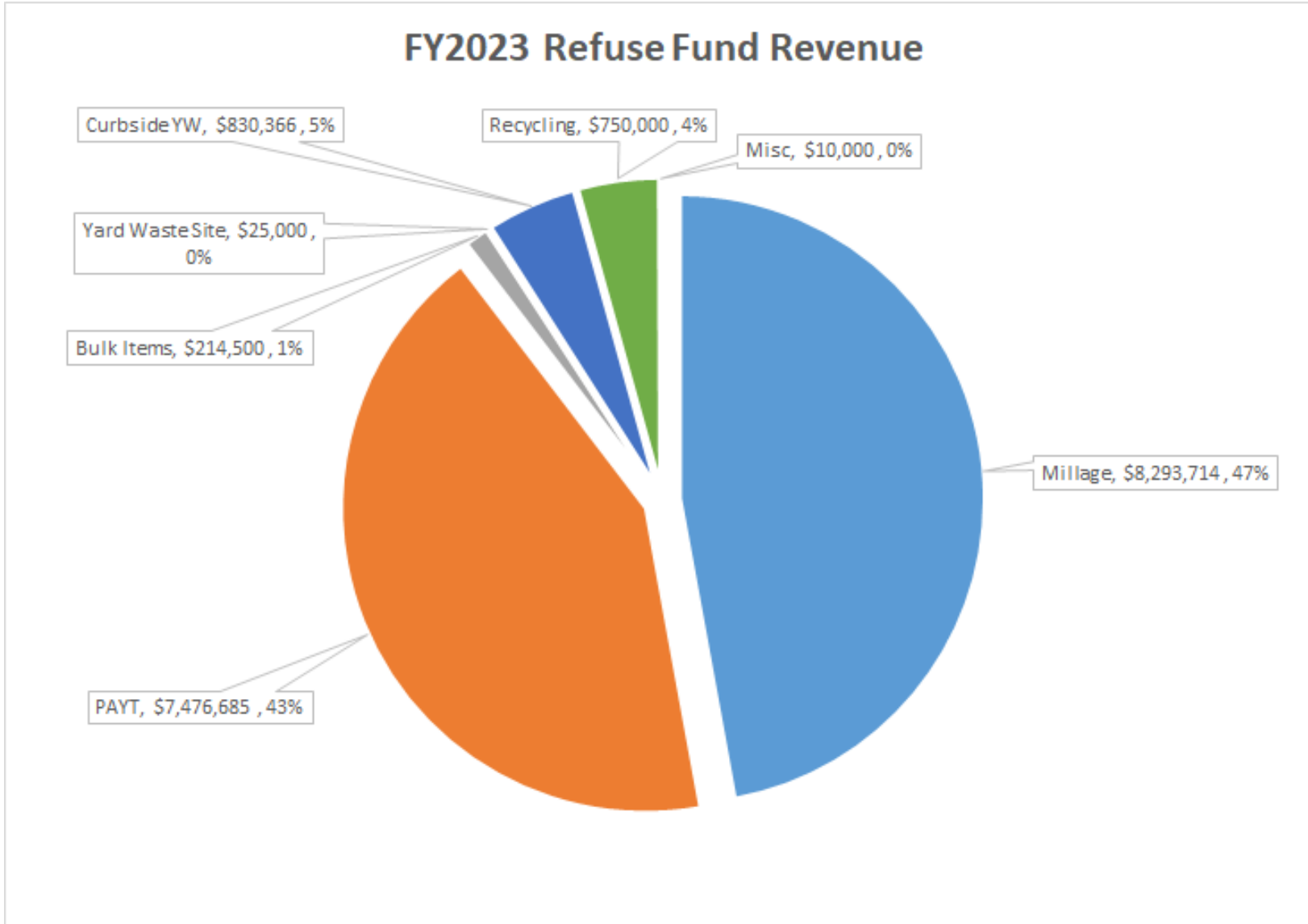
- PAYT Program revenues continue to increase
- Proposed Kent County Sustainable Business Park (hired a Materials Management Consultant to advise)
- Current Waste-to-Energy agreement expires in 2025
- Current PAYT technology (hardware, software) approaching end-of-life

Recycling & Diversion

- Diversion rate currently at 17.5% of 40% goal (~23% with yard waste/compost)
- Recycling costs have increased approximately 80% since FY2006
- Refuse Millage levy at 1.6 mills supports recycling, street sweeping, yard waste site (Domtar), graffiti abatement, neighborhood cleanups
- Compost Operator completing 2nd full year of operations
- Recycling Education Coordinator position interviews this week

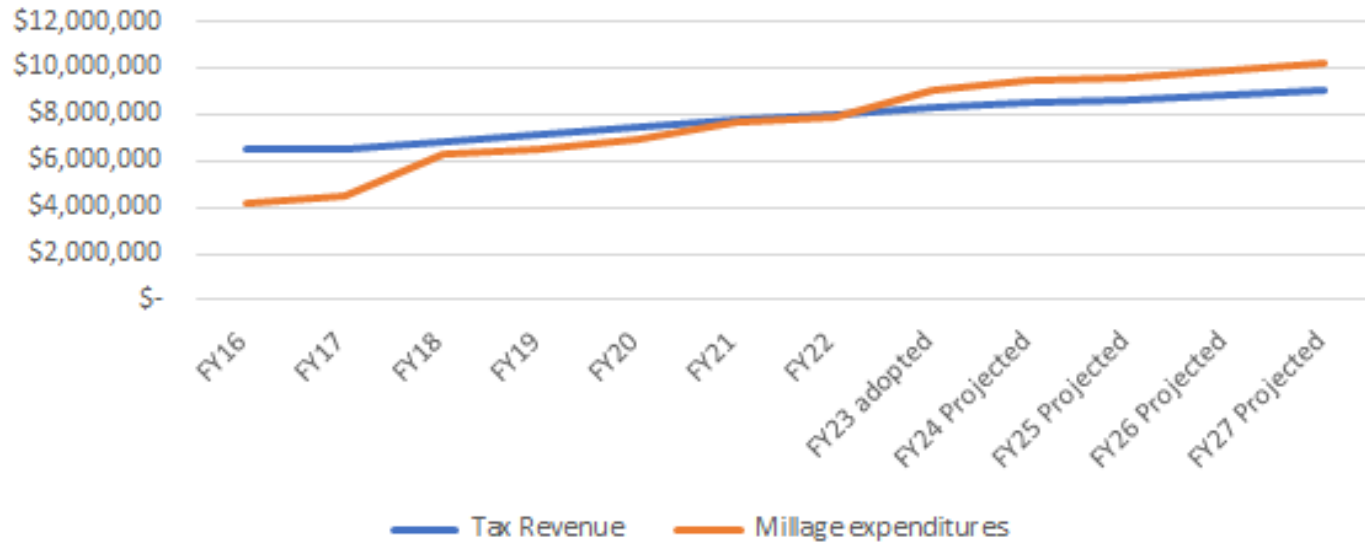


Materials Management – Current State Cont.

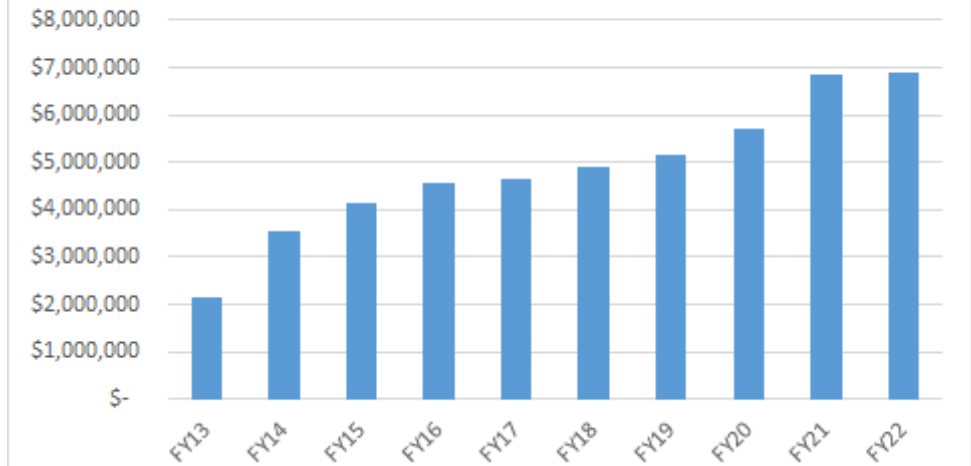


Materials Management – Current State Cont.

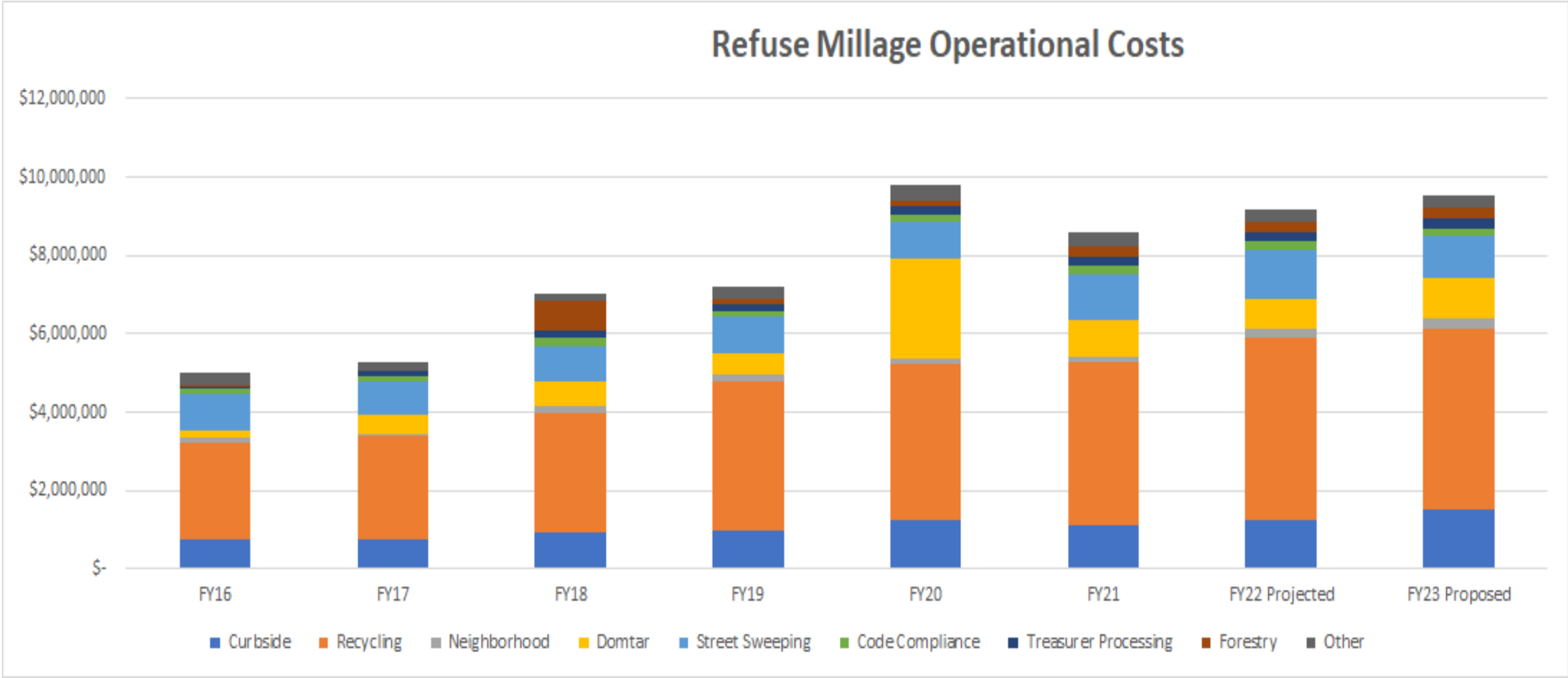
Refuse Fund Revenue to Expense



PAYT Tip Revenue



Materials Management – Current State Cont.



Materials Management – On the Horizon

- Rate Study on all materials management services (early 2023)
- Decision on increase to Refuse Millage, additional service fee or reduction in service to correct imbalance (FY2024 has \$3/month “ready-to-serve” charge proposed)
- Organics collection pilot – residential or commercial
- Wood reuse pilot with Parks/Forestry
- Technology and truck hardware replacements
- Proposed Kent County Sustainable Business Park
 - Stakeholder Group convened by County
 - Impacts of the SBP on Countywide and City systems
 - Anchor Tenant - Mixed waste processing and digestion proposed
 - Projected collection, transportation and disposal costs
 - Potential for meeting/exceeding diversion target (projected ~50% diversion at SBP)

Urban Agriculture Committee Report

- Classify greenhouses and hoophouses, not as an accessory structure
- Establish building material standards for greenhouses/hoophouses
- Establish maximum size of greenhouse/hoophouse
- Create a straightforward permit application process for greenhouse/hoophouse
- Decrease the cost of the backyard chicken permit fee amount to \$25 for a three-year permit
- Allow composting on properties approved for a school, church, community garden, urban garden, or social service facility.
- Allow organizations to compost more than 64 cubic feet at time
- Allow renters to compost
- Establish a permit process to establish a farm stand within the City



QUESTIONS AND DISCUSSION

FY23 Park Millage Projects

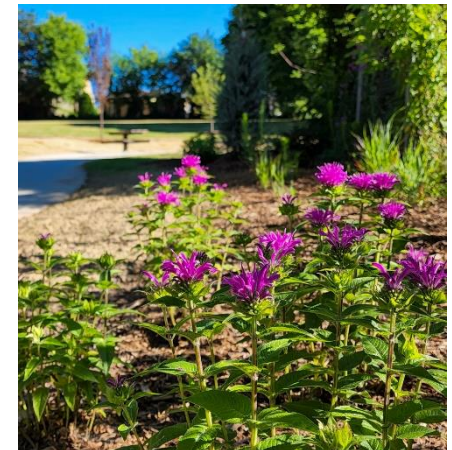
| <i>PARK</i> | <i>PHASE</i> | <i>FUNDING SOURCE(S)</i> | <i>PROJECT TOTAL</i> |
|--|-------------------------|----------------------------------|----------------------|
| 1) Ah-Nab-Awen Park | Design | Millage, Partner | \$2,700,000 |
| 2) Ball Perkins Park | Design | Millage | \$500,000 |
| 3) Canal Park | Design | Millage, Partner | \$6,500,000 |
| 4) Cherry Park | Pre-construction | Millage | \$218,000 |
| 5) Citywide dog park study | Design | Millage | \$20,000 |
| 6) Fourth Street Woods | <i>Completed</i> | Millage | \$173,000 |
| 7) Garfield Park – Splash pad | Construction | Millage, Grant, Partner | \$810,000 |
| 8) Garfield Park – Basketball | Pre-construction | Millage | \$160,000 |
| 9) Garfield Park – Gym roof | Design | Millage | \$380,000 |
| 10) Grand River Edges Trail – Leonard to Ann | Design | Millage, Capital, Grant, Partner | \$6,800,000 |
| 11) Heartside Park | Construction | Millage | \$718,000 |
| 12) Heritage Hill Park | Construction | Millage | \$72,000 |
| 13) Highland Park | Design | Millage | \$900,000 |
| 14) Hillcrest Park | <i>Completed</i> | Millage | \$350,000 |
| 15) Lyon Square | Design – pending permit | Millage, Capital, Partner | \$6,000,000 |



Construction progress at Garfield Park splash pad

FY23 Park Millage Projects (cont.)

| <i>PARK</i> | <i>PHASE</i> | <i>FUNDING SOURCE(S)</i> | <i>PROJECT TOTAL</i> |
|--|-------------------------|--|----------------------|
| 16) Martin Luther King Park | Design | Millage, Bond, Capital, Grant, Partner | \$8,000,000 |
| 17) Mary Waters Park | Pre-construction | Millage, Partner | \$10,000 |
| 18) Midtown Green | Pre-construction | Millage | \$285,000 |
| 19) Nagold Park | <i>Completed</i> | Millage | \$127,000 |
| 20) Ottawa Hills Park | Design | Millage, Grant | \$550,000 |
| 21) Paris Park + Seymour Park | Construction | Millage | \$53,000 |
| 22) Park entry sign package | Design | Millage | \$150,000 |
| 23) Plaza Roosevelt | Acquisition + Design | Millage, Capital, Grant, Partner | \$250,000 |
| 24) Pekich Park | Construction | Millage | \$275,000 |
| 25) Plaster Creek Trail – Trail washouts | Design – pending permit | Millage | \$500,000 |
| 26) Plaster Creek Trail – Kroc Center path | Construction | Millage, Partner | \$350,000 |
| 27) Richmond Park | Design | Millage, Grant, Partner | \$1,200,000 |
| 28) Riverwalk (Blue Bridge to JW Marriott) | Design – pending permit | Millage, Partner | \$1,000,000 |
| 29) Sullivan Field | Design | Millage, Bond, Partner | \$3,200,000 |
| 30) Sweet Street Park | <i>Completed</i> | Millage | \$268,000 |
| 31) Veterans Park | Pre-construction | Millage, Capital, Partner | \$950,000 |



New seating and native plantings at Nagold Park

FY24 Park Projects

CONTINUATION OF FY23 PROJECTS

| | | |
|-------------------------|-------------------------|----------------|
| Ah-Nab-Awen | Martin Luther King Park | Sullivan Field |
| Camelot | Ottawa Hills | |
| Grand River Edges Trail | Richmond Park | |

ADDITIONAL FY24 PROJECTS

| ADDITIONAL FY24 PROJECTS | FUNDING SOURCE(S) | PROJECT TOTAL |
|--|----------------------------------|---------------|
| 1) Calder Plaza | Partner | TBD |
| 2) Plaza Roosevelt | Millage, Capital, Grant, Partner | \$1,400,000 |
| 3) Roosevelt Park – Design | Millage, Bond, Grant, Partner | \$250,000 |
| 4) Wilcox Pickleball | Millage, Partner | \$150,000 |
| 5) 32 nd Street Green Space | Millage, Grant | \$200,000 |
| 6) Park entry sign package | Millage | \$200,000 |

FY25 Park Projects

| PARK | FUNDING SOURCE(S) | PROJECT TOTAL |
|---|-----------------------------------|--------------------------------|
| 1) Bike Park | Millage, Partner | \$200,000 |
| 2) Dickinson Park | Millage | \$50,000 |
| 3) Grand River Edges Trail – Leonard to Ann | Millage, Capital, Grant, Partner | (continuation of FY23 project) |
| 4) Lincoln Park | Millage, Grant, Partner | \$600,000 |
| 5) Martin Luther King Park – Bond payment | | TBD |
| 6) Otsego Drain Basin | Millage, Capital | \$500,000 |
| 7) Riverside Park | Millage, Grant | \$450,000 |
| 8) Roosevelt Park – Construction + bond payment | Millage, Grants/ Partnerships TBD | TBD |
| 9) 32 nd Street Green Space | Millage, Grant | \$100,000 |
| 10) Park entry sign package | Millage | \$150,000 |

PARK ACQUISITIONS

Recently completed or in process:

- 32nd Street Green Space (W3, 17.3 acres)
- Plaza Roosevelt (W1, 0.77 acres)
- Carrier Creek (W2, 7.4 acres)
- Otsego Drain Basin (W1, 4.3 acres)

Horizon properties:

- Boston Square (W3)
- River Edges Trail - 201 Market (W1)
- Water Dept Storage Yard (W2)
- Paul Henry Trail extension (W3)
- GRPS properties





QUESTIONS AND DISCUSSION

WRAP UP AND NEXT STEPS

FY 2023 Performance Management Review and FY 2024 Budget Schedule (tentative)

- Tuesday, December 6 Detailed Financial Update
-
- 2023
-
- Tuesday, Feb. 21 FY 2023 Mid-year Performance Management Update
 - Tuesday, April 25 Intro of the FY 2023 Preliminary Fiscal Plan (10 a.m.)
 - Tuesday, May 2* Budget Review Workshop (9 a.m.)
 - Thursday, May 4* Budget Town Hall (6 p.m.)
 - Thursday, May 11* Budget Review Workshop (9 a.m.)
 - Tuesday, May 16* Public Hearing at City Commission (7 p.m.)
 - Tuesday, May 23 City Commission Adoption (10 a.m.)

**Specially scheduled meetings*



THANK YOU