MAKING A CIVICALLY SMART CITY
Designing for Public Value and Civic Participation

Future Proofing Your Community
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The Future Is Getting Smarter

It has become second nature to interact with smart devices every day—so much so that we can’t even remember what it was like to live without them just a few short years ago. And they are getting smarter by the day—augmenting the ease of connecting, collecting and sharing data, and interacting with other users and smart devices. The digital age has not only upended our personal lives—how we communicate with one another, work, and socialize—but it has changed the art of city-making—how we govern, deliver services, attract and retain businesses, and engage with the public. What exactly do we mean when we say a “smart city?” I think this definition sums it up best: “It is a process rather than a static outcome in which increased citizen engagement, hard infrastructure, social capital and digital technologies make cities more livable and resilient and better able to respond to challenges” (The UK Department for Business, Innovation and Skills (BIS)).

If we are going to build sustainable and resilient communities to meet the challenges of a global economy, embracing smart concepts will help us meet those expectations. But some caution is needed in all of this. With the ability to collect large volumes of data—personal and otherwise—to help guide community planning and development, we can lose sight of the importance of civic participation. Implementing smart technologies can be a complex undertaking and it is important that the public is a part of the discussions and decision-making. The cornerstone of developing good public policy should always be transparency and accountability.

Technology is advancing at dizzying speeds, so it is important to stay current and anticipate new advances. Just a stone’s throw from the League headquarters, the University of Michigan’s automated and connected test car site (MCity) is utilizing enormous amounts of data and research to further test the safety of driverless cars. Among other things, this advanced technology will compel us to rethink how we design our communities. 5G networks, already being rolled out, will provide speeds up to 20 times faster than 4Gs networks, spurring new technologies. Technology breakthroughs present big challenges to public officials, yet offer many opportunities, as well. We need to be in a state of preparedness and open to constant change. Millennials, the tsunami of future leaders, have grown up in a digital world, and know no other way of life. They are eager to embrace new technologies and are continually driving for faster and better. We are already building communities with this generation in mind, and it will only accelerate when they are in the driver’s seat.

Smart concepts are not just big city abstractions. Small communities are taking advantage of technologies in big ways. An excellent example profiled in this issue is how the City of Ann Arbor is using extensive research conducted by the University of Michigan to control its stormwater system, help mitigate a potential disaster, and improve water quality. This is being done by establishing a network of sensors and actuators that will enable real-time monitoring and control of the system.

On a sad note… two longtime former employees of the League passed away recently. John O’Keefe and David Osborn both had long careers at the League in the ‘80s and ‘90s and contributed in several different capacities. John served as associate director and oversaw the expansion of the League building in the early 90s. He also worked closely with the managers’ association (then known as Michigan City/County Management Association—MCMA). As a lobbyist, David worked hard to further the agenda for the League’s legislative programs. He spent his last few years while at the League as associate director, responsible for its external initiatives, before leaving to pursue other opportunities. John and David were both dedicated to the League’s mission and each left his own special legacy. Our condolences go out to their families.

Finally—in case it slipped your mind—here is another reminder to register for our Annual Convention, which will be held at the Cobo Center in Detroit, September 25-27. I can’t emphasize enough the importance of witnessing Detroit’s progress firsthand and learning how it impacts the state. If there is only one event that you can attend this year, this should be it. You won’t be disappointed. I promise!

Daniel P. Gilmartin
League Executive Director and CEO
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Water gently gliding along Ann Arbor’s Huron River past homes and parks is a beautiful sight. Storm waters rushing down the street dragging pollutants into that same river is anything but idyllic. Could smart cities technology provide a solution to this challenge?

The term smart city refers to a community that uses different types of Internet of things sensors to collect data and use it to efficiently manage assets and resources. The collected data can be analyzed to monitor and manage traffic and transportation systems, power plants, water supply networks, waste management, crime detection, information systems, schools, libraries, hospitals, and other community services.

To manage their storm water issues, the City of Ann Arbor and Washtenaw County partnered with the University of Michigan to develop Open Storm, a package of open-source sensors, hardware, and algorithms to measure and control storm water.

“Most water systems in Michigan and the rest of the country are really old, maybe centuries old, and are designed to get water away,” said Branko Kerkez, assistant professor of engineering at U-M, who researches urban water issues and designed Open Storm. “We look at the existing system and try to squeeze more performance out of it. No matter how old or big the system is, you can get more out of it.”

How Open Storm Works

One part of the Open Storm system is the sensors, which are installed in drainage basins in order to collect data on water flow and quality and transmit it through a cellular network. That enables administrators to get a real-time picture of water conditions right from their desk.

Another key part of the system is controllable valves. After a storm, the remote-controlled valves can be opened or closed to control the flow of water through a basin. Operators can open the valves to allow water to drain downstream to a wetlands area. Or they can close the valves for a variety of reasons. If it’s raining very hard, closed valves will keep water in the basin for treatment before letting it drain. Putting the valves in the closed position also prevents too much water from flowing too quickly and avoids stirring up sediment, which adversely affects water quality.
In Ann Arbor, sensors and valves were installed by Kerkez’ Ph.D. students to control storm waters in Malletts Creek, which drains close to 11 urbanized square miles—about 40 percent of the city. The valves were placed at Ellsworth Basin, which drains downstream at Mary Beth Doyle Park. Timing the water detention in this branch of the creek created capacity for five million gallons at Doyle Park, a basin that would otherwise be overflowing.

“When you know more, you can manage what you have in a better way,” said Kerkez. “Old systems do the same thing every time, but conditions change every minute. The water sensors need to be able to adapt, be smart with embedded intelligence, so they don’t do the same thing every time. They can check and react to current weather conditions.”

**Cascading Benefits**

In addition to the convenience factor of monitoring storm water over the Internet, Open Storm has a positive effect on Ann Arbor’s bottom line, water quality, and flooding.

Harry Sheehan, chief deputy water resources commissioner for Washtenaw County, estimated that prior to installing Open Storm, it cost Ann Arbor $22 per gallon to drain storm water. That cost has dropped to $16 per gallon, roughly saving the city $1 million in infrastructure costs thanks primarily to the water valve, which costs only a few thousand dollars.

“It’s about 100 times cheaper to improve our performance than building a new basin,” said Evan Pratt, water resources commissioner and director of public works for Washtenaw County. “The basin can store about twice as much water and it eliminates about 1/3 more phosphorous, which contributes to algae blooms.”

Pratt points out that hard rains are getting harder and Biblical-type floods have been getting worse over the last decade. “If our storm basin can store twice as much, then we can manage small and medium storms and reduce the number of times in 10 years that there is flooding,” he said. “It creates resiliency in the system so we can bounce back faster from medium storms and be in better shape if they’re followed by a large storm.”

... prior to installing Open Storm, it cost Ann Arbor $22 per gallon to drain storm water. That cost has dropped to $16 per gallon, roughly saving the city $1 million in infrastructure costs thanks primarily to the water valve, which costs only a few thousand dollars.
Moving Forward

Kerkez’ research is funded by U-M as well as the National Science Foundation, the Great Lakes Protection Fund, and the Connected Communities Initiative. With that backing, he doesn’t plan to contain this smart cities technology to just one basin in Ann Arbor. “In our research, we look at if you can do it on individual sites, how can you do it for an entire city?” he said.

To facilitate more widespread use of Open Storm, the system is open source. Kerkez and his team designed the hardware and algorithms and make those designs available to anyone interested in employing them. “By open sourcing it, it’s like lifting the hood and showing that it’s not that scary,” he said.

Currently, Kerkez has sensors installed in other parts of Michigan and across the country. His goal is to hand them off to municipalities. He envisions a model where municipalities would take ownership of their network and be responsible for information management and maintenance. He also sees an opportunity to develop a workforce training program for smart water technicians to maintain the systems. “By the end of summer, we’ll have Southeast Michigan covered in sensors,” said Kerkez. “We’ll have a pretty unprecedented system both nationally and internationally.”

For more information on the Open Storm system, visit open-storm.org.

Lisa Donovan is the communications specialist and editor for the League. You may contact her at 734.669.6318 or ldonovan@mml.org.
Three Fires!

Building an Adaptable Support Network for Disaster Response

By Lindsey Dotson

Let’s set the scene. It’s November 2016 and a fire starts in the basement of a local bakery, quickly spreading to the neighboring art gallery. After the fire is extinguished, two buildings are considered a total loss, while nearby buildings sustain significant smoke and water damage. Some upper floor housing units are affected as well as six businesses. The town is devastated as plywood covers the burned-out storefronts on an otherwise picture-perfect Bridge Street.

Just as answers start coming from the fire marshal as to what may have caused this tragedy, another fire starts on Christmas Eve in the back of a two-story historic building two blocks away. The fire is extinguished and then reignites on Christmas Day. The building is home to Cherry Republic and multiple offices that occupy the basement and second floor, so several businesses are displaced or have to close for an extended period of time.

Members of our leadership team responded by being at the scene of the fire and giving out hugs as business and building owners watched their livelihoods burn. We coordinated meetings with the Michigan Economic Development Corporation, sat in on meetings with construction companies, and advocated for a quick and fair recovery for each property and business affected.
Stepping Up
But that wasn’t all. New programming started to be developed in response to and in support of those affected by the fires when everyone kept asking, “What else can we do?”

The Charlevoix Main Street DDA created a new Façade Grant Incentive Program with an initial budget of $30,000. Since the grant was structured as a 50-percent reimbursement up to a maximum of $10,000 per building, this allowed the potential of providing financial assistance to the three affected properties. In the end, only one of the affected properties applied, but the program has continued each year and has awarded 10 grants to property owners totaling over $50,000 of DDA investment in storefront improvements downtown.

Going the Extra Mile
While still trying to sort out recovery efforts on two major blocks of our downtown, construction began on the bascule bridge (drawbridge), which resulted in a 67-mile detour around Lake Charlevoix during the evening hours of March 2017. News headlines and social media stories started popping up about the detour, and many in the region had the impression that this detour was in effect at all times. This, combined with much of our town still heavily fire damaged, had many people questioning if they should bother coming to Charlevoix at all. We had a lot of misperceptions to overcome, so we decided to launch a positive messaging ad campaign titled “Charlevoix is Open for Business.”

The ad campaign came together quickly, with several members of the community donating funds to move it forward. The City of Charlevoix, Charlevoix Main Street DDA, Visit Charlevoix, and the Charlevoix Area Chamber of Commerce also made financial contributions. The total budget for the first year was $6,500. A local photographer was hired to take photos of local business owners who were still open. The messaging was simple and featured entrepreneurs and friendly faces around downtown.

The ad content was meant to be timeless so that it can be used every winter. Ads included on-air commercials during local news broadcasts, video pre-roll on the local news website, social media ads, radio ads, and more. All ads directed consumers to visit dountouncharlevoix.com. During the duration of the campaign, the website saw a 73-percent increase in visits compared to the previous year during the same time period.

Still Open for Business
The summer of 2017 created an interesting situation with crowds of tourists and activity in the downtown that was still actively trying to rebuild and recover. Construction was happening during the busiest time of the year and all of the closed sidewalks, dumpsters, and work trucks were creating a headache for the nearby merchants who were still trying to conduct business as usual. A lot of social media attention was paid to those who were open, and signs were placed on the sidewalks to encourage people to keep walking past the scaffolding to discover the businesses located on the other side.
No one could have predicted that the “Charlevoix is Open” campaign would have to run two years in a row... but in January 2018, another fire burned down a local café and neighboring day spa. A total of six businesses were affected by residual smoke and water damage, including the downtown grocery store. Despite the massive losses suffered by many, growth and positive changes eventually came after the fires. The downtown area gained three new apartment units and three net new businesses.

Throughout the recovery and rebuilding effort, consistent communication and strong partnerships played a crucial role. The City of Charlevoix, Charlevoix Main Street DDA, Charlevoix Area Chamber of Commerce, and Visit Charlevoix worked together by meeting monthly to discuss how each entity could play a supportive role to those affected and help spread the positive messaging to our various audiences. Between meetings, we were in constant communication to keep each other up to speed on the latest developments.

Additionally, we built communication and camaraderie among the downtown business owners during our monthly downtown merchant meetings. Professionals were brought in to talk about different aspects of how to deal with what was happening. Neighbors supported neighbors, ideas were shared, and support was given to those in need.

Charlevoix’s recovery story is a positive one that took a lot of teamwork, investment, patience, and persistence. How the community responded to these devastating events accentuates how strong a bond the people here truly have. Everyone came to the table to ask, “What can I do?” and that get-it-done attitude hasn’t changed since.

Lindsey Dotson is executive director of Charlevoix Main Street DDA. You may contact her at 231.547.3257 or lindseyd@charlevoixmi.gov.
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Public harbors on prime waterfront real estate could help revive flagging local economies if bolstered with the right amenities.

Like many communities across the state, Michigan’s harbor towns have weathered literal and metaphorical storms in recent decades. Michigan is home to more than 80 public marinas and harbors, managed by state, county, or local governments. They are part of a boating culture that draws $2.4 billion in economic activity to the state each year. However, factors such as dwindling state and federal funding for public facilities, fluctuating water levels, and seismic shifts in the state’s economy have left some harbor communities struggling to adjust.

But that’s not the end of the story. Tourist dollars are returning to Michigan after the recession. Public harbors on prime waterfront real estate could help revive flagging local economies if bolstered with the right amenities. The challenge of identifying and funding those amenities inspired the launch of a project designed to help communities discover the answers for themselves.

The Sustainable Small Harbors project was developed in 2014 to help Michigan’s coastal small harbor communities plan for an economically, socially, and environmentally sustainable future. The project was funded by Michigan Sea Grant, a federal nonprofit dedicated to research, outreach, and education related to issues affecting Great Lakes ecosystems and communities. The project received additional funding from the Michigan Department of Natural Resources to support community engagement by Michigan Sea Grant professionals.

The Sustainable Small Harbors project began as an integrated assessment—a type of research venture designed to draw together existing data into an overarching analysis of a given issue. The goal was to identify the barriers preventing small harbor communities from reaching their potential.

The project has been spearheaded by Dr. Donald Carpenter, who is a civil engineering professor of practice at Lawrence Technological University and the founding director of the school’s Great Lakes Stormwater Management Institute. Dr. Carpenter is also the vice president of Drummond Carpenter, PLLC, an environmental and water resources engineering consulting firm. The project pulled together a group of partners, including state agencies, architectural and design consultants, and Michigan Sea Grant—which itself is a partnership among the University of Michigan, Michigan State University Extension, and the National Oceanic and Atmospheric Administration.
Sharing a Vision

To complement the integrated assessment, the project team held public visioning workshops, or “charrettes,” in several small harbor towns around the state. The team has refined a successful community visioning toolkit that can be handed off to communities looking to undergo the process independently.

Though the charrette format may be tailored to fit community needs, the heart of the process is simple, if not necessarily easy. Through single- or multi-stage facilitated workshops, community residents identify perceived strengths and weaknesses related to an aspect of their community—in this case, public waterfront assets. Participants brainstorm how they want their town to look in 20 years and develop concrete ideas for projects to help that future become a reality.

The project team refines these concepts into multiple alternative design options reflecting unique futures for the waterfront. Participants rate their favorite and least favorite options by “voting” with colored dot stickers.

For Sustainable Small Harbors communities, design options often include street redesigns, biking and paddling trails, pocket parks, boat ramps, kayak rentals, wheelchair-accessible restrooms, and other potential upgrades that could boost the community’s waterfront appeal.

Design options earning the highest participant support are distilled into a final series of design sketches and conceptual images. The project team aggregates these along with relevant background data, such as regional demographics and city planning documents, into a final report presented to the city or village council. The team also identifies potential federal, state, or local funding sources.

As of this writing, the Sustainable Harbors Project has engaged residents in eight communities, including a 2018 initiative that brought together community members from St. Joseph and Benton Harbor for a joint visioning effort. Grant funds have allowed the team to provide these highly interactive, public input-driven workshops—at no direct cost to the communities.

Turning Vision into Action

In several cases, the Sustainable Small Harbors workshops galvanized community leaders to seek funding support for designs prioritized by participants. Officials in Au Gres won a $30,000 grant from the Saginaw Chippewa Indian Tribe to renovate the formerly state-owned Au Gres Mooring Facility—an idea from the city’s visioning workshops.

In Ontonagon, the process prompted a revitalization of the Downtown Development Authority in early 2016. The Authority maintained momentum on several projects highlighted in the workshop designs, such as local trail improvements.
In 2015, the City of New Baltimore used their designs to become finalists for a $2.85 million grant from the Michigan Natural Resources Trust Fund. The funds were intended for the purchase of a private marina, which would be opened for public use. Though the marina owners ultimately decided against the sale, the Michigan Natural Resources Trust Fund was prepared to fund the project and called it “a rare opportunity for the city to obtain a site to provide public recreation, conservation, and environmental stewardship at a location in populous [southeast] Michigan.”

The Sustainable Small Harbors team assembled their insights and resources into the publicly available Sustainable Small Harbors Tools and Tactics Guidebook. While the guidebook is tailored to officials and managers in communities with public marinas and harbors, the charrette process and many of the other resources are broadly applicable to anyone looking to launch their community into a more economically, ecologically, and socially sustainable future. Learn more about Michigan Sea Grant at: michiganseagrant.org.

Find the Sustainable Small Harbors Tools and Tactics Guidebook at: sustainablesmallharbors.org.

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The retail industry is experiencing significant upheaval. Malls and big-box stores are going dark in record numbers as online shopping grows. Yet, many downtowns are seeing a resurgence, as people seek out walkable places and face-to-face experiences. For cities of all sizes, a vibrant downtown is critical to the health of the community and its ability to attract people and nurture economic growth. And the best way to achieve a vibrant downtown is to support and strengthen independent businesses.

Locally owned businesses play a central role in healthy communities and are among the best engines that cities and towns have for advancing economic opportunity. Small business ownership has been a pathway to the middle class for generations of Americans and continues to be a crucial tool for building wealth and community self-determination. This is something many people understand intuitively, and it is also borne out by research that finds that the presence of locally owned businesses is linked to higher rates of job creation, less income inequality, and stronger social networks.
Programs to Bolster Local Businesses

BATTLE CREEK
Since 2017, Battle Creek Unlimited Inc., the city’s economic development arm, has been offering incentives to retail to improve downtown vibrancy. The incentives are in the amount of $200,000 because they wanted something that would be large enough to be meaningful. Companies qualifying for the incentives have to meet milestones including levels of jobs and investment. The city has already attracted a brewery, distillery, and restaurant.

GRAND RAPIDS
Grand Rapids offers a variety of local business initiatives. One example is the 5x5 program, a source of microfinance for startups. Community members vote on ideas that will be able to move forward with an infusion of $5,000. The city also works closely with Local First, a Grand Rapids-based organization dedicated to building an economy grounded in local ownership.

Despite these benefits, in many communities, small businesses are disappearing. Between 1997 and 2012, the number of independent retailers fell by about 108,000 and small manufacturers declined by 70,000. Even more alarming than the overall decline in small businesses is the fact that it appears to have become much harder to launch one. The number of new firms created each year has fallen by nearly half since the 1970s, a trend that economists say is slowing job growth.

Contrary to popular perception, this decline isn’t because local businesses aren’t competitive. In many cases, it’s because public policy and concentrated market power are working against them. Misguided zoning policies, soaring real estate costs, and financing terms that incentivize landlords to rent to chains are making it harder for local businesses to find suitable space. Banking consolidation and the decline of local financial institutions has left more entrepreneurs struggling to obtain the capital they need, a barrier that is especially acute for Black, Latinx, and women entrepreneurs. Economic development subsidies and tax incentives further skew the playing field by disproportionately flowing to big corporations.

The Record Box brewery is one of the first recipients of Battle Creek Unlimited Inc.’s retail incentives. The project is the work of architecture firm Driven Design Studio and developer Restore (269). It’s expected to open by fall 2019. Photo courtesy of Cody Newman, owner of Driven Design Studio.
The Solution
As policymakers begin to recognize these barriers, some are taking action to ensure that their communities are places where local businesses can thrive. To assist these policymakers, the Institute for Self-Reliance developed a guide entitled Local Policy Matters: How to Grow Independent Businesses in Your City. Here is a sampling of the proposed strategies and how they’re being put into play by local communities.

Get Zoning Right for Small Businesses—Rather than favoring strip malls and large-format development, zoning should support multi-story, pedestrian-oriented districts that include a mix of small and large commercial spaces, and that preserve historic buildings. This type of varied building stock offers the best habitat for local businesses, and research has found that neighborhoods with a range of building types and ages have more startups per square foot.

Set Aside Space for Local Businesses in New Development—Cities can require development projects to reserve a portion of their first-floor space for small storefronts and for locally owned businesses, either as a condition of permitting or through agreements in particular projects, as Austin, Portland, OR, and other cities have done. Because of financing incentives and national relationships, new development is often oriented to the needs of large chains; set asides can help close the gap.

Adopt a Business Diversity Ordinance—Diversity Ordinance can ensure that independent, neighborhood-serving businesses don’t get crowded out by chains. Municipalities around the country, from Fredericksburg, Texas, to Jersey City, have used this tool effectively. San Francisco’s 12-year-old policy is one of the most comprehensive. It requires a “formula” business to apply for a special use permit and meet criteria in order to locate in any of the city’s neighborhood commercial districts.

Facilitate Adaptive Reuse of Vacant Buildings—Cities can establish an Adaptive Reuse Program to help local entrepreneurs turn vacant historic buildings into new businesses. In Phoenix, for instance, the program offers permit-fee waivers and a faster timeline for eligible projects. In Anchorage, Alaska, a land trust works with local entrepreneurs to repurpose derelict commercial properties.

Reorient Economic Development Incentives—Economic development incentive programs disproportionately favor big companies, and what’s more, they often don’t work. Instead of giving public dollars to big businesses, cities should redirect these resources to foster local businesses, as some cities, like Grand Rapids, are doing. Another model can be found in Portland, OR, where the city has several initiatives to accelerate the growth of minority-owned businesses.

Open a Small Business Office—Cities should create a position within city government to guide business owners through local permitting requirements, and to serve as a liaison between small businesses and policymakers. Models include a Small Business Navigator office such as those in Montgomery County, MD, and Minneapolis, or a Small Business Commission, such as the one in San Francisco.

Give Preference to Local Businesses in Purchasing—Cities should establish a preference for locally owned businesses in city purchasing, and include clear definitions, goal-setting, and reporting to ensure that their purchasing doubles as economic development, as Cleveland has done. Cities can also establish a preference for local businesses when leasing city-owned commercial space, as Seattle is doing with its King Street Station.

Expand Access to Capital—Community banks supply a majority of small business loans. As their numbers have plummeted in the last decade, so too has lending to small businesses. To strengthen and expand these institutions, Oakland, Santa Fe, and other cities are exploring setting up a public partnership bank, modeled on the Bank of North Dakota. Another helpful approach is to establish a one-stop, single-application portal for local entrepreneurs seeking loans, as Philadelphia has done with its Capital Consortium.

Resources
For scholarship on the benefits of locally owned businesses and how to support them, see the Resources page on the Institute for Local Self-Reliance’s website at ilsr.org.

Stacy Mitchell is co-director of the Institute for Local Self-Reliance. You may contact her at smitchell@ilsr.org.
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Local Mayor Leading America’s Cities

Rochester Hills Mayor Bryan K. Barnett
Selected as President of the U.S. Conference of Mayors

By Matt Bach

Surrounded by hundreds of community members, mayors, and community leaders, Mayor Bryan K. Barnett celebrated being named the 77th president of the United States Conference of Mayors (USCM).

Barnett is one of only six mayors from Michigan to ever become president of the Conference since its inception in 1932. As president, Mayor Barnett is focused on three key priorities for the nation’s cities: Infrastructure, Innovation, and Inclusion. In this role, he will also advocate nationally about the importance of cities and advocate for the priorities of local government.

Mayor Barnett has served as the vice president of USCM this past year—a position that took him around the world advocating on behalf of U.S. cities and included several meetings with cabinet members at the White House in Washington D.C., as well as in delegations to Mexico, Norway, and Morocco.

Under Mayor Barnett’s Leadership

Mayor Barnett has served as the mayor of Rochester Hills for more than 13 years and is the longest serving mayor in the history of the city. Under his leadership, Rochester Hills has been acknowledged as one of the Top Places to Live in America. In addition, Rochester Hills has held the title of Safest City in Michigan for the past three years. Mayor Barnett’s administration has received local, national, and international recognition for innovation, fiscal responsibility, operational excellence, and environmental leadership. In the year ahead, Mayor Barnett looks forward to representing all mayors and bringing Michigan’s issues to the national discussion.

As part of the ceremony, Mayor Barnett delivered a keynote speech announcing his top priorities, which will focus on three central themes—infrastructure, innovation and inclusion. This marks a continuation of a two-year bipartisan platform with former USCM President, Mayor Benjamin, which has served as the core commitment of the Conference over the last year.

THE THREE I’S—
Infrastructure, Innovation, & Inclusion

INFRASSTRUCTURE

Local government is best suited to identify and prioritize infrastructure needs and execute against them. This year, mayors will highlight the work of the Infrastructure Task Force led by Los Angeles Mayor Garcetti and the infrastructure priorities the Conference has identified for Congress, including specifics on transportation, water, energy, community, and tax incentives for infrastructure investment. We’ll continue to engage Congressional leadership, offering updates and action steps as appropriate. We will also offer updates to mayors on Opportunity Zones and workforce training.

INNOVATION

Mayors will celebrate, promote, and share outcomes and best practices with our new Mayors Leadership Institute on Smart Cities presented by the US Conference of Mayors and the New York University Wagner School of Public Service in the year ahead. This program convenes government officials, CEOs, thought leaders, and startups in discussions about new innovations in technology and infrastructure that are making cities a better place for our residents to live. We will lean into smart cities and autonomous vehicle presence currently in place and expand our understanding and deployment of data and tech-driven, resident-centric smart initiatives.

INCLUSION

There are powerful and important demographic changes taking place, changing the face of our elections and the 2020 Census. Through all of this, we will highlight the good work being done by our new Center for Inclusive and Compassionate Cities. This center focuses on how mayors can make cities across the nation more equitable, more inclusive, and more compassionate.
Barnett is one of only six mayors from Michigan to ever become president of the Conference since its inception in 1932.
Mayor Barnett used the opportunity to share the direct and tangible benefits to the city’s affiliation with USCM. As America’s mayor, Barnett will be able to advocate for Michigan’s cities at the national level. During his keynote speech that evening, Mayor Barnett invoked the principles of one of Abraham Lincoln’s most famous and unifying quotes: “I don’t like that man. I must get to know him better.”

Nonpartisanship is central to the United States Conference of Mayors. It is also unique to the municipal level of government. Mayor Barnett called on mayors to use this as the foundation for “the truly bipartisan vision we want for our communities, the vision we want for our residents, and the vision we want for America.”

As president, Mayor Barnett plans to host a conference meeting of mayors and business leaders from across the country in the fall. The focus of the meeting will be on implementing priorities related to infrastructure, innovation and inclusion. Reflecting the importance of collaboration to the success of the metro Detroit region, Mayor Barnett and Mayor Mike Duggan of the City of Detroit will end the conference with a day in Detroit.

During Mayor Barnett’s inaugural address in Hawaii, he announced “100 Mayors Who Care,” an initiative that will provide an investment in a charitable organization of the participating mayors’ choosing to improve the lives of the residents and cities in which USCM gathers for future meetings. Mayor Barnett’s full speech is available on the conference’s website at www.usmayors.org.

“Michigan has a strong tradition of leadership in the organization. In fact, Detroit Mayor Frank Murphy was the Conference’s first president back in 1933,” states Mayor Barnett. “I am proud to represent the innovative leadership here in Michigan around both the region and the world.”

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Visit convention.mml.org to register online
Making a Civically Smart City

Designing for Public Value and Civic Participation

By Dr. Beth Coleman and Eric Gordon
The conversation around “smart” cities has focused primarily on issues of technology: the integration of networked devices into the built environment of the city, the use of big data and algorithms, and the construction of smart infrastructure. But even a smart city is not solely defined by its technology. It includes how the public is brought into decision-making, how technologies are procured and deployed, and how democratic principles of transparency, access, and inclusion are incorporated into city life. Smart incorporates the latest technologies, but it should also recognize the limits of those technologies, and make room for the social, playful, and imaginative qualities that define city life.

In 2018, we held a symposium entitled “Right to the Smart City: Designing for Public Value and Civic Participation” at the Berkman Klein Center for Internet & Society at Harvard University (white paper and tool kit at https://civicsmart.city/). The symposium was designed to bring together diverse perspectives, inviting participation across geographic location, disciplinary perspective, and professional experience. We presented participants with scenarios that embodied the complex problems surrounding the civic design and implementation of the smart city, prompting them to find ways in which the public can be more effectively engaged in the process of decision-making around smart city infrastructure and tools.

“...But even a smart city is not solely defined by its technology. It includes how the public is brought into decision-making...”
KEY FINDINGS
With the goals of greater civic engagement and a more equitable process (and outcome), we outline below the group’s five key findings.

1. Embrace Smart Cities
To embrace the smart city means to leverage the enthusiasm of the public, private sector, and government organizations for digital technologies and devices into conversations that encourage civic participation and provide public values.

2. Cultivate Local Innovation Ecosystems
To cultivate local innovation ecosystems, cities must support and partner with those private and public organizations which have an understanding of and desire to serve their community’s needs, rather than placing the development of smart cities entirely in the hands of large national corporations.

3. Invite Public Influence
Inviting public influence requires a reimagining of traditional means of involving the public in the civic decision-making process, developing new frameworks for participatory action, and augmenting engagement with new technologies.

4. Question Data
To question data is to think critically about the reasons it is collected, how it is acquired, and to what purpose it is given. It is essential that these questions be asked of government, public, and private sector organizations that use large data sets in the development and implementation of smart city technology and infrastructure. Doing so can help prevent the violation of people’s privacy and civil rights.

5. Design for Play and Civic Imagination
To design for play and civic imagination means to look beyond the corporate values of efficiency and productivity when designing the smart urban landscape. To create livable smart cities, it is essential to incorporate creativity, experimentation, and the element of play into the processes of conception, design, and construction.

Smart City Projects
In this spirit of civic engagement, we cite four international smart city projects to illustrate how such principles are being implemented in the real world.

Mexico City Civic Imagination
An inspiring example is “Imagine Your City,” a public engagement campaign organized around the charter of the 2017 Mexico City Constitution led by the Mexico City Lab (https://labcd.mx/). The team asked the inhabitants of the vast and diverse Mexico City what kind of future they imagined—in effect the Lab conducted a survey on civic imagination. Over 31,000 people from across the city participated in this project of civic imaginary as civic action, projecting what kind of a future might be possible. Of course, the Mexico City Lab brought its talents to issues of infrastructure, traffic, and other more tangible aspects of urban design. But they saw as fundamental to the civic smart mission a mapping of the citizens’ image of their city.

Barcelona Smart Democracy
In a similar vein, the Decidim platform designed by the City of Barcelona offers a reimagining of what robust civic participation might look like (https://decidim.org). It is an online and offline (meetings in physical locations) tool that facilitates public participation in city policy. The model is one of crowd-sourced governance, where citizens are actively involved in the framing and resolution of city issues from affordable housing to equitable pay. Decidim moves beyond the traditional Town Hall model to make direct democracy practices foundational to city governance—and not simply something people do when they go to the voting booth.

Chicago Civic Smart Technology
In terms of U.S.-based smart civic engagement, projects tend toward a direct relationship to the implementation of smart technology in the urban environment and civic engagement. Chicago’s Array of Things (https://arrayofthings.github.io/) is an excellent example of research, municipal, and civic alliance in the implementation of sensor networks across the city.
Known as IoT (Internet of Things), such sensor networks allow for contextual, real-time data around issues such as traffic congestion, flooding, and so on. The Array of Things implements an important civic handshake in the sharing of open data. What might be perceived as a next level of surveillance technology is transformed into a civic good, where information about the city is available to all.

**Boston Beta Blocks**

Boston’s effort combines elements of the above approaches. In the pilot year, the city has established three “exploration zones,” which are four square block areas (http://betablocks.city) where community advisory groups select technologies to test out. They, along with local youth groups, run small experiments, question data policies and business models, and make data-informed recommendations to the city about how technologies can provide public value. Additionally, there is a corresponding exhibit that travels to different public locations in the city as a means of sparking conversation about a smart and desirable future Boston.

The bottom line is that cities cannot afford to be smart if the efforts are not firmly situated within a locally sourced, and collaboratively developed, public value proposition. As Kathy Nyland, former director of the Department of Neighborhoods for the City of Seattle, says, “You’ve got to bring every single sensitivity to the forefront, and really understand all that you’re trying to do and the consequences that people may perceive.” The only smart way to transform cities is by understanding the hopes, dreams, fears, and anxieties of all the people that comprise them.

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Chicago’s Array of Things sensors collect data on everything from air quality and sound intensity to vehicle and pedestrian traffic and make that information available to the public.
On May 30, 2019, the Michigan Supreme Court declared an end to retiree litigation that had worked its way through the Macomb County Circuit Court, the Michigan Court of Appeals, and—finally—the Supreme Court, with a different outcome at every level. In *Kendzierski v Macomb County*, the Court aligned Michigan’s criteria for evaluating a collective bargaining agreement (CBA) that promises retiree benefits without specifically defining the benefits’ duration with recent federal law developments—and in the process made it very difficult to imply a promise that such benefits would be provided beyond the term of the current CBA.

Macomb County had entered into successive CBAs with multiple bargaining units over the past 30 years. Each CBA contained a general three-year durational clause, setting a three-year term. Each CBA also stated that the County would provide retirees with specifically defined medical coverage, and that (1) the coverage would cease upon the retiree’s death or continue thereafter for the retiree’s spouse if the retiree had elected surviving-spouse coverage, (2) retirees who reached 65 must enroll in Medicare, and (3) coverage would be temporarily suspended if a retiree became gainfully employed.

In 2009 and 2010, in response to increasing healthcare costs, the county unilaterally changed employee healthcare benefits, allegedly increasing the cost of prescription copays, upping deductibles, and offering fewer plan options. The lawsuit disputed whether the CBAs allowed such changes, and the plaintiff employees sought a return to the exact coverages originally promised. This framed the question of whether the county had any power to make unilateral changes to the benefits of employees who had already retired—and if so, to what extent.

**Differing Court Opinions**

Each level of the Michigan court system answered the question differently. The Macomb Circuit Court concluded that the CBAs promised the county’s retirees lifetime healthcare benefits, but the county could make reasonable “modifications” to those benefits. The Court of Appeals disagreed, announcing that the retirees were entitled to lifetime healthcare benefits which could not be modified without their consent. Finally, our Supreme Court, dividing 4–2 along familiar lines, held that the contract language establishing the retiree benefits clearly indicated that they were not intended to continue beyond the expiration of each CBA, and thus the retirees’ lawsuit failed.

**Michigan Supreme Court Majority Opinion**

Justice Markman’s opinion for the majority found that the CBA provisions on retiree healthcare benefits were not ambiguous, and the Court of Appeals had erred in consulting extrinsic evidence to interpret them as providing lifetime benefits. Because the CBAs contained a general three-year durational clause and no other contractual provisions specified a different duration for retiree benefits, the CBAs could not grant the plaintiffs a vested right to unalterable healthcare benefits (or any healthcare benefits) beyond the contracts’ terms. And because the language was unambiguous, extrinsic evidence could not be used to determine the intent of the parties. The Supreme Court also noted that the rule of reasonable expectations does not apply to interpreting an unambiguous contract because a policyholder cannot be said to have reasonably expected something that differs from the clear language of the contract.

The majority also pointed to the United States Supreme Court’s 2015 decision in *M&G Polymers USA, LLC v Tackett*, holding that when a contract is silent regarding the duration of retiree benefits, a court generally may not infer that the parties intended those benefits to vest for life. The majority also asserted that *CNH Indus NV v Reese*, a 2018 U.S. Supreme Court per curiam opinion, had held that certain textual inferences may not be used to find a CBA ambiguous because drawing such inferences conflicted with ordinary principles of contract law.

None of the CBAs specified that Macomb County would provide retirees with lifetime and unalterable healthcare benefits, language which easily could have been drafted. Thus, the most reasonable interpretation of the CBAs was that the contractual right to retiree healthcare benefits expired when each CBA expired, requiring the benefits to be renewed in the next CBA. The majority rejected the dissent’s view that the CBA language tied benefits to events
that would almost certainly not occur until after the CBAs expired—allegedly showing that the parties had intended them to continue beyond expiration. Therefore, the Court of Appeals had erred in holding that the trial court had properly considered extrinsic evidence to determine whether lifetime benefits were intended: it was clear from the face of the CBAs that they were not.

**Michigan Supreme Court Dissenting Opinion**

Chief Justice McCormack, writing for herself and Justice Bernstein, agreed generally with the majority’s understanding of recent federal case law, but believed that the majority’s application of that case law was unduly rigid. She argued that, when a contract lacks explicit terms defining the duration of the retiree benefits it provides, it is well established that implied terms or industry practice may show that the parties intended those benefits to continue beyond the contract’s general durational period. A prime example of this occurs when a CBA links eligibility for a particular right to an event that would almost certainly occur after the expiration of the CBA’s specific term. The surviving-spouse, supplemental-care, and subsequent-employment provisions highlighted by the plaintiffs implied that the county and its unions had intended for retiree healthcare benefits to continue throughout the retirees’ retirements because for most employees the events triggering those provisions would occur after the expiration of the CBA during which they retired. According to the dissent, the CBAs could easily be read as promising Macomb County retirees that they would be provided with retirement healthcare throughout their retirement—and the language at issue in CNH was distinguishable. Because she found the CBAs ambiguous about the duration of the County’s promise, Justice McCormack would have remanded the case to the circuit court to allow the factfinder to determine the duration the parties intended after considering extrinsic evidence.

Interestingly, Macomb County’s counsel acknowledged during the Supreme Court argument that the County had made a “moral commitment” to retirees to provide them with healthcare, and that the County would observe that commitment (allowing for reasonable modifications) as long as it could. But, consistent with fiscal responsibility and common sense, no CBA language obligated the County to provide lifetime healthcare benefits to its retirees.

**Considerations Moving Forward**

As a result of this much-anticipated ruling local communities after years of uncertainty now have a legal framework to assess what options may be available when considering potential changes to retiree health care benefits. The critical takeaway from the Court’s ruling is to once again review your collective bargaining agreements to ascertain what level of flexibility may be available in your community to adjust benefits and reduce costs.

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**Guido and Sinclair Awards**

The Guido and Sinclair Awards are two of the top honors given to individuals by the Michigan Municipal League. The deadline to submit nominees for the 2019 awards is October 11, 2019. The winners will be recognized during the Michigan Municipal League’s Capital Conference March 24-25, 2020 in Lansing.

**Awards Details**

**The Michael A. Guido Leadership and Public Service Award**
Honors a chief elected official from a Michigan community who has demonstrated excellence in leadership.

**The Jim Sinclair Exceptional Service Award**
Honors a municipal official, municipal staff member, League staff member, or active participant in the League’s mission who has been active in furthering the cause of educating elected officials.
That was the directive given by Carlos Kennedy, director of public works for the City of Ferndale, to every applicant interviewing for the city’s recently posted laborer grade I position. It’s an unusual thing to hear when scheduling a job interview—but then, Ferndale’s job interviews are themselves a bit unusual these days.

For the past three years, the city has experimented with an innovative open-house-style concept for its prospective new hires. With over 200 full- and part-time employees, and hundreds of applicants for each open position, the organization’s former city manager, April Lynch, observed that Human Resources staff were spending an enormous amount of time conducting phone interviews. Not only was it resource intensive, but she noted that brief phone screenings weren’t always effective at identifying the best candidates.

“You may have a candidate who interviews poorly but has a great attitude and capacity for learning,” says Dan Jacey, the city’s human resources director. “Or someone who sounds great but isn’t a fit for the position... for example, a candidate with a fear of heights applying for a position that will often have them working on aerial lift equipment.”

From these realizations, an idea was born: replace the traditional phone screening process with a “team interview.” Every applicant who meets a position’s qualifications is invited to an open house conducted by roughly 12 staff members—representatives from departmental and city management, human resources, and similar or related positions. Applicants hear brief presentations about the position and department they’re applying for, the city’s work culture, and salary and benefits. Staff then splits up and conducts short two-on-one conversations with all attendees, reconvening afterwards to discuss and decide who will...
move forward with full in-person interviews. A process that once took HR a week or longer to complete is accomplished in two hours.

The city’s first such open house was a recruitment for firefighter paramedic/EMTs conducted by the city’s Fire Department. The Police Department jumped on board soon after, seeking qualified officer recruits. A third open house was used in late 2016 to manage a customer service representative search that netted nearly 1,000 applicants. After those successes, the administration decided to incorporate the practice into most of its hiring processes going forward.

Changing the Game, Yet Again

Last year, Carlos Kennedy and his team in the city’s Department of Public Works (DPW) decided to take this nontraditional hiring process and up the ante. With so many of their positions requiring hands-on skills, the department incorporated a field test—in essence, a “ropes course”—for aspiring DPW employees. They spent months testing and tailoring the program, adding unique tests for open house attendees.

Early this summer, on an overcast Saturday morning, the department’s planning was put into action with a hands-on, five-station open house for the laborer grade I position.

“The job really requires a jack of all trades,” Kennedy explains. “We’re not necessarily looking for someone who knows how to do it all, but we want to see some effort and a desire to learn from those who haven’t encountered the situation before.”

Ferndale’s DPW Yard was equipped with five skills tests: running a commercial lawnmower; operating a front loader; going up and completing a task in an aerial lift truck; assembling brick pavers into a predetermined pattern; and repairing a simulated water main break. Department management and existing staff laborers oversaw the stations, offering guidance and answering questions while observing how each applicant approached the task. Kennedy says that the results are always surprising.

“We invited 28 qualified applicants to participate, and right away three of them turned around and walked out,” Kennedy says. “They told us, ‘I’m not doing these things until I’m hired to do them.’ That tells us a lot, and it’s something we might not get from a phone interview.”

The team is also regularly surprised by dark-horse success stories. At their recent open house, Kennedy and his team met a young woman whose resume was light on experience but strong on enthusiasm. They took a chance and invited her to participate; her skills were indeed somewhat lacking, but she showcased a tremendous spirit and desire to learn.

“Seeing her work, we realized that the missing skills were just because she’s green,” Kennedy says. “We saw a person who could become a great employee, so we made space for her in an entry-level position where she can work under some more seasoned employees and gain the skills needed to move up. Seeing the process work the way it should, it’s totally badass.”

Worth the Cost

Kennedy said that there’s a cost to the open house program, namely overtime for DPW staff involved with setting up and overseeing the stations. But it’s well worth the minor investment to ensure that the individuals hired are a good fit for the position and the team.

Jacey agrees, affirming that paying for several hours of overtime is nothing compared to the cost of training and investing in an employee who isn’t the right fit.

“This process really does help our departments to find the right candidate, and it’s often someone different from who we would have expected,” Jacey says.

So far, the success of the program speaks for itself. DPW walked away from their June open house with a handful of talented candidates to fill the laborer grade I position and others. The applicants seem to like it as well. This was overheard by a young man repairing a water main break simulation: “We’re having the best time… this is so cool!”

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BUSINESS ALLIANCE PROGRAM

Thank You 2019-2020 Participants!

**Signature Elite**

DTE Energy

**Premier**

- Blue Cross/Blue Shield of Michigan
- Foster Swift Collins & Smith, PC
- Michigan CLASS
- Municipal Employees’ Retirement System
- Plante Moran
- Plunkett Cooney

**Core**

- Abilita
- Abonmarche Consultants, Inc.
- American Society of Employers
- Anderson, Eckstein & Westrick, Inc.
- Garan Lucow Miller PC
- Metro Consulting Associates
- Miller Canfield
- Rosati, Schultz, Joppich & Amtsbuechler
- Weedmaps

**Basic**

- ACEC of Michigan/QBS
- Allovanse
- American Fidelity Assurance Company
- Baker Tilly
- Beckett & Raeder, Inc.
- C2AE
- Carlisle/Wortman Associates, Inc.
- Central Michigan University
- Comcast
- Consumers Energy
- CSC TCI
- Dykema Gossett PLLC
- Emergent Health Partners
- Fishbeck, Thompson, Carr & Huber, Inc.
- Fleis & VandenBrink
- Honeywell, Inc.
- Hubbell, Roth & Clark, Inc.
- ICMA Retirement Corporation
- ITC Holdings, Corp.
- Meadowbrook, Inc.
- Michigan Planners
- Mika Meyers PLC
- Munetrix LLC
- Muniscode/Municipal Code Corporation
- NORESCO
- OHM Advisors
- Prein&Newhof
- ROWE Professional Services Company
- Spalding DeDecker
- U.P. Engineers & Architects, Inc.
- UHY LLP
- Wade Trim
- Wrightman
- Williams & Works, Inc.
We are all familiar with calling 911 and the simplicity, yet significant value, it has for our health and well-being. Behind the scenes is a vast and complex infrastructure in our communities. However, with changes in technology come necessary changes with this telecommunications infrastructure. By the end of this year, Public Act 244, which mandates 911 location phone systems in large buildings, will go into effect. By the end of 2020, every organization in Michigan with a phone system will need to be in compliance with changes in regulations governing 911 (with the exceptions below). What are the changes? Below are eight questions and answers to help you understand the changes, as well as information that all communities must understand for compliance.

**What Is It?**

Not long ago we all used POTS lines (Plain Old Telephone Service) and PRI circuits (23 phone lines bundled into one digital circuit). Since these phone lines terminated at one physical address, almost all calls originated from a reasonable physical distance from the phone system. Today, with VoIP (Voice over IP) and UC (Unified Communication), someone could literally be anywhere when calling 911. This is a problem when you need to get emergency responders on-site as soon as possible AND to the right area within the building. The best solution is to send specific geographic identifier information to the PSAP (Public Safety Answering Point) when calling from a MLTS (Multi-Line Telephone System or phone system). This could be address, floor, wing or room information. Also, this does not relate to mobile service.

**What Is the Law?**

Consider this: An employee has a heart attack after normal working hours with nobody around. He or she dials 911 and the ambulance goes to the wrong address. Or, the emergency responders don’t know where the caller is located in the building! This is a reality today with VoIP and multiple buildings tied to one phone system. It is for this reason that 911 is being enhanced to E911.

Every organization in Michigan with a phone system in a location with building(s) of more than 40,000 square feet or multiple physical addresses must install equipment and software that reveals where in the building a 911 call originates. Single floor locations, farms, and houses of worship with less than 20,000 square feet and fewer than 20 communication devices (i.e. phones) are exempt.
Is This the Same as Next Gen 911?
No. Next Gen 911 is a technology standard that allows PSAPs to receive texts, pictures, video chat, social media, and VoIP. This will also allow the 911 Call Centers to transfer calls to other call centers to handle call overload. However, many are not ready for this technology. It is also very difficult to know if your local PSAP is capable of handling anything besides calls and SMS (Short Message Service). For more information, you can consult the master PSAP registry at fcc.gov/files/masterpsapregistryv2238xlsx.

Does 911 Need to Do Anything Different?
Yes. The PSAPs need to update their systems as well. Most will because the Middle-Class Tax Relief and Job Creation Act of 2012 authorized $112 million to do this and prepare for NG911. But this does not mean all are compliant.

When Will This Happen?
This was supposed to happen in 2006, but the legislation has been delayed a couple times. The new date is December 31, 2019. Since House Bill 4249 passed, there have been some changes. However, all entities should be prepared to be in compliance by the end of 2020!

What Do We Have to Do?
Almost all phone equipment eight years old (or newer) is compliant. However, you will need to make sure the phone system database is populated to send the appropriate information to the PSAP. Then, you’ll need to make sure your telecommunications company (e.g. AT&T) is pushing this information to the PSAP. Every extension on the phone system needs to have the capability to do this. For example: “734 Evergreen Terrace, Springbrook, MI, second floor, northwest corner” will be sent to the PSAP. Alternatively, you will have to identify the building(s) into 7,000-square-foot sections as identifiers.

Is There Any Ongoing Maintenance Involved with This?
Yes. When you have moves, adds, changes, or deletions you will need to update the database with your telecom carrier. For example, if Michelle from the second-floor clerk’s office moves to the first-floor treasurer’s office, this information will need to be updated. In addition, if you have connected buildings with one phone system, the street address will need to be updated when an employee moves between buildings.

What if We Don’t?
Penalties can be $500-$5,000 per offense; however, the greater concern is a lawsuit for noncompliance where compliance could mean saving someone’s life! Exceptions are if the building maintains, on a 24-hour basis, an alternative method of notification and adequate means of signaling and responding to emergencies or the phone system is not serviced by E911.

The telecommunications industry and services have changed radically over the past ten years. However difficult it is to make this transition, it is important to incorporate standards for the safety of all staff.

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Saginaw’s Dangerous Building Ordinance requires owners of vacant property to register their property with the city. The registration form indicates that owners must permit the city to enter their property if it “becomes dangerous as defined by the City of Saginaw Dangerous Building Ordinance.” The trustee of the Rebekah C. Benjamin Trust, which owns vacant properties in Saginaw, refused to register the properties. The city fined the trust for breaching the registration requirement. The trustee sued the city on the basis that the ordinance required the trust to consent to an unconstitutional search of property thereby waiving its Fourth Amendment right to be free from an unreasonable search and seizure under the U.S. Constitution.

Under the city’s Dangerous Building Ordinance, a building is not dangerous until a formal administrative process establishes that finding. The process begins when the building inspector makes an initial finding that a building is dangerous and begins proceedings to cause repair or removal of the building. The ordinance provides that the initial finding is preliminary, and a hearing is then scheduled. The ordinance includes provisions regarding the appointment of a neutral hearing officer and the right to examine witnesses and present evidence. After the hearing, the hearing officer then decides if the building is dangerous or not. If so, the officer may order the building demolished or made safe. If the order is not complied with, a report is filed with the Housing Board of Appeals and another hearing is set, after which the Board makes its decision to approve or disapprove the order. The ordinance also includes judicial appeal provisions from the Board’s decision.

**Question:**
Do property owners have a cognizable Fourth Amendment right to resist warrantless searches premised on a finding that their properties have become dangerous?

**Answer:**
The Sixth Circuit held that the property owners do not have “a cognizable Fourth Amendment right to resist warrantless searches premised on a finding that their properties have become dangerous.” The Court noted that the Fourth Amendment protects the people’s right “to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures.” A warrantless search is presumptively unreasonable. Included among the exceptions to this general proviso, however, are “administrative searches designed to assure compliance with building codes, including codes designed to prevent buildings from becoming dangerous to tenants or neighbors.” See City of Los Angeles v Patel, 135 SCt 2443 (2015). A warrantless search of a building or property on the ground that it has become dangerous is predicated upon providing the owner a meaningful chance to challenge a warrantless search before a neutral party prior to being sanctioned.

Utilizing the criteria set out by the United States Supreme Court, the Sixth Circuit found that the registration form did not waive any Fourth Amendment rights since the registration form did not require the property owner to allow entrance to its property prior to a fair administrative process which determines the building to be dangerous.

Rebekah C. Benjamin Trust v City of Saginaw, No. 18-1736 (Feb. 12, 2019)
Beyond the need for more money, another issue has long dogged policymakers in the debate over how to fix Michigan’s crumbling roads and bridges: a 64-year-old formula that distributes transportation funds among 617 governmental units that many say fails to put resources where they’re needed most.

Actually, there are several formulas used to distribute restricted state transportation funds among the various governmental units charged with maintaining the roads under Public Act 51 of 1951. An “external” formula divvies up road money among the Michigan Department of Transportation, county road commissions, cities, and villages. Under that formula, MDOT and county road commissions each receive 39.1 percent of state motor fuel and vehicle registration taxes. Cities and villages get 21.8 percent of those funds, which total about $1.9 billion in the current fiscal year.

An “internal” formula determines how much money goes to each county road commission, city, and village. The major factors in the formula for those 617 local units are population, which represents 60 percent of the distribution, and street miles, which account for 40 percent. Those formulas tend to favor places that have a lot of road miles but less traffic than roads in urban areas. “As a result, the state has some roads in terrific condition that get very little traffic and some very horrible roads that receive a massive amount of traffic,” the nonpartisan Citizens Research Council wrote in a 2011 report.

In order to provide more money for roads with the greatest repair needs, the funding distribution formulas require that more money also be sent to areas where roads are less traveled. The Citizen Research Council called that “a critical flaw of the system.”

Raising More Money Isn’t the Whole Answer

At press time, lawmakers had not reached agreement on a series of bills intended to raise about $1.2 billion a year in new road money, although some close to the negotiations said they expected it to happen by the Thanksgiving break. But none of those bills addressed the funding formulas.

“The debate on transportation has been limited to raising revenue and how to do it,” Craig Thiel, senior research associate at the Citizens Research Council, said in late September. “There has been no discussion in modifying the intricacies of the P.A. 51 distribution formulas.”

Many say it would be too difficult for a Republican-controlled Legislature that hates tax increases to get a road funding deal and overhaul P.A. 51. But they say the formulas need to be modified in order for the most-traveled roads and bridges to get needed funding.

Among those who advocate reforming P.A. 51 is former Gov. Rick Snyder, who pushed for more overall road funding since he took office in 2011. In a special transportation message to the Legislature that year, he called for $1.4 million a year in additional road money. Snyder proposed eliminating state road funds for some smaller cities and villages. His plan called for ending the P.A.
51 distribution to cities and villages that receive less than $50,000 a year in state road money. “Rather than go to jurisdictions, money will stay with the road so it can be distributed to whatever larger road agency maintains those roads and bridges,” he said.

Snyder also called for the creation of a new funding formula that would distribute “new transportation funding based on road use and traffic volumes, with a seven- to 10-year transition period for full effect. This would include any new revenues beyond what is collected and spent today.”

P.A. 51 “includes archaic formulas that sprinkle state transportation revenue across all 617 road agencies, many of them responsible for only a few miles of road,” Snyder said. “The formulas are so outdated that two cities actually receive funds despite having no public roads or bridges in their jurisdiction.” Lawmakers did not act on Snyder’s proposals.

Investing in Infrastructure
Making major changes in the distribution formulas is fraught with political peril. Some say the problem isn’t so much the formulas, but the state’s chronic underinvesting in transportation infrastructure.

“The larger counties are always going to be donor counties,” said Craig Bryson, a spokesman for the Oakland County Road Commission. “The bottom line is that no county in Michigan is adequately funded. It’s a crisis for every county. Last year there were rural counties in the Upper Peninsula that didn’t have enough money to plow the roads on weekends.”

Most agree with that sentiment. But many argue that the distribution formulas don’t adequately take into account the higher cost of maintaining urban roads with multiple lanes and high traffic volumes.

In its 2013 policy statement, “Partnership for Place: An Agenda for a Competitive 21st Century Michigan,” the Michigan Municipal League called for P.A. 51 reforms that would direct new road funding to areas of greatest need. The act “ignores metropolitan needs and roadway characteristics, and fails to allow for project cost variability due to such factors as lane miles, age of infrastructure, and the presence of underground utilities,” it said.

Michigan’s needs in fixing its deplorable, dangerous roads are costly and widespread. But the state won’t have a competitive transportation system that its residents and businesses are demanding without reforming the funding distribution system.

“Michigan can no longer afford to spread limited funding so thinly across so many small agencies,” Gov. Snyder said. And that was four years ago. The problem has only become more urgent. 😞

Rick Haglund is a freelance writer. You may contact him at 248.761.4594 or haglund.rick@gmail.com.
Expanding High Tech Job Opportunities in the U.P.

By Kristi Evans

The Upper Peninsula Cybersecurity Consortium, convened by Northern Michigan University in collaboration with industry and education partners, is creating opportunities in high-demand occupations so individuals can thrive professionally while also enjoying the personal benefits of maintaining a desirable U.P. quality of life. The new U.P. Cybersecurity Institute at NMU will accelerate this effort through enhanced education and training initiatives.

"With the increasing demand for cybersecurity experts nationwide, the ability to earn industry credentials online through the institute and the expanding opportunities for cybersecurity professionals to work remotely, we will be able to develop talent throughout the U.P. and keep people living and working here," said Steve VandenAvond, NMU vice president for Extended Learning and Community Engagement, in a press release. "We are confident that the teaching, training and testing offerings that the institute provides in partnership with the Merit Network and the Michigan Economic Development Corporation will cultivate U.P. participation in the new economy and foster economic development throughout the region."

The U.P. consortium received two innovation grants totaling $2.47 million through the State of Michigan's Marshall Plan for Talent. It is one of 13 consortia statewide awarded funding to develop talent pipelines to meet industry demand.

Filling an Urgent Need

Businesses and organizations are increasingly eager to hire employees capable of detecting and preventing costly data breaches, yet there is a critical shortage of qualified cybersecurity professionals. According to the annual workforce study by nonprofit IT organization (ISC), 2.9 million positions are vacant worldwide.

Because cybersecurity jobs can be performed remotely from nearly anywhere, NMU and an industry advisory panel are working to create a cybersecurity ecosystem rooted in Marquette that will branch out across the Upper Peninsula. The goal is to enhance career opportunities for students, displaced workers, military veterans, and others who want to thrive in a 21st century occupation from a U.P. location.

NMU alumnus Keith Glendon is successfully doing just that. From his hometown of Marquette, he serves as program director for Worldwide Sales, Strategy and Business Development with IBM Security, a key industry partner. Glendon is a passionate advocate for developing “new economy” opportunities for the region. He serves on the industry advisory committee for NMU cyber education initiatives.

“I’m thrilled that this Marshall Plan award, our U.P. Cybersecurity Talent Consortium, and the U.P. Cybersecurity Institute will help thousands of young people launch great careers in one of the highest-demand fields of our time,” Glendon said. “At IBM Security, our mission statement is,
‘We exist to protect the world’. That’s truly what this is about: protecting lives, businesses, and communities while building talent in our region to support and participate in a huge growth sector. Cybersecurity is a critical component of all modern industries and a core part of the foundation for our future as a tech-based innovation zone.”

Taking Remote Positions to the Next Level

NMU brought together industry experts who shared their needs and the opportunities they can provide for students in meaningful careers.

“The geographical disposition of the U.P. that often presents logistical barriers for growth in certain industries actually provides a competitive advantage for cyber and IT companies that embrace a culture of allowing employees to work where they want to live,” said Dave Nyberg, director of corporate engagement at NMU. “These grants will enable our consortium to broaden talent development. And in collaboration with our industry partners, Northern will continue to invest in innovative education and training programs.”

NMU President Fritz Erickson said the university will leverage its U.P. Cybersecurity Institute, which opened May 2, as a shared regional resource. The institute will provide career exploration for K-12 school districts, non-credit credentials and cyber certifications to address the workforce gap in this emerging field.

“It also complements NMU’s related bachelor’s degree program,” Erickson added. “We’re elated that the Marshall Plan for Talent is demonstrating the value of this initiative through its generous support.”

Developing the Next Generation

One component of the U.P. Cybersecurity Consortium’s initiative involves collaborating with 18 K-12 school districts and four intermediate school districts to expedite students’ career preparation through focused programs and a badging system. Industry professionals will help to develop the curriculum for the competency badges and work through the institute to train teachers in five “anchor” school districts. “Those teachers will then be able to train colleagues at smaller districts in their areas, so it’s a hub-and-spoke model we envision,” said VandenAvond. “Students will have an opportunity to complete from one to three badges in a series, enabling them to advance to the U.P. Cybersecurity Institute to obtain industry-certified credentials as a pathway to becoming professionals.”

VandenAvond said there is clearly an abundance of young talent in the region. U.P. schools were well-represented at Michigan’s spring Girls Go Cyberstart Competition, endorsed by Gov. Gretchen Whitmer. And at the 2018 Governor’s High School Cyber Challenge in Detroit, three of the top 10 teams were from the U.P., with Westwood finishing second. Westwood is part of NICE Community Schools, one of the five participating anchor districts. Others are Marquette, Adams Township, Escanaba, and Menominee.

Kristi Evans is the news director for Northern Michigan University. You may contact her at 906.227.1015 or kevans@nmu.edu.
Recently, the League’s Policy Research and Civic Innovation Labs teams were combined to create a single unit of creative problem-tackling expertise. We’ve got a new name—Policy Research Labs—but a familiar line-up of Director Shanna Draheim and Program Managers Melissa Milton-Pung and Richard Murphy. (Luke Forrest has joined CEDAM, Michigan’s statewide community and economic development network, as their executive director.)

The new Labs team has continued its busy schedule on the road, not just working with the League’s members, but carrying our work out to audiences around the state andcountry and bringing back new ideas to test at home. This month’s Lab Report offers up some of the best from our travels.

Promoting Your Local Assets
Nearly 80 members participated in the League’s pre-Capital Conference offering, “Capitalizing on Local Assets in Economic Development.” This workshop addressed how communities must increasingly engage in marketing and promotion activities to draw needed talent and investment and create rootedness and pride in their region’s unique qualities. We discussed the importance of knowing your local community to envision its future economic success and focused on ways that cities can inventory their own unique assets. The workshop also provided ways to package local assets with current economic development tools to encourage participation by current residents, engage external stakeholders, and attract private investment. (http://placemaking.mml.org/great-places/)

Supporting the Electric Vehicle Future
Sales of electric vehicles (EV) are climbing as we globally look for more ways to reduce the climate impacts of transportation. JP Morgan Chase projects that by 2025 EVs and hybrid EVs will account for about 30 percent of all vehicle sales.

Is there a role for cities to play in planning for and supporting this shift? Absolutely! Shanna has presented at several statewide events on the future of electric vehicles in Michigan, including the Michigan Clean Energy Conference and workshops hosted by the Michigan Energy Innovation Business Council. Cities can be leaders on EV deployment by helping to educate residents on the benefits and accessibility of EVs, putting their purchasing power to work by investing in public charging infrastructure and electrifying their vehicle fleets, and ensuring that land use regulations support and incent EV deployment.

As part of these discussions, we’ve had the opportunity to learn a lot about the growing EV market and new programs—such as Consumers Energy PowerMIDrive and DTE’s Charging Forward—that can benefit cities, residents and businesses as they make EV purchasing decisions. We will continue to engage and share strategies for how communities can help advance the deployment of EVs statewide.

The Future of Preservation
At this year’s 39th annual statewide historic preservation conference in Holland, Mayor Nancy De Boer provided an inspiring welcome on the future of the preservation movement and the value of retaining community identity while simultaneously adding to it. The conference explored several emerging topics, including balancing the pressures of increasing density in downtowns while interfacing with historic resource protections, advocating for transit expansion, and the shifting trend toward celebrating mid-20th-century resources. We were also proud to see League team member Melissa Milton-Pung present with local partners on the 2017 designation of the Thornoaks Neighborhood in Ann Arbor, the first mid-century modern residential local historic district in Michigan.
Falling in Love with Incremental Approaches
Kalamazoo and South Bend drew a standing-room-only crowd at the 27th Congress for the New Urbanism in Louisville, Kentucky. Their session, “An Incremental Love Story,” focused on each city’s efforts to update their badly outdated zoning ordinances one bite at a time. We’re proud to have worked with Kalamazoo on their updates as an initial pilot of the tactics found in the new User’s Guide to Code Reform, available online at https://www.cnu.org/our-projects/project-code-reform. We are currently working with CNU and MEDC on the second guide, addressing aging commercial corridors and shopping centers, and advising on related efforts around the country.

Other sessions similarly focused on tackling big complex problems by adding up modest individual fixes: Bay City’s Jen Acosta (an MML Foundation Board member!) joined a panel of women developers taking on neighborhood investment one building at a time, while CNU co-founder Andres Duany offered a lengthy thesis on hacking manufactured home technology to create stylish and cost-effective housing options.

Broken Municipal Finance Is Breaking Our Tools
What do planners and economic developers need to know about Michigan’s broken municipal finance system? A bunch, it turns out. Lansing’s ongoing failures make wise land use decisions that are much more important for local communities’ solvency—while effectively removing much of our development toolbox. Murph was invited to present on this Catch-22 twice, first to the Michigan Association of Planning’s Spring Institute and then to MEDC’s Community Development staff.

Local solvency requires keeping a stable, long-term ratio of revenues to service demands. Our revenue mapping work with East Lansing (and others’ work around the state) shows that compact, mixed-use, walkable places are the best pattern for achieving that, while large lot residential and single-use “big box” commercial spaces are the worst. Unfortunately, that development often requires public investment in most Michigan markets, and nearly every tool we have at our disposal redirects (TIFs), postpones (abatements), or reduces (PILOTs) our primary revenue stream, even while adding service demands. For more on this, see the blog post at http://placemaking.mml.org.

The Evolution of Community Capital
At the national Community Capital conference, held in Detroit in June, Melissa joined MEDC and other partners in unveiling a new report on the power of Michigan’s community capital strategies, including success stories of six specific crowdfunding examples. The report details the success of two Michigan-specific crowdfunding tools—the donation-based crowdfunding program Public Spaces Community Places (PSCP)—and investment-based crowdfunding for businesses, known as community capital investing. The hope is that this report becomes a learning tool that every state can use to activate a previously dormant network of community investors—but cautions that success is not guaranteed without the coordinated perseverance of state, municipal, and grassroots supporters. Find the full report at http://www.crowdfundingmi.com/wp-content/uploads/2019/06/CrowdfundingRetrospective.pdf.

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The League and the University of Michigan have a unique and deep relationship going back to the origin of our organization.

In 1899, a group of mayors met in Grand Rapids to launch an organization to focus on ‘good government’ and to strengthen the concept of home rule. The first president, Saginaw Mayor William Baum, Sr., envisioned an organization where information and ideas on municipal affairs could be exchanged. Charles Sink, an alderman from Ann Arbor, presented a plan to the University of Michigan which allowed League members to use the university’s Bureau of Reference and Research in Government as a depository for information. This cooperative relationship allowed the League to provide the central information bureau envisioned at its founding.

Growing Pains
As the League grew, it experienced a pressing need for a full-time secretary and a permanent home that could be a repository and clearinghouse for information. A report recommending the appointment of an executive secretary and the establishment of a League office in connection with the Bureau of Government at the University of Michigan was adopted in late 1925, and the first League office was opened in Newberry Hall on the University of Michigan campus. During those years, the League had rent-free accommodations in the engineering building, the old law building, and then in old Haven Hall. In 1935, the League purchased its own building on State Street in Ann Arbor and was housed there until 1971, when it moved to its current location adjacent to the north campus of the University of Michigan.

The Role of the Bentley
The Bentley Historical Library was established in 1935 by the regents of the University of Michigan and serves as the campus archive for the university and the State of Michigan.

“The University of Michigan and the State of Michigan were born together, and it is the fortunate mission of the Bentley Historical Library to collect the materials for and promote the study of the histories of these two fundamentally intertwined institutions... To fulfill its mission, the Bentley has become one of the largest and most successful University-based archives in America. Our collections include all historical records of the University of Michigan, as well as the largest collection of materials involving the history of people and organizations in the state (outside of the state-run Archives of Michigan in Lansing, which is the official archive for state government).”

- Terrence J. McDonald, Arthur F. Thurnau Professor; Professor of History and Director, Bentley Historical Library

For more than 80 years, the Bentley Historical Library has collected documents, books, films, photographs, and other historical records related to the state of Michigan and the University of Michigan. The Bentley is now one of the leading archives in the U.S., with a global reputation as a premier...
research institution. Every day, people use the Bentley Historical Library to explore history. Annually, the Bentley has more than 4,000 visitors, and 650 students who use more than 11,000 collections in their research.

The Bentley currently houses a League collection from 1928-1977. We will soon be sharing additional items including magazines, newsletters, presentations, white papers, and Board of Trustees meeting minutes. The library will also capture and archive the League website on an annual basis. These documents will give a snapshot of the League and its focus at any point in time. And 120 years from now, on our 240th anniversary, researchers will be able to explore what municipalities were facing in the 21st century, and the League’s work in those areas.

“I am a big believer in the importance of the Michigan Municipal League, both as an historian and former member of the Ypsilanti City Council for six years,” said McDonald. “By preserving the League’s history, we can provide a broader picture of the complexities and important role of local government in our state.”

It’s an honor to be affiliated with such a strong organization that we share deep roots with, and to know that the preservation of our organization’s history is in good hands. ☺

Kelly Warren is the director of membership and affiliate engagement for the League. You may contact her at 734.669.6310 or kwarren@mml.org

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Q. We passed an ordinance to opt out of recreational marihuana businesses in our city. Do we need to send it to the state?

A. Yes, the state needs city/village/township opt out ordinances in order to determine whether to grant or deny applications. The Marijuana Regulatory Agency within LARA handles licensing of adult use (recreational) marihuana establishments.

Email ordinances to: LARA-BMR-Enforcement@michigan.gov.

Q. What are the restrictions for municipalities regarding paying for public celebrations and events?

A. There are very specific guidelines regarding local government expenditures. Appendix H of the Audit Manual for Local Units of Government in Michigan (revised February 2012) by the state’s Department of Treasury is very helpful in explaining the restrictions. The complete document can be found at www.michigan.gov.

**Here is an excerpt:**

**Planning the compliance portion of an audit**

Local units of government in Michigan are only allowed to incur expenditures for a valid public purpose. The local unit is the steward of public resources, and they may not be used for a private purpose. Determining whether an expenditure is for a valid public purpose is a legal consideration. Often the local unit’s legal counsel can be helpful in making this determination.

There are numerous state statutes, court cases and attorney general opinions that define allowable expenditures. As a guide, the following is a list of the more common types of questionable expenditures:

1. **Charitable Donations to Nonprofit Organizations:** Unless the payment is in exchange for the provision of a governmental service that the local unit could have provided itself, this is not a valid public purpose. In general, such expenditures should be documented through a written agreement. This prohibition includes churches, veterans’ organizations, community organizations, Little League, Boy Scouts, Big Brothers/Big Sisters, etc.

2. **Public Celebrations and Events:** MCL 123.851 specifically allows cities, villages and townships to expend money for observances of Armistice (Veterans), Independence and Memorial Days and Diamond Jubilee or Centennial celebrations. It is improper for a unit of government to expend public money for an annual picnic or other celebration that is not specifically authorized by law and does not serve a public purpose. The Michigan Supreme Court in *Wayne County v Hathcock*, 471 Mich 445, 462; 684 NW2d 765 (2004), defined “public purpose” as having “for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within the municipal corporation, the sovereign powers of which are used to promote such public purpose.”

3. **Providing Coffee, Food, etc.:** The purchase of coffee, food, etc., must be for a public, not an individual or private group or purpose. These expenditures for use at a regular or special meeting where the public is also participating in the coffee, food, etc., for firefighters, volunteer or full-time employees, when working an extended period of time or when dedicating public buildings are normally considered expenditures for a public purpose. Coffee, food, etc., for employees use during normal working hours is considered personal, not for a public purpose, and improper unless specifically provided for in a collective bargaining agreement or duly adopted employment policy of the governmental unit (fringe benefit). See the definition of “public purpose” above.

4. **Retirement/Recognition Functions and Employee and Retiree Gifts:** Retirement functions, gifts or plaques for employees or officials, recognition dinners for volunteer firefighters or ambulance staff are usually not for a public purpose, therefore, not an allowable expense. Travel and meals as part of the cost of training volunteers to perform emergency services within the local unit are deemed a public purpose, payable as an expense when properly budgeted, authorized and approved. See the definition of “public purpose” in item 3 above.

5. **Flowers to the Sick or Departed:** Local governments do not have authority to expend money for floral gifts. (Attorney General Opinion Number 2346 dated July 18, 1956)

6. **Training and Education:** Registration fees, lodging, travel, and meals while in attendance at useful public informational or educational workshops and seminars are appropriate.

The League’s Information Service provides member officials with answers to questions on a vast array of municipal topics. Call 800.653.2483 or email info@mml.org or inquiry@mml.org.
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**Beautiful Community Seeks Forward-Thinking Manager**
We’re a vibrant, 100+ year-old west Michigan community seeking an experienced, forward-thinking manager who will wow us on a daily basis ...
SVRC Industries redeveloped the iconic former Saginaw News building into a 100,000 square foot mixed-use facility, named the SVRC Marketplace. The Downtown Saginaw Farmers’ Market has already been transplanted to the SVRC Marketplace Pavilion and interior shops opened June 2018. Once fully operational, the Marketplace will attract an estimated 10,000 people to Downtown Saginaw weekly. It is a sustainable project building on SVRC’s core-mission of creating employment opportunities and community access by offering healthy food options, integrated jobs, supportive services, and vibrant gathering spaces in a single downtown development. The SVRC Marketplace supports a year-round indoor farmers market offering a unique shopping experience with a wide variety of delicious foods and quaint shops. This eclectic space features opportunities for local entrepreneurs to grow by offering a licensed commercial kitchen, wash/pack food preparation stations, business incubators, cooler rental spaces, and affordable locations within the Marketplace.

Creativity and Originality
While we have seen other indoor markets, this one is unique in the sense that it is self-sustaining. Not only are there a variety of small unique businesses, there will be established companies located on subsequent floors. The multi-use function of the Marketplace will create a community hub of activity and supportive resources that are unparalleled for the region. It will provide healthy food education, community awareness, and services to the surrounding neighborhoods. Another unique aspect is that the building was restored to preserve as much of its historic nature as possible. This building is listed on the National Register of Historic Sites!

Community Impact
The SVRC Marketplace has already made an impact on Downtown Saginaw. It’s making the area vibrant again, helping spur interest, improve the image, and increase activity. Redeveloping the iconic Saginaw News building has helped to clean up the core of the city while also providing more attractive access to the riverfront. Through this reinvestment, not only are people in the surrounding community impacted, new jobs are being created and there is access to shopping opportunities that were otherwise non-existent.