

SPECIAL COUNCIL MEETING
Village Hall
7227 Huron Avenue, Lexington, MI 48450
AGENDA

DATE OF MEETING: TUESDAY, MAY 31, 2022
TYPE OF MEETING: SPECIAL COUNCIL MEETING
TIME OF MEETING: 3:00 P.M.

PLEDGE OF ALLEGIANCE

CALL TO ORDER / SPECIAL COUNCIL MEETING

ROLL CALL BY CLERK

PUBLIC COMMENT

BUSINESS:

ADMINISTRATION

- A. Library Grant Request
- B. RAP Grant for Harbor Improvements

CORRESPONDENCE

PUBLIC COMMENT

COUNCIL PERSON COMMENTS

ADJOURNMENT

Allie Sutton

From: David Faber <dfaberconsult@gmail.com>
Sent: Wednesday, May 25, 2022 3:35 PM
To: Allie Sutton
Subject: Re: Library Donation from the Village

Allie,

I am pretty sure that the council can not make that donation. The Library is its own non profit organization with a millage. I also do not think that this falls under the umbrella of the use of ARPA funds and the intent when allocated. I also want to give caution about the allocation since there is the issues of balancing the budget and the financial issues that I see with the village. I think that you need to call your auditors and see if this is even possible and also check with your legal council. As for the conversation with Bill it might be something that the county could do, but all of their money is spoken for and there are unfunded projects on their lists. If you have any questions let me know

David Faber
Rising Tide Municipal Services LLC

On Wed, May 25, 2022 at 12:48 PM Allie Sutton <manager@villageoflexington.com> wrote:

Hi Mr. Faber,

On Monday the Council voted to donate \$10,000 to Moore Public Library out of ARPA funds. It was added that there was conversation with Bill Sarkella explaining that this can be done, but after speaking with him today I am no sure that it can be. Can you tell me your thoughts on this?

Thanks,



Alexandria Sutton
Village of Lexington
810-359-8631 ext 105
Fax 810-359-5622
Hours M-F 8:00 – 4:00
<mailto:manager@villageoflexington.com>

Quick Project Overview

This grant request of \$1 million is being submitted by the Village of Lexington, an incorporated municipality, located on Lake Huron approximately 18 miles north of Port Huron in Sanilac County.

More specifically, the Village is seeking funds for a transformative capital expenditure project to help offset the negative and on-going economic impact of the COVID-19 pandemic on the Lexington area – one of the top tourist destinations along the Lower Huron Coast. This grant will be used for permanent place-based infrastructure in support of the Village’s recently updated Master Plan. Further, this grant will provide vital support to and be matched by the larger \$20 million Harbor restoration project being actively supported by the US Army Corps of Engineers, Michigan legislators, and the MDNR.

The project consists of replacing aging infrastructure in and adding improvements to the Village’s only dedicated public space, Patrick Tierney Park, which is situated on the water and at the foot of Lexington’s downtown retail district. While the Village provides basic maintenance for Tierney Park, it does not have the capacity in its annual budget to make needed improvements to the physical public space.

Tierney Park and its adjacent harbor represent the crown jewels of Lexington. As the first true resort town north of the Detroit metropolitan area, Lexington relies almost exclusively on tourism for its vitality, business attraction and retention, and new commercial and residential investment. The Park and its harbor are the amenities that draw our visitors and retain our local residents. The Park draws thousands of visitors each year from the entire coastline and metro region to enjoy Lexington’s summer music in the park series, its summer craft fair, Fourth of July celebration, the Lexington Art Show, its Bach Festival, and other legacy events.

RAP Grant Application

This program will provide access to real estate and **place-based infrastructure** development gap financing through grants of up to \$5 million per project for real estate rehabilitation and development, **grants of up to \$1 million per project for public space improvements** and grants of up to \$20 million to local or regional partners who develop a coordinated subgrant program.

Eligible applicants are individuals or entities working to rehabilitate vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure associated with traditional downtowns, social-zones, outdoor dining and placed-based public spaces. The RAP program will award funding to eligible applicants based on one or more competitive application rounds.

- All awards will be structured as grants with performance milestones and reporting requirements. All awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, as amended from time to time.
- Grant awards may be made directly to individual projects, or to local or regional partner organizations for regranting to local communities or projects.
- The minimum grant award is \$500,000 and the maximum awards are \$5 million per project for real estate rehabilitation and development, **\$1 million per project for public space place-based infrastructure** and \$20 million for local or regional partner applicants that develop a subgrant program. Requests for subgrant awards must demonstrate local or regional coordination to implement a revitalization strategy.
- The minimum required match for RAP awards 50% of the project's Eligible Costs as detailed in the RAP Program Guidelines. For example: if the project's Eligible Costs are \$4 million, then the maximum RAP grant award would be the lesser of \$2 million or the financing gap as demonstrated in the application and verified through program underwriting review.
- The funding announcement will be followed by a 30-day question and answer period which will be followed by an open application period of at least 90 days. All RAP program funds must be obligated by December 31, 2024 and must be expended by December 31, 2026.

ARPA RAP Timeline



NOTE: In the event there are remaining funds, additional funding rounds may be necessary.

- Applications will be competitively evaluated and those selected for recommendation to the Michigan Strategic Fund will be notified in the summer of 2022. In the event there are remaining funds, additional funding rounds may be necessary.
- Local support and match: All submissions must include a letter of support from the local or regional economic development organization and/or municipality. The most competitive proposals will also include a financial contribution from the local unit of government.
- Location: Preference will be given to projects located in Federal qualified census tracts (QCT) and also to projects located in traditional downtowns or traditional commercial corridors.
- COVID-19 impact: Applicants must address how the proposal is responsive to the negative 3 Area or district established by a local governmental unit (city, village, township, county) under MCL 436.1551 public health and/or economic impacts of the COVID-19 pandemic and complies with all ARPA program requirements.
- Capacity: The applicant, consultant or individual member of the development team must have experience implementing a project of a similar scope.
- Long-term impacts: Competitive applicants will be able to articulate how the proposal will have a long-term impact in the community including addressing how it will enable growth in population and tax revenue.
- Projects that include housing must include units that are priced to be attainable to the local workforce including households with less than 120% of the area median income.
- Financial Viability:
 - Demonstrate long-term financial viability of the project
 - Demonstrate financial need for the project
- Local and Regional Impact Considerations:
 - Project should demonstrate how it supports the vision and goals stated in the local master plan, downtown plan, capital improvements plan and/or economic development strategy.
 - Project should demonstrate the readiness of infrastructure – utilities, housing, transportation, public transit and other community services. Is project filling available capacity or creating need for new community or state investments in infrastructure/resources?