

City of Ironwood
213 S. Marquette St.
Ironwood, MI 49938



Phone: (906) 932-5050
Fax: (906) 932-5745
www.ironwoodmi.gov

IRONWOOD

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AGENDA
REGULAR IRONWOOD CITY COMMISSION MEETING
JUNE 9, 2025

LOCATION: IRONWOOD MEMORIAL BUILDING
COMMISSION CHAMBERS
213 S. MARQUETTE ST.
IRONWOOD, MI 49938

Public Hearing – 5:20 P.M. – Resolution #025-015
Public Hearing – 5:25 P.M. – Resolution #025-018
Regular Meeting – 5:30 P.M.

ZOOM OPTION AVAILABLE FOR THE PUBLIC

(Please visit the City website at www.ironwoodmi.gov or the notice posted at the Memorial Building for Zoom Webinar login instructions.)

PUBLIC HEARING
5:20 P.M.

1. Open Public Hearing.
2. Roll Call.
3. Public Hearing: To hear comments relative to Resolution #025-015, a Resolution to approve changing the City Elections from November odd years to November even years coinciding with other State and Federal General Elections as a significant costs savings to the City.
4. Close Public Hearing.

PUBLIC HEARING
5:25 P.M.

1. Open Public Hearing.
2. Public Hearing: To hear comments relative to Resolution #025-018, a Resolution to establish an Industrial Development District at 397 W. Aurora.
3. Close Public Hearing.



This Institution is an Equal Opportunity Provider, Employer and Housing Employer/Lender



REGULAR MEETING
5:30 P.M.

- A. Regular Meeting Called to Order.
Pledge of Allegiance to the United States of America.
- B. Recording of the Roll.
- C. Approval of the Consent Agenda. *
All items with an asterisk () are considered to be routine by the City Commission and will be enacted by one motion. There will be no separate discussion of those items unless a Commission member or citizen so requests, in which event the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.*
 - *1) Approval of Minutes:
 - a. Regular City Commission Meeting Minutes of May 27, 2025.
 - *2) Review and Place on File:
 - a. Downtown Ironwood Development Authority Meeting Minutes of March 27, 2025.
 - b. Human Relations and Equity Committee Meeting Minutes of May 13, 2025.
 - c. Pat O'Donnell Civic Center Board of Directors Meeting Minutes of May 5, 2025.
- D. Approval of the Agenda.
- E. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit).
- F. Citizens wishing to address the Commission on Items not on the Agenda. (Three Minute Limit).

UNFINISHED BUSINESS

- G. Discuss and consider approving Change Order #15, for C.D. Smith, which is an increase of \$122,752.88 for the Water Treatment Plant Phase 1 Project and authorize the Mayor to sign all applicable documents.
- H. Discuss and consider approving the Rural Development Pay Package #22 in the amount of \$125,757.71 for the City of Ironwood – Water Treatment Plant Phase I Project and authorize the Mayor to sign all applicable documents.
- I. Discuss and consider approving Payment #6, for C.D. Smith, in the amount of \$385,564.20 for the City of Ironwood – Water Treatment Plant Phase 2 Project and authorize the Mayor to sign all applicable documents.
- J. Discuss and consider adopting Resolution #025-015, a Resolution to approve changing the City Elections from November odd years to November even years coinciding with other State and Federal General Elections as a significant cost savings to the City.

NEW BUSINESS

- K. Discuss and acknowledge the introduction of Ordinance Number 554, an Ordinance to repeal Chapter 21, entitled Photographers, of the Code of Ordinances, and schedule a Public Hearing for the June 23, 2025, meeting for 5:25 P.M.

- L. Discuss and consider adopting Resolution #025-016, authorizing the General Appropriations Act for Fiscal Year 2025-2026 and adopt the 2025-2026 Fee Schedule.
- M. Discuss and consider adopting Resolution #025-017, authorizing the transfer of delinquent invoices for ordinance violations to the July 2025 City Tax Roll.
- N. Discuss and consider adopting Resolution #025-018, a Resolution to establish an Industrial Development District at 397 W. Aurora.
- O. Discuss and consider approval of Lighthouse Church Property Request.
- P. Discuss and consider approval of Hope Animal Shelter Property Request.
- Q. Discuss and consider approval of the Strategic Housing Plan.
- R. Discuss and consider adopting Resolution #025-019, a Resolution to approve Michigan Department of Transportation Agreement 25-5269 and authorize the City Manager to sign the Agreement.
- S. Manager's Report.
- T. Other Matters.
- U. Adjournment.

Proceedings of the Ironwood City Commission Meeting

A Regular Meeting of the Ironwood City Commission was held on May 27, 2025, at 5:30 P.M., preceded by Public Hearings at 5:15 P.M. and 5:25 P.M., in the Commission Chambers, Second Floor of the Municipal Memorial Building in the City of Ironwood.

1. Mayor Corcoran opened the Public Hearing at 5:18 P.M.
 2. Public Hearing: To hear comments relative to the proposed 2025-2026 Fiscal Year Budget. Paul Linn, Finance Director/Treasurer, presented the proposed Budget and mentioned the City was informed by the County that there will be a slight Headlee rollback this year. Commissioner Mildren asked about the Headlee roll back. No comments from the Public were received.
 3. Mayor Corcoran closed the Public Hearing at 5:22 P.M.
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1. Mayor Corcoran opened the Public Hearing at 5:25 P.M.
 2. Public Hearing: To receive public comment on the funding application to the Michigan Community Development Block Grant for a Water Related Infrastructure grant for the Old County Road Waterline Project. Kelsey Robl explained this public hearing is a required hearing related to the Old County Road Waterline project. No comments were received.
 3. Mayor Corcoran closed the Public Hearing at 5:28 P.M.
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- A. Mayor Corcoran called the Regular Meeting to Order at 5:30 P.M.

Motion was made by Korpi, seconded by Mildren, and carried, to recess the meeting at 5:32 P.M. for the purposes of moving the meeting from the Commission Chambers to the Auditorium to accommodate more people.

Motion was made by Andresen, seconded by Mildren, and carried, to resume the meeting at 5:41 P.M. in the Auditorium, first floor of the Ironwood Memorial Building.

- B. Recording of the Roll.
PRESENT: Commissioners Andresen, Korpi, Mildren, Semo, and Mayor Corcoran
ABSENT: None

- C. Approval of the Consent Agenda.
 - 1) Approval of Minutes:
 - a. Regular City Commission Meeting Minutes of May 12, 2025.
 - 2) Review and Place on File:
 - a. Ironwood Housing Commission Board Meeting Minutes of May 13, 2025.
 - b. Human Relations and Equity Committee Meeting Minutes of April 15, 2025.
 - c. Ironwood Carnegie Library Board Meeting Minutes of April 15, 2025.

Motion was made by Semo, seconded by Andresen, to approve the Consent Agenda as presented. Unanimously passed by roll call vote.

D. Approval of the Agenda.

Motion was made Mildren, seconded by Korpi, and carried, to approve the Agenda as presented.

E. Review and Place on File:

1. Revenue & Expenditure Report.
2. Cash and Investment Summary Report.

Motion was made by Semo, seconded by Mildren, and carried, to receive and place on file the Statement of Revenue & Expenditures Report for the month ending April 2025, and the Cash and Investment Summary Report for April 2025.

F. Approval of Monthly Check Register Report.

Motion was made by Semo, seconded by Korpi, to approve the Check Register Report for April 2025 as presented. Unanimously passed by roll call vote.

G. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit).

Before opening the floor to public comments, Mayor Corcoran stated that she and the City Manager had discussed and researched the sanctuary city topic and have no interest or plans to consider becoming a sanctuary city. She added that a citizen submitted a copy of a proposed policy to the City Commission during the public comment period at the May 12, 2025, meeting.

Michael Meyer addressed the Commission in support of Agenda Item Q.

Clancy Byrne addressed the Commission in support of Agenda Item R.

Lydia Christensen addressed the Commission in support of Agenda Item R.

Anna Wakefield addressed the Commission in support of Agenda Item R.

Cathy Floury addressed the Commission in support of Agenda Item R.

Amy Nosel addressed the Commission in support of Agenda Item R.

Don Perry addressed the Commission on Agenda Item R asking that the City Commission consider a Veterans Month verses a Pride Month.

Gary Schmidt addressed the Commission on Agenda Item R.

Paul Porter addressed the Commission in opposition of Agenda Item R.

Steve Frank addressed the Commission on the Budget Public Hearing and in opposition of Agenda Item R.

Tim Bale addressed the Commission in opposition of Agenda Item R.

Martin Hollenbeck addressed the Commission in opposition of Agenda Item R.

Kelli Stanczak addressed the Commission in opposition of Agenda Item R.

Mike LaBo addressed the Commission in opposition of Agenda Item R.

Brittany Barkus addressed the Commission in support of Agenda Item R.

Brian Hockaday addressed the Commission in support of Agenda Item R.

Gail (last name unknown), addressed the Commission in opposition of Agenda Item R.

Sharon Schmidt addressed the Commission on Agenda Item R.

Scott Tanula addressed the Commission in opposition of Agenda Item R.

H. Citizens wishing to address the Commission on Items not on the Agenda. (Three Minute Limit).

Tricia Shipley addressed the Commission in opposition of a Sanctuary City.

Christopher Superits addressed the Commission regarding people living in Ironwood while having non-Michigan license plates and citizens arrests.

Steve Frank addressed the Commission regarding the Sanctuary City topic.

Carson Simms addressed the Commission in opposition of a Sanctuary City.

Don Perry addressed the Commission in opposition of a Sanctuary City.

Bernie Smith addressed the Commission asking them to visit Norrie Park to see needed maintenance of that park.

Paul Porter addressed the Commission in opposition of a Sanctuary City.

Robin Simms addressed the Commission in opposition of a Sanctuary City.

UNFINISHED BUSINESS

I. Discuss and consider awarding the DPW Cold Storage Building bid to Angelo Luppino, Inc., in the amount of \$279,447.00.

Motion was made by Semo, seconded by Korpi, to award the DPW Cold Storage Building bid to Angelo Luppino, Inc., in the amount of \$279,447.00. Unanimously passed by roll call vote.

J. Discuss and consider approving Change Order #14, for C.D. Smith, which is an increase of \$82,926.35 for the Water Treatment Plant Phase 1 Project and authorize the Mayor to sign all applicable documents.

Motion was made by Mildren, seconded by Andresen, to approve Change Order #14, for C.D. Smith, which is an increase of \$82,926.35 for the Water Treatment Plant Phase 1 Project and authorize the Mayor to sign all applicable documents. Unanimously passed by roll call vote.

K. Discuss and consider approving Change Order #7, for C.D. Smith, which is an increase of \$12,407.86 for the Water Treatment Plant Phase 2 Project and authorize the Mayor to sign all applicable documents.

Motion was made by Korpi, seconded by Andresen, to approve Change Order #7, for C.D. Smith, which is an increase of \$12,407.86 for the Water Treatment Plant Phase 2 Project and authorize the Mayor to sign all applicable documents. Unanimously passed by roll call vote.

- L. Discuss and consider approving Change Order #1, for Jake's Excavating and Landscaping, LLC., which adds the Michigan Department of Environment, Great Lakes, and Energy NPDES Permit No. MIR118622 the Phase 5C Water and Sewer Upgrades Project and authorize the Mayor to sign all applicable documents.

***Motion** was made by Semo, seconded by Korpi, and carried, to approve Change Order #1, for Jake's Excavating and Landscaping, LLC., which adds the Michigan Department of Environment, Great Lakes, and Energy NPDES Permit No. MIR118622 the Phase 5C Water and Sewer Upgrades Project and authorize the Mayor to sign all applicable documents.*

- M. Discuss and consider approving Payment #3, for Jake's Excavating, in the amount of \$61,908.65 for the TMF Water Service Exploration Project and authorize the Mayor to sign all applicable documents.

***Motion** was made by Semo, seconded by Mildren, to approve Payment #3, for Jake's Excavating, in the amount of \$61,908.65 for the TMF Water Service Exploration Project and approve authorized signature to sign all applicable documents. Unanimously passed by roll call vote.*

- N. Discuss and consider approving Payment #16, for Jake's Excavating, in the amount of \$22,531.07 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents.

***Motion** was made by Korpi, seconded by Andresen, to approve Payment #16, for Jake's Excavating, in the amount of \$22,531.07 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents. Unanimously passed by roll call vote.*

- O. Discuss and consider sending a letter to Michigan Department of Natural Resources to withdraw from the City's Trust Fund Grant TF20-0129 Norrie Park Renovation and Montreal Water Trail Project.

***Motion** was made by Mildren, seconded by Semo, and carried, to authorize the City to send a letter to Michigan Department of Natural Resources to withdraw from the City's Trust Fund Grant TF20-0129 Norrie Park Renovation and Montreal Water Trail Project.*

NEW BUSINESS

- P. Discuss and consider approving a Settlement Agreement between the City of Ironwood and HDR Michigan, Inc. providing a \$32,427.66 credit to the City for related to modifications to the Chemical Feed Systems for Phase I of the Water Treatment Plant Project.

***Motion** was made by Andresen, seconded by Korpi, to approve a Settlement Agreement between the City of Ironwood and HDR Michigan, Inc. providing a \$32,427.66 credit to the City for related to modifications to the Chemical Feed Systems for Phase I of the Water Treatment Plant Project. Unanimously passed by roll call vote.*

- Q. Discuss and consider adopting Resolution #025-012, a Resolution designating the Upper Peninsula Arts and Culture Alliance as a Local Arts Agency to operate in cooperation with the City and to receive and subgrant funds from the National Endowment for the Arts.

***Motion** was made by Korpi, seconded by Semo, to adopt Resolution #025-012, a Resolution designating the Upper Peninsula Arts and Culture Alliance as a Local Arts Agency to operate in cooperation with the City and to receive and subgrant funds from the National Endowment for the Arts. Unanimously passed by roll call vote.*

- R. Discuss and consider adopting Resolution #025-013 declaring June 2025 as Pride Diversity & Inclusivity Celebration Month in the City of Ironwood and authorize the Pride flag to be flown at the City Square during the month of June.

***Motion** was made by Korpi, seconded by Semo, to adopt Resolution #025-013 declaring June 2025 as Pride Diversity & Inclusivity Celebration Month in the City of Ironwood and to authorize the Pride flag to be flown at the City Square during the month of June, contingent upon both Federal and State Governments adopting proclamations to authorize the display the Pride Flag. Unanimously passed by roll call vote.*

- S. Discuss and consider adopting Resolution #025-014, a Resolution approving a Community Development Block Grant (CDBG) Application for a Water Related Infrastructure grant for the Old County Road Waterline Project.

***Motion** was made by Semo, seconded by Korpi, to adopt Resolution #025-014, a Resolution approving a Community Development Block Grant (CDBG) Application for a Water Related Infrastructure grant for the Old County Road Waterline Project. Unanimously passed by roll call vote.*

- T. Discuss and consider authorizing the Department of Public Works to sell several items as surplus equipment and supplies.

***Motion** was made by Andresen, seconded by Semo, to authorize the Department of Public Works to sell several items as listed in the packet as surplus equipment and supplies. Unanimously passed by roll call vote.*

- U. Discuss and consider authorizing the Department of Public Works to purchase a Kubota M62 backhoe, with cab, from Lulich Implement for a total cost of \$93,694.62 to be used in the Cemetery, declare the current backhoe, #83, a 1985 Ford 340B Backhoe with 3630 hours, as surplus equipment and authorize the sale of #83 with a minimum bid set at \$4,000.

***Motion** was made by Andresen, seconded by Korpi, to authorize the Department of Public Works to purchase a Kubota M62 backhoe, with cab, from Lulich Implement for a total cost of \$93,694.62 to be used in the Cemetery, declare the current backhoe, #83, a 1985 Ford 340B Backhoe with 3630 hours, as surplus equipment and authorize the sale of #83 with a minimum bid set at \$4,000. Unanimously passed by roll call vote.*

- V. Discuss and consider authorizing the Department of Public Works to purchase a 2024 Chevrolet 3500HD from Jerry Haggerty Chevrolet for the cost \$69,522.00 to be used in the Water Department, declare the current Water Truck, #16, a 2013 GMC 3500HD 4x4 with 75,440 miles as surplus equipment and authorize the sale of #16 with a minimum bid set at \$6,000.

***Motion** was made by Semo, seconded by Mildren, to authorize the Department of Public Works to purchase a 2024 Chevrolet 3500HD from Jerry Haggerty Chevrolet for the cost \$69,522.00 to be used in the Water Department, declare the current Water Truck, #16, a 2013 GMC 3500HD 4x4 with 75,440 miles as surplus equipment and authorize the sale of #16 with a minimum bid set at \$6,000. Unanimously passed by roll call vote.*

- W. Discuss and consider granting a request for a “Special Water Rate” for the Gogebic County Fair from August 7, 2025 – August 10, 2025.

***Motion** was made by Mildren, seconded by Semo, to authorize the discounted Water Rate as set in the City’s Fee Schedule at the fairgrounds during the Gogebic County Fair from August 7, 2025 – August 10, 2025. Unanimously passed by roll call vote.*

X. Manager's Report.

City Manager Paul Anderson provided the following verbal updates:

Engineering Projects

- *\$11MIL Phase 1 of the water plant project continues with CD Smith Construction. We have been running the Phase 1 pump station for two months now. We are working on spending the last of the contingency money by completing the installation of a security fence right now, and then this summer we plan to do some well rehab work and asphalt paving of the driveway around the water plant. This will spend the remaining Phase 1 contingency funds.*
- *\$11MIL Phase 2 of the water treatment plant is underway. CD Smith is continuing with work on the concrete filter walls on the interior of the building. Soon the construction of the garage and the 250,000-gallon clear well will start. A lot of the Phase 2 work will be completed by fall 2025 and all work is anticipated to be completed by spring or early summer 2026.*
- *Phase 5A water system project is started back up. Topsoil and Hydroseeding work is in process. Final inspection will occur later this week and then corrections will need to be made, largely with concrete crack replacement. Paving the second lift of asphalt will occur last once all items are addressed.*
- *Phase 5B water and sewer project - we are currently working through the bid award process and waiting on a sewer permit from EGLE. Construction will occur during both the 2025 and 2026 construction seasons.*
- *Phase 5C \$3MIL water project for reconstructing portions of Coolidge, Harding, and Lowell St from US2 to Harding. Asphalt has been striped on portions of Coolidge Ave. Also today started the Business Route 2 detour and waterline tie ins.*
- *The \$3MIL lead service line replacement project with Jakes Excavating continues. This week they are focusing on restoration efforts for lines that have been repaired.*
- *Jakes is back working on the \$598,000 TMF grant. This is identifying material types of water services on ~520 unknown water services. 440 done to date. They continue to find mainly copper lines. They expect to have this work complete in the next few weeks. We will have all our unknowns identified by the end of the project.*
- *2025 Small Urban Grant Project Update: \$375K grant will be split between these two projects:*
 - *Project 1 (\$625K): going to replace the water main and street on Superior St from US2 to the City boundary, will repave Curry St around the school.*
 1. *This is on the June 6, 2025, bid letting through MDOT.**Construction should occur this fall or early next year.*
 - *Project 2 (\$177K) (this summer): Chip seal the following roads:*
 - *Greenbush north of US2*
 - *Frenchtown Road*
 - *Brogan St*
 - *Penokee Road*
 - *South Suffolk St*
 - *Burma Road*
- *Our sewer lift station generator has been delivered and we have training scheduled for 9AM on June 2nd.*
- *Library Community Spaces Grant Project: Ruotsala Construction has poured the foundation walls and will be working on the slab on grade next. The construction project will continue through summer 2025 with completion in the spring of 2026.*

- *Newport Heights water future project: Coleman Engineering has submitted the EGLE funding application on 5/15/25. The USDA Rural Development application will be going in soon.*
- *Our 24 sanitary sewer flow meters have been installed again for the upcoming spring/summer/fall season. We will be monitoring the meters and working with our vendor to analyze results as we get rainstorms this summer.*
- *Mud Creek Builders has been hired by the City to replace the roof on the Currie Park campground garage and the Norrie Park bathrooms. The City is supplying the shingles for this project.*
- *I have been making phone calls and getting agreements set up for the remaining 14 roof drain disconnections that the private property owners need to have completed by July 1st this summer. Most of the property owners have plans to comply with this requirement.*
- *A new State of Michigan Community Development Block Grant opportunity is opening for applications on 5/30/25. The City of Ironwood is on the short list of entities who are eligible to apply for water funding between \$500k and \$2MIL with a likely 25% match required.*

Manager's Update

- *The City changed to a new credit card processing system earlier this month which has been a great improvement in the Utility/Finance Department. It is a more efficient payment processing platform for City Services and saves residents money by paying a smaller credit card transaction fee.*
- *Ironwood Public Safety is actively working on blight efforts and reminding residents that blight/long grass concerns can be reported directly to Ironwood Public Safety by calling 906-932-1234 to report concerns and leaving a voice message including the address of the property if it's after business hours.*
- *You will see a detour on US 2 by Hemlock Street. That is due to a catch basin that washed out. MDOT is working on designing and bidding the repairs of that work and hopes to have the work complete by the 4th of July.*
- *Thanks to all of those who attended the American Legion's Memorial Day Program yesterday. It was certainly a beautiful day for it. And thank you to all the US Military personnel who died while serving in the Armed Forces for the United States of America.*
- *The Curry Park Campground is now open. The improvements that were made last fall are very appreciated by the campground hosts and all our guests.*
- *The Compost Site is open. We will be following our standard compost site hours of Thursday 10-4, Friday from 10-4 and Saturdays from 9-2. We thank Dan Nelmark for coming back to be our compost site attendant.*
- *Downtown flower baskets are going out soon. We always look forward to having those beautiful baskets out all summer.*
- *The Copper Peak construction groundbreaking ceremony is this Friday from 2-3 PM. We are excited for this project to finally get underway after almost a decade in the making!*
- *I will be gone for the June 9th City Commission meeting. Staff will be filling in for me during my absence.*

Y. Other Matters.

Mayor Corcoran commented on the beautiful Memorial Day Ceremony at the City's Cemetery and thanked the City Staff and the volunteers for how nice the Cemetery looked.

Commissioner Korpi requested to be excused from the June 9, 2025, meeting.

***Motion** was made by Semo, seconded by Mildren, and carried, to excuse Commissioner Korpi from the June 9, 2025, meeting.*

Commissioner Semo thanked Paul and the City Staff for the work done at the City daily. Commissioner Semo also wished to thank Mayor Corcoran for running tonight's meeting very well.

Z. Adjournment.

***Motion** was made by Semo, seconded by Mildren, and carried, to adjourn the meeting at 7:40 P.M.*

Kim Corcoran, Mayor

Jennifer L. Jacobson, City Clerk



**Proceedings of the Downtown Ironwood Development Authority
Thursday, March 27, 2025**

A regular meeting of the Downtown Ironwood Development Authority (DIDA) was held on Thursday, March 27, 2025, at 8:00 A.M. in the Ironwood Memorial Building Women's Club Room.

1. Call to Order: Chair Flory called the meeting to order at 8:00 A.M.
2. Recording of the Roll.

MEMBER	PRESENT		EXCUSED	NOT EXCUSED
	YES	NO		
Cathy Flory	X			
Vacant				
Kim Corcoran	X			
Vacant				
Lynne Wiercinski	X			
Eric Moran	X			
Kevin Nyquist		X	X	
Robbie Sardinha	X			
Bruce Greenhill	X			
	6	1	Quorum	

Also, present: Community Development Director, Tom Bergman.

3. Approval of the February 27, 2025, Meeting Minutes:
Motion by Corcoran to approve the meeting minutes. Second by Sardinha. Motion carried 6 to 0.
4. Approval of the Agenda:
Motion by Moran to approve the agenda. Second by Corcoran. Motion carried 6 to 0.
5. Citizens wishing to address the Authority on Items on the Agenda (Three-Minute Limit): None.
6. Citizens wishing to address the Authority on Items not on the Agenda (Three-Minute Limit): None.

7. Receive and place on file the financial report: Director Bergman presented the financial report.

**Motion by Corcoran to receive and place on file the financial report, second by Wiercinski.
Motion carried 6 to 0.**

8. Discuss Draft Budget and DIDA TIF Funds: Director Bergman and Finance Director presented the budgets. The budget surplus was discussed.

9. Items for Discussion and Consideration.

- A. 210 S. Suffolk Street Project: Director Bergman presented the project and the memo. Purchasing the property and the implications were discussed. Stabilization and demolition conditions were discussed. Options for acquiring the property was discussed.

Motion by Corcoran to advise the City staff to move forward with the potential purchase of the building, second by Sardinha. Motion carried 4 to 2.

- B. Gogebic Range Farmers Market Association Funding Request: The request was for \$1,000 to support the market.

Motion by Sardinha to approve the general contribution \$1,000 to the Gogebic Range Farmers Market Association, second by Wiercinski. Motion carried 6 to 0.

- C. Flower Basket Donations: Director Bergman presented the flower basket donation letter.

Motion by Greenhill to approve the letter, second by Sardinha. Motion carried 6 to 0.

- D. Downtown Entrance Sign Update: Director Bergman discussed the work that is in process.

- E. Update on Mural Festival: Flory talked presented the mural project and the costs associated with the murals. Flory will be reaching out to the Ironwood Tourism Council to partner with the DIDA on the project. Moran talked about making sure that the facades will hold up for a long time when choosing which properties to choose from.

Motion by Sardinha to increase the fund from \$3,500 to \$5,000 for this project, second by Greenhill. Motion carried 6 to 0.

- F. Comprehensive Plan Update: The Comprehensive Plan and Housing Plan Open House is this evening.

- G. First Friday: No update.

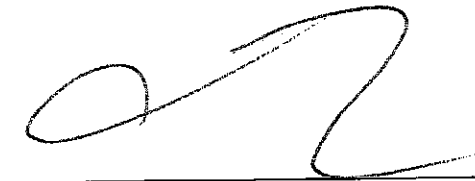
- H. Ironwood Chamber of Commerce Update: Director Meyer talked about the Chamber destination guide. A new felivlife.org community calendar website will be made.

10. Other Business: None.

11. Next Meeting: Thursday, April 24, 2025, at 8:00 a.m.

12. Adjournment. 9:06 a.m.

Motion by Moran to adjourn the meeting, second by Sardinha. All in favor.



Cathy Flory, Chair



Tim Erickson, Community Development Assistant

Minutes – Approved
Quarterly Ironwood Human Relations and Equity Committee
Tuesday, May 13, 2025

Location: Ironwood Memorial Building
Women's Room
213 S Marquette Street
Ironwood, MI 49938

Working Meeting
6:00pm

Call to Order: 6:00pm CT

Attendance: Erickson, Patel, Carroll

Approval of Consent Agenda:

Motion Patel,
Carroll second;
All in favor - motion passed

Approval of Previous Minutes (*Review and place on file*): April 14, 2025

Motion to approve - Patel
2nd - Carroll
All in favor - motion passed

Public Input: n/a

Items for Discussion and Action:

Planning for Native American History Month

- HIT working on getting a Native American band for November
- HREC will work on movie for November
- Scavenger Hunt – will happen
- Need to work on contacts for Native American events and people of significance for posters

Planning for First Listening Session, May 15 – need to move May date to ~June 19th

- Feedback for HREC Survey
- Next dates: Aug 14 and Nov 13
- June topic, Inclusion in our Community
- Aug topic: What groups do we want to celebrate?
- Nov topic: TBD

Finalize Budget Request for HREC

- \$1250? TBD by next meeting – based on further information about movie costs, and printing costs

Approval of Pride Proclamation for City Council

Motion to recommend to City Council at their May 27th meeting - Patel

2nd - Carrol

All in favor - motion passed

Other Items:

A document that details how to proclaim Ironwood as an LGBTQ+ sanctuary city was brought to the committee. We looked it over, and determined that it should be on our next agenda for June 4th.

Motion to adjourn - Patel

2nd - Carroll

All in favor - motion passed at 7:15pm

Items to keep on the radar:

- Discussion of Public Comments from July 23
- Community Engagement Ideas
- Projects to undertake for 2025
- Spark Plans for Projects / Rename overall Spark Plan
- Discussion of Survey
- Should Dida Protest Flier be redistributed to businesses
- Look into nominations for employee recognition – work with City and Department heads.
- Immigration and City stance

Things to do:

- ☐ Patel contact Bad River about use of their documentary
- ☒ ~~Patel will finalize donation letter for businesses for NAHM~~
- ☒ ~~HREC will review solicitation letter to businesses for NAHM~~
- ☐ Erickson will contact tribes about events and people of significance
- ☒ ~~Patel will F/U with theatre about Native American band and movie in Nov~~
- ☒ ~~All will review the proclamation document for the June meeting~~
- ☒ ~~Erickson will send an email inviting the person presenting the document to the June 4 meeting~~
- ☒ ~~Erickson will prep and send Pride Proclamation to City Commission~~
- ☒ ~~Erickson will talk to Paul Linn about a budget line item for HREC~~

Civic Center Meeting Minutes

5/5/25

1. Meeting called to order by Stempihar at 5:00 pm.
2. Roll Call: Gullan, Mildren, Pellinen, Peterson, Re, Stempihar, Thomason, Mgr. Kivisto, and C.O.I Treasurer Linn present.
3. Motion to approve the agenda was made by Re, seconded by Mildren. Motion approved.
4. Motion to approve the minutes:
 - A. Motion to approve the regular (4/7/25) meeting minutes was made by Gullan, seconded by Peterson. Motion approved.
 - B. Motion to approve the special (4/28/25) meeting minutes was made by Peterson, seconded by Gullan. Motion approved.
5. Motion to receive and place on file the financial statements was made by Thomason, seconded by Mildren. Roll call vote was as follows: Gullan-yes, Pellinen-yes, Peterson-yes, Re-yes, Stempihar-yes, Mildren-yes, Thomason-yes. Motion approved.
6. Citizens wishing to address the Board on items on the agenda: N/A
7. Citizens wishing to address the Board on items not on the agenda: N/A
8. Old Business:
 - A. Budget for Fiscal Year 2025-2026: Discussion about the budget for the fiscal year 2025-2026 was held. Discussion included but wasn't limited to C.O.I Treasurer Linn reviewing line-items on the summary budget with the C.C. Board; adjusting line-item dollar amounts—increasing maintenance equipment and use & admissions and decreasing Lumberjacks ice rental.
 - i. Motion to approve the 2025-2026 budget as discussed was made by Mildren, seconded by Gullan. Roll call vote was as follows: Pellinen-yes, Peterson-yes, Re-yes, Stempihar-yes, Thomason-yes, Gullan-yes, Mildren-yes. Motion approved.
 - B. Lumberjacks' Contract: Discussion about the Lumberjacks' contract for the 2025-2026 ice season was held. Discussion included but wasn't limited to rental agreement; proposed increases in rental fee structure by the C.C. after March 31st and counter proposal by the Lumberjacks; building improvements and long-term plans; and amending the 2024-2025 contract.
 - i. Motion to amend the 2024-2025 contract to reduce the rental agreement by \$6,857.14 to make the final ice rental fee a total of \$43,142.86 with the condition that the Lumberjacks include the Civic Center as a sponsor for the 2025-2026 season in advertisements and publications was made by Mildren, seconded by Re. Roll call vote was as follows: Gullan-yes, Pellinen-yes, Peterson-yes, Stempihar-yes, Thomason-yes, Re-yes, Mildren-yes. Motion approved.

9. New Business:

- A. Dryland Hockey Camp: Discussion about a dryland camp was held. Discussion included but wasn't limited to a dryland hockey skills camp using rollerblades (or shoes) to be held at the C.C. between 6/23/25-6/27/25.

10. Manager's Report:

- A. By-Laws: Discussion and update about the by-laws was held. Discussion included but wasn't limited to no new progress being made.
- B. Insurance Claim: Discussion and update about the insurance claim was held. Discussion included but wasn't limited to the claim being submitted for the 3 vents that were damaged by ice/snow.
- C. Circus: Discussion and update about the circus was held. Discussion included but wasn't limited to the circus show being held at the C.C. on Friday 6/20/25 at 7:00 pm.
- D. Sound System: Discussion and update about the sound system was held. Discussion included but wasn't limited to parents of ICFSC members volunteering to work on upgrading the sound system for free.
- E. Upcoming Events: Discussion and update about upcoming events was held. Discussion included but wasn't limited to the craft show (5/10/25); graduation party (5/24/25); Head Start graduation celebration (5/30/25); and the flea market starting in June.

11. Other Matters:

- A. Gogebic Range Health Foundation Grant: Discussion and update about the Gogebic Range Health Foundation grant was held. Discussion included but wasn't limited to the Civic Center's request being denied.

12. Next Meeting Monday, June 2nd, 2025, at 5:00 pm at the Civic Center.

13. Motion to adjourn at 6:17 pm was made by Re, seconded by Mildren. Motion approved.

CHANGE ORDER NO.: 15

Owner: City of Ironwood
Engineer: HDR of Michigan
Contractor: C.D. Smith

Owner's Project No.: N/A
Engineer's Project No.: 10301947
Contractor's Proj. No.: 230034

Project: Water Treatment Plant Phase I

Contract Name: Water Treatment Plant Phase I

Date Issued: 6/2/2025

Effective Date of Change Order: 6/9/2025

The Contract is modified as follows upon execution of this Change Order:

Description:

Add "Well Rehab" per Change Order Request #39. (Add \$122,752.88) Well 101 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. Well 201 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. Well 104 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. 6TMH10-200 7" 200gpm Berkley Pump, 5HJIT2-10-46 6" 10hp 460v motor, 3" VFD Flomatic check valve. Well 204 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. 7TMH25-500 7" Berkley Pump, 6HIT2-25-4 6" 25HP 460 Motor, 5" VFD Flomatic check valve.

Total Addition to Contract: \$122,752.88

There is no Engineering Amendment associated with this Change Order.

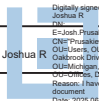
Attachments:

COR #39

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ <u>9,554,000.00</u>	Original Contract Times: Substantial Completion: <u>September 15, 2024</u> Ready for final payment: <u>November 30, 2024</u>
[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 14: \$ <u>448,036.71</u>	[Increase] [Decrease] from previously approved Change Orders No.1 to No. 14: Substantial Completion: <u>Pri 1/24/25; Sec 5/31/25</u> Ready for final payment: <u>May 31, 2025</u>
Contract Price prior to this Change Order: \$ <u>10,084,963.06</u>	Contract Times prior to this Change Order: Substantial Completion: <u>Pri 1/24/25; Sec 5/31/25</u> Ready for final payment: <u>August 31, 2025</u>
[Increase] [Decrease] this Change Order: \$ <u>122,752.88</u>	[Increase] [Decrease] this Change Order: Substantial Completion: _____ Ready for final payment: _____
Contract Price incorporating this Change Order: \$ <u>10,207,715.94</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>Pri 1/24/25; Sec 5/31/25</u> Ready for final payment: <u>August 31, 2025</u>

Recommended by Engineer (if required)

By: _____
Title: _____
Date: _____


Prusakiewicz, Joshua R.
Digitally signed by Prusakiewicz, Joshua R.
DN: cn=Josh Prusakiewicz@hdrinc.com,
c=US, ou=Users, ou=Ann Arbor, ou=1000,
ou=Michigan, ou=United States,
email=Josh.Prusakiewicz@hdrinc.com,
date=2025.05.02 21:24:06-0400

Authorized by Owner

By: _____
Title: Mayor
Date: _____

Accepted by Contractor

By: Samuel Platon
Title: **Project Engineer**
Date: **6/2/2025**

Approved by Funding Agency (if applicable)

By: _____
Title: _____
Date: _____



PCI #COR0039

C.D. Smith Construction, Inc.
125 Camelot Drive
Fond du Lac WI, 54935
Phone: 1 920 924.2900

Project: 230034 - Ironwood Water Treatment Facility
N11493 Pump Station Road
Ironwood, MI 49938

Potential Change Item #COR0039

Well Rehab

To:	City of Ironwood 213 S Marquette Street Ironwood, MI 49938	From:	C.D. Smith Construction, Inc. 125 Camelot Drive Fond du Lac WI, 54935
Status:	Submitted-Not Proceeding/No Forecast	Created Date	2025-06-02
Schedule Impact:		OCO Number:	

POTENTIAL CHANGE ITEM SCOPE DESCRIPTION: *(The Contract Is Changed As Follows)*

Well 101 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump.

Well 201 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump.

Well 104 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. 6TMH10-200 7" 200gpm Berkley Pump, 5HJIT2-10-46 6" 10hp 460v motor, 3" VFD Flomatic check valve.

Well 204 - Televising pre and post cleaning, removal of pumping equipment, mix and apply chemical treatment, 12 hours of mechanical-concussive cleaning, brushing, bailing, air lifting, and reinstalling pump. 7TMH25-500 7" Berkley Pump, 6HIT2-25-4 6" 25HP 460 Motor, 5" VFD Flomatic check valve

ATTACHMENTS:

Description	Cost Code	Category	Quantity	W/M	Rate	Final Amount
Well 101	400000	S		LS	\$	\$22,000.00
Well 201	400000	S		LS	\$	\$22,000.00
Well 104	400000	S		LS	\$	\$32,250.00
Well 204	400000	S		LS	\$	\$39,500.00
Bond:						\$1,215.38
Subcontract markup:						\$5,787.50
Grand Total:						\$122,752.88



City of Ironwood
213 S Marquette Street
Ironwood, MI 49938

C.D. Smith Construction, Inc.
125 Camelot Drive
Fond du Lac WI, 54935

SIGNATURE

DATE

SIGNATURE

DATE

6400 Odanah Rd.
Hurley WI. 54534
715-561-5590
binzbros@hotmail.com

binzbros@hotmail.com

City of Ironwood
Paul Anderson
213 S. Marquette St.
Ironwood MI 49938
906 932 5050

6/2/2025

\$ 22,000.00

If you have any questions , please contact
Steve Binz 715-561-5590 binzbros@hotmail.com

6400 Odanah Rd.
Hurley WI. 54534
715-561-5590
binzbros@hotmail.com

binzbros@hotmail.com

City of Ironwood
Paul Anderson
213 S. Marquette St.
Ironwood MI 49938
906 932 5050

5/23/2025

\$ 22,000.00

If you have any questions , please contact
Steve Binz 715-561-5590 binzbros@hotmail.com

Binz Bros Inc.

6400 Odanah Rd.

Hurley WI. 54534

715-561-5590

binzbros@hotmail.com

BILL TO

City of Ironwood

Paul Anderson

213 S. Marquette St.

Ironwood MI 49938

906 932 5050

bid

well 104

DATE

5/23/2025

DESCRIPTION	AMOUNT
Well 104	-
televising pre and post cleaning , removal of pumping equipment, mix and apply chemical treatment, 12 hrs of mechanical-concussive cleaning, brushing , bailing, air lifting, and reinstalling pump	22,000.00
	-
5" Galv T&C pipe Condition of pipe unknown	\$32.00 per foot
3" Galv T&C pipe Condition of pipe unknown	\$17.00 per foot
6TMH10-200 7" 200gpm Berkley pump	\$4,200
5HJIT2-10-46 6" 10hp 460v motor	\$5,300
3" VFD Flomatic check valve	\$750
	-
	-
	-
	-

Thank you for your business!

SUBTOTAL

32,250.00

TAX RATE

TAX

-

TOTAL

\$ 32,250.00

If you have any questions , please contact

Steve Binz 715-561-5590 binzbros@hotmail.com

Binz Bros Inc.

6400 Odanah Rd.

Hurley WI. 54534

715-561-5590

binzbros@hotmail.com

BILL TO

City of Ironwood
Paul Anderson
213 S. Marquette St.
Ironwood MI 49938
906 932 5050

bid

well 204

DATE

5/23/2025

DESCRIPTION	AMOUNT
Well 204	-
televising pre and post cleaning , removal of pumping equipment, mix and apply chemical treatment, 12 hrs of mechanical-concussive cleaning, brushing , bailing, air lifting, and reinstalling pump	22,000.00
	-
5" Galv T&C pipe Condition of pipe unknown	\$32.00 per foot
	-
7TMH25-500 Berkley Pump	\$6,800
	-
6HIT2-25-4 6" 25HP 460 motor	\$8,500
	-
5" VFD Flomatic check valve	\$2,200
	-
	-
	-
	-
	-

Thank you for your business!

SUBTOTAL

39,500.00

TAX RATE

TAX

-

TOTAL

\$ 39,500.00

If you have any questions , please contact
Steve Binz 715-561-5590 binzbros@hotmail.com

Title: Mayor

USDA-RD

ESTIMATE OF FUNDS NEEDED

FORM APPROVED

Form RD 440-11
(Rev. 10-00)FOR
30-Day Period Commencing
6/9/2025
Ironwood Water Plant Phase I

OMB NO. 0575-0015

ADMINISTRATIVE AND LEGAL INVOICES

Items	Amount of Funds
Construction:	
	\$125,757.71
Construction Total:	\$125,757.71
Legal/Admin:	
Legal/Admin Total:	\$0.00
Engineering Fees:	
Basic:	\$0.00
Inspection:	\$0.00
Additional Services:	\$0.00
Engineering Fees Total:	\$0.00
Total:	\$0.00
TOTAL:	\$125,757.71

Prepared by: City of Ironwood
Name of BorrowerBy: _____
Mayor

Date: _____

Approved By: _____

Date: _____

Contractor's Application for Payment No.

20

Application Period: 5/1/2025 to 5/31/2025		Application Date: 5/31/2025	
To (Owner): CITY OF IRONWOOD	From (Contractor): CD Smith Construction 125 Camelot Drive Fond Du Lac, WI 54935	Via (Engineer): HDR	
Project: WATER TREATMENT PLANT - PHASE 1	Contract:		
Owner's Contract No.:	Contractor's Project No.: 230034	Engineer's Project No.:	10301947

Application For Payment Change Order Summary

Approved Change Orders		
Number	Additions	Deductions
1 thru 5	\$182,011.71	
6		\$8,891.37
7	\$12,306.19	
8	\$204,228.27	
9		\$67,207.38
10 thru 11	\$77,318.45	
12	\$37,940.51	
13	\$10,330.33	
TOTALS	\$524,135.46	\$76,098.75
NET CHANGE BY CHANGE ORDERS	\$448,036.71	

1. ORIGINAL CONTRACT PRICE.....	\$	\$9,554,000.00
2. Net change by Change Orders.....	\$	\$448,036.71
3. Current Contract Price (Line 1 + 2).....	\$	\$10,002,036.71
4. TOTAL COMPLETED AND STORED TO DATE (Column F total on Progress Estimates).....	\$	\$9,988,331.04
5. RETAINAGE:		
a. 2.5% X \$9,988,331.04 Work Completed.....	\$	\$249,708.28
b. X Stored Material.....	\$	
c. Total Retainage (Line 5.a + Line 5.b).....	\$	\$249,708.28
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....	\$	\$9,738,622.76
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application).....	\$	\$9,612,865.05
8. AMOUNT DUE THIS APPLICATION.....	\$	\$125,757.71
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G total on Progress Estimates + Line 5.c above).....	\$	\$263,413.95

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature

By: *Samuel Platon*

Date: **5/30/2025**

Payment of: \$ **125,757.71**
(Line 8 or other - attach explanation of the other amount)

is recommended by: 
(Engineer) (Date)

Payment of: \$ _____
(Line 8 or other - attach explanation of the other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding or Financing Entity (if applicable) (Date)

Progress Estimate - Lump Sum Work				Contractor's Application				
For (Contract): WATER TREATMENT PLANT - PHASE 1				Application Number: 20				
Application Period: 5/1/2025 to 5/31/2025				Application Date: 5/31/2025				
		B	Work Completed		E	F		G
Div #	Description	Scheduled Value (\$)	C From Previous Application (C+D)	D This Period	Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish (B - F)
GENERAL CONSTRUCTION								
01	BONDS	\$ 60,000.00	60000			60000	100.0%	\$ -
01	SUPERVISION	\$ 245,000.00	245000			245000	100.0%	\$ -
01	MANAGEMENT	\$ 165,000.00	165000			165000	100.0%	\$ -
01	TEMPORARY FACILITIES	\$ 130,000.00	130000			130000	100.0%	\$ -
01	EQUIPMENT (CONTRACTORS MACHINERY)	\$ 248,667.00	248667			248667	100.0%	\$ -
01	SUBSTANCE	\$ 160,000.00	160000			160000	100.0%	\$ -
01	PERMITS	\$ 16,000.00	16000			16000	100.0%	\$ -
01	LEAKAGE TESTING	\$ 6,000.00	6000			6000	100.0%	\$ -
01	DISINFECTION	\$ 5,000.00	5000			5000	100.0%	\$ -
01	SAFETY AND OSHA REQUIRMENTS	\$ 48,000.00	48000			48000	100.0%	\$ -
01	SNOW REMOVAL	\$ 20,000.00	20000			20000	100.0%	\$ -
01	GENERAL CLEANUP AND DUMPSTERS	\$ 65,000.00	65000			65000	100.0%	\$ -
01	FINAL CLEANING	\$ 10,000.00	10000			10000	100.0%	\$ -
03	CONCRETE REINFORCING MATERIAL	\$ 230,000.00	230000			230000	100.0%	\$ -
03	CONCRETE FORMWORK MATERIAL	\$ 85,000.00	85000			85000	100.0%	\$ -
03	PUMP CLEARWELL CONCRETE	\$ 315,000.00	315000			315000	100.0%	\$ -
03	FILTER ROOM CONCRETE	\$ 265,000.00	265000			265000	100.0%	\$ -
03	CHEMICAL ROOM AREA CONCRETE	\$ 212,000.00	212000			212000	100.0%	\$ -
03	WEST ELEVATION CONCRETE	\$ 100,000.00	100000			100000	100.0%	\$ -
03	EAST ELEVATION CONCRETE	\$ 100,000.00	100000			100000	100.0%	\$ -
03	NORTH ELEVATION CONCRETE	\$ 80,000.00	80000			80000	100.0%	\$ -
04	MASONRY	\$ 785,000.00	785000			785000	100.0%	\$ -
06	ROUGH CARPENTRY MATERIAL	\$ 45,000.00	45000			45000	100.0%	\$ -
06	ROUGH CARPENTRY LABOR	\$ 35,000.00	35000			35000	100.0%	\$ -
07	FLUID APPLIED WATERPROOFING	\$ 63,000.00	63000			63000	100.0%	\$ -
03	PRECAST PLANK	\$ 175,000.00	175000			175000	100.0%	\$ -
06	SIP PANNELS	\$ 120,000.00	120000			120000	100.0%	\$ -
06	SIP AND TRUSS INSTALL	\$ 45,000.00	45000			45000	100.0%	\$ -
05	MISC METALS MATERIALS (RAILING, GRATING,ETC)	\$ 125,000.00	125000			125000	100.0%	\$ -
05	MISC METALS MATERIALS INSTALL	\$ 65,000.00	65000			65000	100.0%	\$ -
06	TRUSS PACKAGE	\$ 27,000.00	27000			27000	100.0%	\$ -
07	ROOFING	\$ 95,000.00	95000			95000	100.0%	\$ -
07	FLASHING AND SHEETMETAL	\$ 40,000.00	40000			40000	100.0%	\$ -
09	STEEL STUDS AND DRYWALL	\$ 45,000.00	45000			45000	100.0%	\$ -
07	WALL PANEL SYSTEM	\$ 65,000.00	65000			65000	100.0%	\$ -
07	CAULKING	\$ 38,250.00	38250			38250	100.0%	\$ -
09	PAINTING	\$ 133,000.00	133000			133000	100.0%	\$ -

Progress Estimate - Lump Sum Work				Contractor's Application				
For (Contract): WATER TREATMENT PLANT - PHASE 1				Application Number: 20				
Application Period: 5/1/2025 to 5/31/2025				Application Date: 5/31/2025				
		B	Work Completed		E	F		G
A	B	C	D	E	F	G		
Div #	Description	Scheduled Value (\$)	From Previous Application (C+D)	This Period	Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish (B - F)
08	ACCESS DOORS	\$ 6,759.00	6759			6759	100.0%	\$ -
08	DOOR AND FRAMES MATERIAL	\$ 102,512.00	102512			102512	100.0%	\$ -
08	DOORS AND FRAMES LABOR	\$ 17,000.00	17000			17000	100.0%	\$ -
08	WINDOWS & GLAZING	\$ 68,788.00	68788			68788	100.0%	\$ -
09	CERAMIC TILE	\$ 3,500.00	3500			3500	100.0%	\$ -
09	ACOUSTICAL CEILINGS	\$ 4,600.00	4600			4600	100.0%	\$ -
09	EPOXY FLOORING	\$ 22,000.00	22000			22000	100.0%	\$ -
10	TOILET AND BATH ACCESSORIES	\$ 5,600.00	5600			5600	100.0%	\$ -
10	EXTERIOR SIGNAGE	\$ 12,200.00	12200			12200	100.0%	\$ -
12	METAL LAB CASEWORK	\$ 16,584.00	16584			16584	100.0%	\$ -
31	DEWATERING	\$ 10,000.00	10000			10000	100.0%	\$ -
41	HOIST AND CRANES	\$ 38,330.00	38330			38330	100.0%	\$ -
	EARTHWORK (Snow Country/CDS)	\$ -						
31	GRADING	\$ 96,000.00	96000			96000	100.0%	\$ -
31	EARTHWORK	\$ 370,000.00	370000			370000	100.0%	\$ -
31	EXCAVATION, TRENCHING AND BACKFILL	\$ 235,000.00	235000			235000	100.0%	\$ -
31	FLOWABLE FILL	\$ 70,600.00	70600			70600	100.0%	\$ -
31	EROSION CONTROL	\$ 27,000.00	27000			27000	100.0%	\$ -
32	CABC	\$ 85,000.00	80750	4250		85000	100.0%	\$ -
32	RESTORATION	\$ 43,000.00	43000			43000	100.0%	\$ -
	SITE UTILITIES (Snow Contry)	\$ -						
33	TESTING	\$ 5,000.00	5000			5000	100.0%	\$ -
33	WATERMAIN DI 12" and Smaller	\$ 50,400.00	49896	504		50400	100.0%	\$ -
33	WATERMAIN DI 14" and Larger	\$ 369,600.00	369600			369600	100.0%	\$ -
33	SANITARY SEWER	\$ 24,000.00	24000			24000	100.0%	\$ -
33	CULVERTS	\$ 14,000.00	14000			14000	100.0%	\$ -
	MECHANICAL (August Winters)							
40	MOBILIZATION	\$ 45,000.00	45000			45000	100.0%	\$ -
08	LOUVERS AND OPENINGS	\$ 7,000.00	7000			7000	100.0%	\$ -
22	UG PLUMBING	\$ 59,000.00	59000			59000	100.0%	\$ -
22	AG PLUMBING	\$ 125,000.00	125000			125000	100.0%	\$ -
22	FIXTURES	\$ 62,000.00	62000			62000	100.0%	\$ -
22	PLUMBING INSULATION	\$ 16,000.00	16000			16000	100.0%	\$ -
23	DUCT WORK	\$ 105,000.00	105000			105000	100.0%	\$ -
23	HVAC PIPING	\$ 20,000.00	20000			20000	100.0%	\$ -
23	HVAC EQUIPMENT	\$ 165,000.00	165000			165000	100.0%	\$ -
23	HVAC INSULATION	\$ 12,000.00	12000			12000	100.0%	\$ -
23	HVAC CONTROLS	\$ 40,000.00	40000			40000	100.0%	\$ -

Progress Estimate - Lump Sum Work				Contractor's Application				
For (Contract):	WATER TREATMENT PLANT - PHASE 1			Application Number:	20			
Application Period:	5/1/2025 to 5/31/2025			Application Date:	5/31/2025			
			Work Completed		E	F		G
A			B	C	Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish
Div #	Description	Scheduled Value (\$)	From Previous Application (C+D)	This Period				(B - F)
23	HVAC TAB	\$ 3,000.00	3000			3000	100.0%	\$ -
40	PROCESS PIPING	\$ 394,000.00	394000			394000	100.0%	\$ -
40	PROCESS VALVES	\$ 198,000.00	198000			198000	100.0%	\$ -
43	VERTICAL TURBINE PUMPS	\$ 306,000.00	306000			306000	100.0%	\$ -
46	CHEMICAL FEED EQUIPMENT	\$ 88,000.00	88000			88000	100.0%	\$ -
21	FIRE SUPPRESION	\$ 14,610.00	14610			14610	100.0%	\$ -
	ELECTRICAL (ECON)							
26	TEMPORAY ELECTRICAL	\$ 30,000.00	30000			30000	100.0%	\$ -
26	SITE ELECTRICAL MATERIAL	\$ 245,000.00	245000			245000	100.0%	\$ -
26	SITE ELECTRICAL LABOR	\$ 146,000.00	146000			146000	100.0%	\$ -
26	WTP ELECTRICAL MATERIAL	\$ 324,000.00	324000			324000	100.0%	\$ -
26	WTP ELECTRICAL LABOR	\$ 294,790.00	294790			294790	100.0%	\$ -
26	LIGHT FIXTURES	\$ 30,385.00	30385			30385	100.0%	\$ -
26	GEAR	\$ 15,500.00	15500			15500	100.0%	\$ -
40	SYSTEM INTEGRATOR - VFD'S	\$ 126,730.00	126730			126730	100.0%	\$ -
40	SYSTEM INTEGRATOR - ENGINEERING AND SUBMITTALS	\$ 50,600.00	50600			50600	100.0%	\$ -
40	SYSTEM INTEGRATOR - WTP CONTROL PANEL	\$ 48,000.00	48000			48000	100.0%	\$ -
40	SYSTEM INTEGRATOR - INSTRUMENTS	\$ 32,600.00	32600			32600	100.0%	\$ -
40	SYSTEM INTEGRATOR - CT'S, XMRF, MISC PANELS	\$ 114,400.00	114400			114400	100.0%	\$ -
40	SYSTEM INTEGRATOR - HMI SCADA NETWORK	\$ 52,000.00	52000			52000	100.0%	\$ -
40	SYSTEM INTEGRATOR - SITE SUPPORT	\$ 76,615.00	76615			76615	100.0%	\$ -
40	SYSTEM INTEGRATOR - COMMISIONING AND STARTUP	\$ 69,055.00	69055			69055	100.0%	\$ -
26	MANHOLES AND COVERS	\$ 15,000.00	15000			15000	100.0%	\$ -
26	FIRE ALARM	\$ 13,000.00	13000			13000	100.0%	\$ -
26	ATS	\$ 39,325.00	39325			39325	100.0%	\$ -
26	AS BUILD DRAWING	\$ 1,500.00	1500			1500	100.0%	\$ -
26	PUNCH LIST	\$ 2,500.00	2500			2500	100.0%	\$ -
26	ASCCEPTANCE TESTING	\$ 3,000.00	3000			3000	100.0%	\$ -
	CHANGE ORDERS							
31	EAST ROAD IMPROVMENTS	\$ 70,852.65	70852.65			70852.65	100.0%	\$ -
32	Misc Detail Changes	\$ 11,766.56	11766.56			11766.56	100.0%	\$ -
33	West End Piping Changes	\$ 20,366.69	20366.69			20366.69	100.0%	\$ -
34	Electrical and Door Changes	\$ 54,253.99	54253.99			54253.99	100.0%	\$ -
35	Flow Meter Flange Size and Pole top Feeder	\$ 24,771.82	24771.82			24771.82	100.0%	\$ -
07	Shingle Credit	\$ (3,507.00)	-3507			-3507	100.0%	\$ -
04	WCD- 4 East Exterior Wall	\$ (23,991.52)	-23991.52			-23991.52	100.0%	\$ -
09	Temporary Steel Stud Wall Elimination	\$ (10,092.40)	-10092.4			-10092.4	100.0%	\$ -
31	Site Water Piping Changes	\$ 28,699.55	28699.55			28699.55	100.0%	\$ -

Progress Estimate - Lump Sum Work				Contractor's Application				
For (Contract):	WATER TREATMENT PLANT - PHASE 1			Application Number:	20			
Application Period:	5/1/2025 to 5/31/2025			Application Date:	5/31/2025			
		B	Work Completed		E	F		G
A	B	C	D	E	F	G		
Div #	Description	Scheduled Value (\$)	From Previous Application (C+D)	This Period	Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish (B - F)
40	SS Hardware - RFI 63	\$ 19,814.38	19814.38			19814.38	100.0%	\$ -
31	Gravel Surface Scope Elimination	\$ (14,071.00)	-14071			-14071	100.0%	\$ -
33	Septic Pump Control Panel	\$ 1,814.95	1814.95			1814.95	100.0%	\$ -
23	Relocate CU-1 and Provide Stand	\$ 4,747.86	4747.86			4747.86	100.0%	\$ -
32	Fence Modifications	\$ 5,228.27		5228.27		5228.27	100.0%	\$ -
32	Fencing and Gates	\$ 199,000.00	80000	119000		199000	100.0%	\$ -
09	Corridor Modifications	\$ 2,757.00	2757			2757	100.0%	\$ -
26	Conduit Type in Corrosive Areas	\$ (4,075.00)	-4075			-4075	100.0%	\$ -
31	Site Restoration	\$ (55,767.22)	-55767.22			-55767.22	100.0%	\$ -
26	CU-1 Relocation and Power Changes	\$ 1,574.84	1574.84			1574.84	100.0%	\$ -
40	Level Transmitters	\$ (11,697.00)	-11697			-11697	100.0%	\$ -
40	Update Radio Path Study	\$ 8,611.26	8611.26			8611.26	100.0%	\$ -
40	Flow Meters	\$ 56,391.03	56391.03			56391.03	100.0%	\$ -
31	Site Piping Changes	\$ 12,316.16	12316.16			12316.16	100.0%	\$ -
31	16" Main Water Line Capping Modifications	\$ 2,686.01						\$ 2,686.01
32	Fence Gate Gravel Approach	\$ 689.33						\$ 689.33
40	Sample Line	\$ 12,467.84	12467.84			12467.84	100.0%	\$ -
40	Phosphate Pump Modifications	\$ 16,097.33	16097.33			16097.33	100.0%	\$ -
40	Sodium Hypochlorite Pump Modifications	\$ 6,000.00	6000			6000	100.0%	\$ -
40	Sodium Hypochlorite Tank Stand	\$ 10,330.33						\$ 10,330.33
		\$ -						
Totals		\$10,002,036.71	\$9,859,348.77	\$128,982.27		\$9,988,331.04	99.86%	\$13,705.67

Contractor's Application for Payment No.

6

Application Period:		4/1/2025 to 4/30/2025		Application Date:		5/31/2025	
To	CITY OF IRONWOOD	From	CD Smith Construction 125 Camelot Drive Fond Du Lac, WI 54935	Via (Engineer):	HDR		
(Owner):		(Contractor):					
Project:	WATER TREATMENT PLANT - PHASE 2	Contract:					
Owner's Contract No.:		Contractor's Project No.:	240143	Engineer's Project No.:	10392842		

Application For Payment Change Order Summary

Approved Change Orders	Number	Additions	Deductions	1. ORIGINAL CONTRACT PRICE	
	1		\$250,800.00	2. Net change by Change Orders	\$ \$10,084,625.00
	2	\$51,800.00		3. Current Contract Price (Line 1 ± 2)	\$ -\$94,204.49
	3	\$76,303.25		4. TOTAL COMPLETED AND STORED TO DATE	\$ \$9,990,420.51
	4		\$15,318.00	(Column F total on Progress Estimates)	\$ \$1,868,653.40
	5	\$43,810.26		5. RETAINAGE:	
				a. 5% X \$1,868,653.40 Work Completed	\$ \$93,432.67
				b. 5% X Stored Material	\$ \$0.00
				c. Total Retainage (Line 5.a + Line 5.b)	\$ \$93,432.67
				6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)	\$ \$1,775,220.73
				7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)	\$ \$1,389,656.53
				8. AMOUNT DUE THIS APPLICATION	\$ \$385,564.20
				9. BALANCE TO FINISH, PLUS RETAINAGE	
				(Column G total on Progress Estimates + Line 5.c above)	\$ \$8,215,199.78
TOTALS		\$171,913.51	\$266,118.00		
NET CHANGE BY					
CHANGE ORDERS					

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents

Contractor Signature

By: Samuel Nitrow

Date: 5/30/2025

Payment of:	\$	385,564.20	(Line 8 or other - attach explanation of the other amount)
is recommended by:		Pruskiwicz, Joshua R.	(Date)
Payment of:	\$		(Line 8 or other - attach explanation of the other amount)
is approved by:			(Date)
Approved by:			(Date)



To: Mayor Corcoran and City Commission

From: Jen Jacobson, City Clerk

Date: June 5, 2025

Meeting Date: June 9, 2025

Re: Resolution #025-015 – Changing City Elections from Odd Years to Even Years

As previously discussed during meetings and work sessions, Michigan law (MCL 168.642a) allows local governments to move City elections from odd-numbered to even-numbered years following a Public Hearing and the adoption of a Resolution.

Since the law took effect in 2011, more than 50% of Michigan Cities have made this change. Two primary benefits of aligning City elections with even-year State and Federal elections are:

- 1) **Higher Voter Turnout**, as participation is typically greater in State and Federal general elections making the Local Representatives elected by a larger number of constituents.
- 2) **Cost savings** of over \$9,000 every other year by eliminating the need for a standalone odd-year City Commission election.

City Attorney Tim Dean and Assistant Attorneys General John Reynolds and George Elworth have reviewed and approved the proposed Resolution #025-015. If adopted, Commissioners elected in November 2025 would serve a one-time 3-year term (instead of the usual 2-year term) to facilitate the transition. The next City Commission election would then occur in November 2028.

To provide a brief update on the previously discussed topic of changing the Commissioner Terms, the Attorney General's Office recommends the City place a ballot proposal on the November 2026 State General Election to change Commissioner terms from 2-year terms to 4-year staggered terms. The City will work closely with the City Attorney and the AG's Office in early 2026 to finalize the proposed ballot language for public review and Commission approval.

City staff recommend approval of Resolution #025-015 to officially shift City elections from odd-numbered to even-numbered years.

**RESOLUTION #025-015
CITY OF IRONWOOD**

**RESOLUTION PROVIDING FOR EVEN-YEAR ELECTIONS COMMENCING WITH CITY
ELECTIONS IN 2028.**

At a regular meeting of the Ironwood City Commission, duly held on June 9, 2025, in the Commission Chambers of the Municipal Memorial Building, Ironwood, Michigan, the following Resolution was offered by Commissioner _____, supported by Commissioner _____.

WHEREAS the city currently holds regular city elections in November of each odd-numbered year and its primary elections, when necessary, in August of each odd-numbered year,

WHEREAS, at each regular city odd-year November election, five commissioners are elected for a two-year term, and

WHEREAS, Section 642a(4) of the Michigan Election Code, MCL 168.642a(4), as added by 2012 PA 523, authorizes a city commission of a city that holds elections for city officers at the odd-year November election to change its regular election schedule for future years to even-year city November elections by the adoption of a resolution in compliance with the procedural requirements for notice and a public hearing set forth in Section 642(7) of the Michigan Election Code, provided that the terms of the city's elective officers elected heretofore are not shortened, but rather that those terms of elective city officers continue until their successors are elected and qualified at the next regular city election (MCL 168.644g (1)),

WHEREAS, after notice, a public hearing was held by the City Commission on June 9, 2025, at 5:20 p.m. regarding this proposal for even-year elections commencing with city elections in 2028.

NOW, THEREFORE, THE CITY COMMISSION HEREBY RESOLVES:

1. The date of the regular city election is changed from the first Tuesday after the first Monday in November of each odd-numbered year to the first Tuesday after the first Monday in November of each even-numbered year commencing with the regular city election in November 2028.
2. The terms of the five city commissioners, including the mayor, mayor pro-tem, and the other 3 commissioners, duly elected at the odd-year November election in 2025 which would otherwise expire in November 2027 shall continue until their successors are elected and qualified in November 2028.
3. The City Clerk is hereby instructed to file this resolution with the County Clerk of Gogebic County and the Secretary of State no later than December 31, 2025.

Upon roll call vote the following voted:

YEAS:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

Kim Corcoran, Mayor

I, Jennifer Jacobson, the duly appointed City Clerk of the City of Ironwood, Michigan, do hereby certify that the foregoing is a true copy of a Resolution adopted by the City Commission of the City of Ironwood at its Regular Meeting on June 9, 2025.

Jennifer Jacobson, City Clerk

ORDINANCE NO. 554, BOOK NO. 5

AN ORDINANCE TO REPEAL CHAPTER 21 OF THE CODE OF ORDINANCES, CITY OF IRONWOOD, MICHIGAN.

THE CITY OF IRONWOOD ORDAINS:

Section 1. The Code entitled "Code of Ordinances, City of Ironwood, Michigan," Chapter 21, Photographers, is hereby repealed:

1. Repeal Chapter 21, entitled Photographers, in its entirety.

Section 2. Repealer. Any Ordinance that is in conflict is hereby repealed.

Section 3. Severability. If any word, clause, sentence, paragraph, or provision of this ordinance is deemed to be invalid by a court of competent jurisdiction, such word, clause, sentence, paragraph, or provision so designated shall be deemed severable and the remaining provisions of the ordinance shall be deemed fully enforceable.

Section 4. Effective Date. The terms and provisions of this ordinance shall become effective upon publication and adoption in accordance with law.

Adopted and approved by the City Commission of the City of Ironwood, Michigan, this __ day of ____ 2025.

Effective: June __, 2025

KIM S. CORCORAN, MAYOR

ATTEST:

JENNIFER L. JACOBSON, CITY CLERK

Sec. 21-1. - Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Canvasser and *solicitor* means and includes any person who goes from house to house or place to place within the city selling or taking orders for or offering to sell or take orders for photographs, pictures or enlargements thereof for future delivery.

Itinerant photographer means a person who solicits the taking, finishing, coloring, enlarging and selling of photographs for profit in the city who has no studio or other place of business in the city for the taking and finishing of photographs and equipped therefor.

Resident studio photographer means a person engaged in the business of taking, finishing and selling photographs who maintains a studio or other place of business equipped for the enlarging, coloring or finishing of photographs within the city for six (6) months or more in any one (1) year and who in fact carries on the business of taking, finishing, coloring, enlarging or selling photographs within the city.

Transient photographer means a person who engages in the business of or solicits the taking, coloring, enlarging or selling of finished photographs for profit in the city and who:

- (1) Maintains a studio or place for the solicitation, taking, finishing, coloring, enlarging or selling of photographs in the city for less than six (6) successive months in any one (1) year; or
- (2) Maintains a studio or other place of business in the city for the solicitation, taking, coloring, enlarging or selling of photographs, which studio is not equipped to finish the photographs, and who does not in fact, personally or through others, cause photographs taken by or for such photographer to be finished, colored or enlarged within the city.

(Code 1975, § 7.101)

Cross reference— Definitions and rules of construction generally, [§ 1-2](#).

Sec. 21-2. - License required.

No person shall engage in the business of transient photographer, itinerant photographer, resident studio photographer or canvasser or solicitor of photographs, pictures or enlargements without first having procured a license therefor.

(Code 1975, § 7.102)

Cross reference— Business licensing, Ch. 8.

Sec. 21-3. - Certification of transient and itinerant licensees.

- (a) No license for a transient photographer, itinerant photographer or canvasser or solicitor of pictures or enlargements shall be granted except upon certification by the public safety director nor until after the applicant shall file with the city clerk an instrument nominating and appointing the city clerk as the person's true and lawful agent with full power and authority to accept service of process for and on behalf of the applicant, and the service of a summons in any action brought upon the bond of the licensee shall be deemed made upon the licensee when served upon the city clerk.
- (b) Whenever any summons or any other process for any licensee shall be served upon the city clerk, the city clerk shall forthwith mail notice of the summons or other process and a copy thereof to the licensee at the address designated by the licensee on the application, which mailing shall be by certified mail.

(Code 1975, § 7.103)

Sec. 21-4. - Bond for resident photographer.

Any itinerant photographer or transient photographer or other person who may desire to qualify and be classified as a resident studio photographer may apply for a resident studio photographer's license upon deposit with the city clerk of the sum as prescribed by resolution of the city commission in case as a bond to guarantee the applicant's full and complete compliance with the provisions of this chapter and that, after the applicant shall be fully qualified as a resident studio photographer, the deposit shall be returned to the licensee, less the annual license fee prescribed by resolution of the city commission.

(Code 1975, § 7.104)

Sec. 21-5. - Orders for photographs.

All orders taken by any licensee under the provisions of this chapter shall be in writing and in duplicate, stating fully the terms thereof together with the amount paid in advance and the balance remaining due, and one (1) copy of such order shall be delivered to the purchaser at the time the order is taken.

(Code 1975, § 7.105)

RESOLUTION #025-016

CITY COMMISSION RESOLUTION AUTHORIZING A GENERAL APPROPRIATIONS
ACT FOR FISCAL YEAR 2025-2026 AND AUTHORIZING THE 2025 CITY TAX LEVY

At a Regular Meeting of the City Commission of the City of Ironwood held on the 9th of June 2025, the following Resolution was offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, Act 621 of the Michigan Public Acts of 1978, known as the "Uniform Budgeting and Accounting Act", requires that an Appropriations Act be passed by the City Commission authorizing the expenditure of City funds, and to provide for the disposition of all income received by the City; and

WHEREAS, pursuant to Section 14 (1) of said Act, the City Manager, as the Chief Administrative Officer, has prepared and presented the City Commission with a budget; and

WHEREAS, the recommended budget includes the requirements of Section 15 (1) of said Act and is a balanced budget as required by Section 15 (2); and

WHEREAS, pursuant to Act 197 of the Michigan Public Acts of 1975, the Downtown Development Authority has submitted a budget request indicating their required revenues and expenditures for Fiscal Year 2025-2026 and

WHEREAS, Act 503 of the Michigan Public Acts of 1982 requires that the collection of a Property Tax Administrative Fee (PTAF) and a Late Penalty Fee (LPF) be by resolution of the governing body;

NOW THEREFORE BE IT RESOLVED, that the proposed budget for Fiscal Year 2025-2026 is hereby approved and the City Assessor and City Treasurer are hereby authorized to levy the following millage rates for the 2025-2026 Fiscal Year, beginning July 1, 2025 through June 30, 2026:

General Fund	19.2000	Mills
Library Fund	0.9543	Mills
Police & Fire Pension Fund	6.5000	Mills
Civic Center Fund	<u>0.9943</u>	Mills
TOTAL	27.6486	Mills

BE IT FURTHER RESOLVED, that in accordance with Act 197, of the Michigan Public Acts of 1975, an amount equivalent to 1.9414 mills is hereby levied against the C-2 Zoned Downtown Commercial District and appropriated for the financing of the Downtown Development Authority; and

BE IT FURTHER RESOLVED, that in accordance with Section 44 of Act 503 of the Michigan Public Acts of 1982, that the City Assessor and the City Treasurer be authorized to impose a 1% Property Tax Administrative Fee (PTAF) and a 3% Late Penalty Fee (LPF) and that a separate activity account be established for pursuant to said Act, and

BE IT FURTHER RESOLVED, that the City Manager, serving as Chief Administrative Officer of the City, is hereby authorized and permitted, pursuant to Section 19 (2) of Act 621, to execute transfers up to 30% between appropriations (budget centers); and

BE IT FURTHER RESOLVED, that the charges for City Services for Fiscal Year 2025-2026 shall be as indicated in the attached Fee Schedule, and

BE IT FURTHER RESOLVED, that this General Appropriations Act hereby appropriates City Revenues to be expended in the amounts and for purposes as set forth below:

<u>Revenues</u>	
<u>General Fund</u>	
<u>Description</u>	
Property Taxes	\$2,463,000
Licenses and Permits	81,000
Federal Sources	75,000
State Sources	1,195,000
Charges for Services	241,000
Interest and Rents	465,000
Other Revenues	<u>10,000</u>
Total General Fund Revenues	\$4,530,000
Use of Fund Balance	<u>300,000</u>
Total General Fund Revenues and Use of Fund Balance	\$4,830,000
Major Street Fund (Special Revenue Fund)	1,490,000
Local Street Fund (Special Revenue Fund)	990,000
Cemetery Fund (Special Revenue Fund)	200,000
Volunteer Fire Department (Special Revenue Fund)	2,000
Tax Increment Finance Authority (Special Revenue Fund)	60,000
Downtown Development Authority Fund (Special Revenue Fund)	27,000
Library Fund (Special Revenue Fund)	628,000
MI Neighborhood Grant Program (Special Revenue Fund)	190,000
Sewer Utility Fund (Enterprise Fund)	5,370,000
Water Utility Fund (Enterprise Fund)	21,440,000
Civic Center Fund (Enterprise Fund)	413,000
Equipment Fund (Internal Service Fund)	<u>900,000</u>
Total Revenues, Transfers and Use of Fund Balance/Net Assets – All Funds	<u>\$36,540,000</u>

<u>Expenditures</u>	
<u>General Fund</u>	
Legislative	\$46,000
General Government	1,394,000
Public Safety	1,370,000
Health and Welfare	459,000
Public Works	198,000
Recreation and Culture	299,000
Other Functions	40,000
Capital Outlay	243,000
Total General Fund Expenditures	\$4,049,000
Transfer Out	<u>781,000</u>
Total General Fund Expenditures and Transfers Out	\$4,830,000
Major Street Fund (Special Revenue Fund)	1,490,000
Local Street Fund (Special Revenue Fund)	990,000
Cemetery Fund (Special Revenue Fund)	200,000
Volunteer Fire Department (Special Revenue Fund)	2,000
Tax Increment Finance Authority (Special Revenue Fund)	60,000
Downtown Development Authority Fund (Special Revenue Fund)	27,000
Library Fund (Special Revenue Fund)	628,000
MI Neighborhood Grant Program (Special Revenue Fund)	190,000
Sewer Utility Fund (Enterprise Fund)	5,370,000
Water Utility Fund (Enterprise Fund)	21,440,000
Civic Center Fund (Enterprise Fund)	413,000
Equipment Fund (Internal Service Fund)	<u>900,000</u>
Total Expenditures (including capital outlay) and Transfers Out – All Funds	<u>\$36,540,000</u>

YES: Commissioner(s), _____

NO: Commissioner(s), _____

ABSENT: Commissioner(s), _____

RESOLUTION DECLARED ADOPTED

I, Jennifer L. Jacobson, do hereby certify that I am the duly appointed acting and qualified Clerk of the City of Ironwood, and do further certify that the above and foregoing Resolution is a true and correct copy of the Resolution passed by the City of Ironwood City Commission, at a Regular Meeting held June 9, 2025.

JENNIFER L. JACOBSON, CITY CLERK



FEE SCHEDULE

Fiscal Year 2025 – 2026

<u>SECTIONS</u>	<u>DESCRIPTION</u>	<u>PAGES</u>
I	Required City Licenses & other charges	1
II	Housing Code	1
III	Zoning Fees	2
IV	Site Plan Review Fee	2
V	Building Permits	2-3
VI	Engineering Fee	3
VII	Water Rates	3-4
VIII	Water Line Thawing/Winter Let Run Policy	4
IX	Minimum Monthly Sewage Charge	5
X	Garbage/Recycling	5
XI	Curry Park Rates	6
XII	Ironwood Memorial Building Rental Rates	6
XIII	Pavilion Reservation Rates	6
XIV	Public Safety Fees & fire Prevention Permits	7
XV	Cemetery Charges	8

Revised & Adopted: 6/9/2025

CITY FEES - Effective July 1, 2025 (unless noted otherwise)

SECTION I - REQUIRED CITY LICENSES & OTHER CHARGES

IFT Application Fee for Processing		\$500.00
Bank Overdraft Charges		\$45.00
Charter (copy)		\$10.00
Photocopies or FAX		\$0.10 per page
Business License		\$30.00
Late Business License Fee (after April 1st)		\$15.00
Transient Merchants Fee		\$100.00 per event
Tax/Assessing Inquiries (Title Co., Realtor, & Lawyers)		\$10.00 per request
Placement of Special Assessments (Delinquent bills) on taxes		\$50.00
Skunk Removal		\$40.00
Blight Grass Mowing		\$200.00 per lot
C-2 Sidewalk Snow Removal		\$200.00 per lot
Snow Dump Permit		\$50.00
Notarization Fee (per signature) *no fee for employees		\$3.00 resident \$5.00 non-resident
Freedom of Information Request (form & policy located in City Clerk's Office)		\$0.10 per page
Outdoor Furnace Permit		\$25.00
Ordinance Violation – 2nd notice		\$75.00
Ordinance Violation - 3rd notice		\$150.00
Marihuana Establishment License		\$5,000.00 Annual
Late fee on account balances over thirty (30) days old		1% Monthly
Electric Vehicle (EV) Charging Station Rate 11/11/2024	Flat Fee Plug In Rate	\$1.00
	Per kwh Energy Fee	\$0.35 kwh
	Weekday Hourly Rate	\$1.00 per hour
	Weekend Hourly Rate	\$1.50 per hour
Station Time Rate		

SECTION II - HOUSING CODE

Certificate of Registration	
Rental units include - single-family dwellings, multi-dwelling units, rooming houses, hotels, & motels	
Rental Housing Registration	\$25.00
Re-Inspection	\$10.00
Multi-Dwelling Units (Initial Inspection)	\$25.00 plus \$5 per unit
Re-Inspection	\$10.00
Rooming Housing (Initial Inspection)	\$40.00
Re-Inspection	\$10.00
Hotels & Motels (initial Inspection)	\$50.00
Re-Inspection	\$10.00
Housing Annual Fee	\$25.00

SECTION III- ZONING FEES

Appeal - residential/commercial/industrial	\$400.00
Variance - Residential	\$350.00
Variance - Commercial or Industrial	\$400.00
Rezoning Request	\$350.00
Special Land Use Permit	\$350.00
Zoning Amendment	\$350.00
Administrative Approvals	\$250.00
Temporary Structure for Storage & Sales (Ref 34-134 (9))	\$100.00
Planned Unit Development (PUD)	\$750.00

SECTION IV - SITE PLAN REVIEW FEE

Residential Zone	\$400.00
Commercial/Industrial zone	\$450.00
Construction Codes/Plan Review (See Section 8)	
Vacation of subdivision or right-of-way	\$350.00
Revisions to approved plans for major development	\$300.00
Revisions to approved plans for regular development	\$100.00
Administrative Site Plan Review	\$200.00

SECTION V - BUILDING PERMITS

New Commercial Building Construction for buildings up to 1800 sq. ft. for all useable area	\$475.00
New Home Construction for homes up to 1800 sq. ft. of living area	\$450.00
Prefab Home Construction (includes foundation)	\$250.00
Residential Garage Construction up to 576 sq. ft.	\$85.00
Residential Garage Construction over 576 sq. ft.	\$100.00

Room additions up to 200 sq. ft.	\$70.00
Room additions up to 300 sq. ft.	\$80.00
Room additions over 300 sq. ft.	\$90.00
Sundry repairs, remodeling and alterations (limited to replacement of windows, doors, roof, siding) under \$1,000.00 cost (materials and labor)	\$60.00

Sundry repairs, remodeling and alterations (limited to replacement of windows, doors, roof, siding) cost (materials & labor)	
\$1,000-\$20,000	\$60.00*
\$20,001-\$50,000	\$75.00*
\$50,001-\$100,000	\$125.00*
over \$100,000	\$175.00*

*Construction without permit (plus permit fee)	\$100.00+
Reinspection Fee	\$25.00

Room Addition over 500 sq. ft. & any other type construction, repair, remodeling, & alteration not otherwise specified. (Fees to be determined by Building Inspector based upon the Bureau of Construction Codes sq. ft. construction cost table

Fees for plan review are to be determined by Building Inspector based upon the Bureau of Construction Codes Plan Review Fee schedule.	\$50.00 Min.
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Fence Permit:	
Value (material & labor) up to \$500	\$20.00
Value (material & labor) over \$500	\$20.00

Construction or erection of sign:	
Value (material & labor) up to \$1,000	\$40.00
Value (material & labor) over \$1,000	\$60.00

SECTION V - BUILDING PERMITS (continued)**Demolition and Moving Permits**

With respect to a building which is under ten (10) feet wide and does not contain over 2,500 cubic feet, the fee for moving permit	\$15.00
With respect to a building which is over 2,500 cubic feet	\$30.00
The fee for a demolition permit for a building having less than 500 sq. ft	\$40.00
The fee for a demolition permit for a building having 501-10,000 sq. ft. shall be	\$60.00
The fee for a demolition permit for a building having more than 10,000 sq. ft. shall be	\$75.00
Sidewalk Construction or Repair - Permit Fee	\$50.00

SECTION VI - ENGINEERING FEE

Demolition Related Obstruction ROW Fee (Ref. 29-41) Sidewalk	
Sidewalk Obstruction Permit	\$25.00
Deposit	\$200.00
Right of Way Excavation Permit	\$50.00

SECTION VII - WATER RATES - MONTHLY**Variable Usage Charge:**

Effective **7/1/2025**: \$8.03 per cf(x100) of all water used

Minimum Service Charge (Equivalent meter & service ratio per AWWA Manual Water rates)

<u>Meter Size (in.)</u>	<u>Equivalent Meter & Service Ratio</u>	<u>Effective 7/1/2025 Monthly Service Charge</u>	
5/8	1	\$30.73	
3/4	1.15	\$34.75	
1	2.2	\$63.14	
1 1/2	5.5	\$157.88	
2	10.3	\$295.57	
3	23.5	\$674.49	
4	42.7	\$1,215.71	
6	95.5	\$2,743.83	
	Hydrant Meter		
		daily Min., plus usage	\$250.00
Hydrant Meter Deposit		daily Min., plus usage	\$50.00
Hydrant use without approval			\$1,000.00
		plus prosecution	\$500.00

Water Tap-in Fees (includes tap in to the main and running line to curb stop at property line. Not included is road

	<u>City</u>	<u>Township</u>	
3/4" Line	\$2,500.00	\$3,500.00	
1" Line	\$2,500.00	\$3,500.00	
1 1/4" Line	\$2,500.00	\$3,500.00	
1 1/2" Line	\$2,500.00	\$3,500.00	
2" Line	\$4,000.00	\$5,000.00	
3" Line	\$6,000.00	\$7,000.00	TBD*
4" Line	\$6,000.00	\$7,000.00	TBD*
6" Line	\$7,500.00	\$8,500.00	TBD*
8" Line	\$9,000.00	\$10,000.00	TBD*

*For larger taps, in lieu of the above fees, the City Manager may allow the resident to hire a local reputable contractor to install the tap, if and only if, the City's specifications are followed and the City Staff are able to inspect and witness the installation during City working hours.

****Water Tap Fee will be waived for new residential development in the City of Ironwood.**

Water Turn On/Off Charges & Turn Off/On Charges for Repairs (during regular business hours)
April-October

\$75.00*

November-March

\$150.00*

Special event water rate - 50% of current water rate
(per approval Ironwood City Commission Resolution #08-018)

Contractor Assistance

\$70.00 hr./1 man

Overtime rate minimum 2 hrs.

\$75.00 hr./1 man

\$125.00 hr./2 men
or actual cost

*Winter/Summer turn-on/turn-off rates will depend on the use of snow removal equipment

New Account Charge

\$20.00

Delinquent Reconnect Fee

\$150.00 Summer

\$300.00 Winter

Water and Sewer Deposit

\$550.00

Leak Adjustment - Adjustment to water and sewer charge
will be 1/2 of excess usage above monthly average.

New Meter Charge

\$200.00

Illegal by Pass (does not include projected cost and prosecution)

\$1,000.00

Delinquent Trip Charge

\$75.00

Meter Test

Time & Material

Excavation without Permit

\$500.00 plus damages

O.T. call out

\$75.00 hr./min. 2 hrs.

SECTION VIII - WATER LINE THAWING/WINTER LET RUN POLICY

As per water service "thawing" policy 10/13/14

As per Winter "Let Run" policy 10/13/14

SECTION IX - SEWAGE RATES - MONTHLY

Variable Usage Charge:

Effective 7/1/2025: \$9.30 per cf(x100) of all water used

Minimum Service Charge:

<u>Meter Size (in.)</u>	<u>Effective 7/1/2025 Monthly Service Charge</u>
5/8	\$43.43
3/4	\$48.72
1	\$91.03
1 1/2	\$226.97
2	\$420.41
3	\$956.50

NOTE: Township residents on City water and sewer will pay minimum monthly charge to Township and variable monthly charge to City.

Sewer Tap Inspection Fee

Resident

4" sewer line	\$600.00
6" sewer line	\$850.00
8" sewer line	\$1,100.00
10" sewer line	\$1,600.00

****Sewer Tap Fee will be waived for new residential development in the City of Ironwood.**

****Fee for Street Repair/City Right of Way** \$800.00 Minimum

Anything over \$800 will be charged at actual cost of labor & material.

\$44.00	LF Curb
\$24.00	sf sidewalk
\$5.60	sf asphalt

****Sidewalk/curb/gutter only, at current cost.**

Cleaning grease from sanitary sewer mains Cost + 15%

Televising Sewer - City Use No Charge

Assisting Contractor/Owner \$150.00 hr.

Evaporation Allowance for Commercial laundries 90% current usage rate

Contractor Assistance/Tracing Lines \$60.00 hr.

Normal Sewer Lateral Maintenance (Steaming) \$125.00 hr.
\$100.00 OT (2 hr. min.)
Vactor service \$45.00 hr./man

plus Vactor rental fee at current State of MI Schedule C rate

Smoke Machine (City operator required) \$60.00 hr.

Damage to barricades & lights will be billed appropriately
*Exception - City Involved Special Events

SECTION X - GARBAGE/RECYCLING - MONTHLY

Effective 11/1/2025 \$20.14

SECTION XI- CURRY PARK RATES**Rates Effective 1/1/2025**

Full hookup	\$40.00
Weekly Fee (Full hookup only)	\$250.00
Electricity only (50 AMP)	\$35.00
Electricity only (30 AMP)	\$30.00
Dumping Costs	\$15.00
Fill Tanks with water	\$15.00

SECTION XII - IRONWOOD MEMORIAL BUILDING RENTAL RATES

Rules & Regulations:

Key Deposit for after hours usage \$50.00

The City requires renters to provide liability insurance naming the City as an additional insured

Schedule of Charges -- Payable in Advance:

Rental of Auditorium/Foyer

Not-for-Profit Organization - must be a 501(c) \$125.00*

For-Profit Organization (M-F, 8AM-4PM) \$400.00*

Private Social Event \$700.00 Resident

\$1,000.00 Non-Resident

Bingo Organizations \$175.00*

*The City requires a security deposit of \$300.00. The renter is required to do the breakdown, set up and clean-up of the auditorium.

If a custodian is needed, a fee of \$60/hr. (min. 2 hr. call out) will be charged for off-duty custodial hours.

*The City of Ironwood requires an event insurance certificate in the amount of \$1,000,000 naming the City of Ironwood as an additional insured when renting the Memorial Building.

The person/organization renting the auditorium for dances will provide police protection at their own expense.

A diagram for the set-up of the auditorium will be provided to the renter.

After hours use of Commission Chambers/conference Room/Gym

Recommend \$50 deposit for key.

SECTION XIII - PAVILION/STAGE RESERVATION RATES (Daily Rates)**

Not-for-Profit/Community Organization - Must be a 501(c)

No Charge

Reserving Pavilion - Norrie Park

\$25.00 Resident

\$50.00 Non-resident

Reserving Pavilion - Depot Park

(Pavilion only)

\$25.00 Resident

(Pavilion only)

\$50.00 Non-resident

(Pavilion & Food Preparation Area)

\$50.00 Resident

(Pavilion & Food Preparation Area)

\$75.00 Non-resident

Stage Use - City Square

No Charge

**The City requires a security deposit of \$75.00. The renter is required to clean-up and remove all garbage after event.

SECTION XIV- PUBLIC SAFETY FEES & FIRE PREVENTION PERMITS

Fire Engine	\$250.00 hr.
Aerial Platform	\$500.00 hr.
Hazmat Response Vehicle	\$500.00 hr.
Quick Attack Fire Response Vehicle	\$150.00 hr.
Pick-up Truck	\$95.00 hr.
Passenger Vehicle	\$50.00 hr.
Hazmat Trailer (Decontamination and/or Clean-up)	\$100.00 hr.
Personnel: Appropriate hourly rate, plus cost of benefits per person/per hour (i.e. hourly, overtime or holiday)	

Equipment & materials: Billed according to consumable use, contamination clean-up, destruction, or replacement

Outside Contractors or Departments: Billed based on fees charged to IPSD plus 10% administrative fee

**This list is not all inclusive and all costs associated with a hazardous materials response will be billed accordingly.

Conference Room Fees:	\$25.00 day
Accident Report	No Charge- Not-for-Profit
	\$7.00
	\$8.00 fax copy
(per copy per vehicle or pedestrian involved)	.50 per page
VIN # Checks	\$3.00 ea. Resident-free
Commercial	\$5.00 ea. Non-Resident
Bank Escorts	\$25.00 per time
Fire Reports	\$7.00
	\$8.00 Fax copy
Preliminary Breathalyzer Test (PBT)	\$3.00 per time
Drug Testing	\$25.00
Taxicab Vehicle Inspection	\$20.00 1st 2 vehicles
	\$10.00 additional
General precautions against fire:	
A permit is required for open burning	\$10.00 2-day limit
	\$5.00 each addt'l day
Heated/Secured Storage at IPSD	\$20.00 per day
Cold Storage at IPSD	\$10.00 per day

SECTION XV - CITY OF IRONWOOD CEMETERY CHARGES**FULL CASKET INTERMENT**

	<u>Resident</u>	<u>Non-Resident</u>	<u>Indigent</u>
Opening & Closing - Adult 7:00 am - 1:00 pm Mon. - Fri.	\$975.00	\$1,275.00	\$150.00
Opening & Closing - Infant 2 to 3 1/4 feet 7:00 am - 1:00 pm Mon. - Fri.	\$400.00	\$600.00	
Overtime Add on Fee 1:00 pm - 6:00 pm Mon - Fri, 7:00 am - 11:00 am Sat	\$425.00	\$425.00	
Full Size Crypt Opening (OT TBD based on actual time)	\$375.00	\$475.00	

CREMATION INTERMENT

Opening & Closing 7:00 am - 1:00 pm Mon. - Fri.	\$650.00	\$850.00	\$100.00
Overtime Add on Fee 1:00 pm - 6:00 pm Mon - Fri, 7:00 am - 11:00 am Sat	\$350.00	\$350.00	
Ash Burial recording fee (addtl occupants-same burial)	\$175.00	\$200.00	

DISINTERMENTS

		<u>FEE</u>
Disinterment - Ashes		\$700.00
Transfer of body from one lot to another		\$1,575.00
Transfer of body out of cemetery (Opening of grave only)		\$1,000.00

RECORDING OF INTERMENTS

Ash Crypt recording fee (per name)	\$150.00	\$175.00
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STORAGE OF FULL CASKETS

		<u>FEE</u>
Mausoleum Drop Off Fee - Winter (in addition to Storage Fee)	per employee	\$125.00
Mausoleum Storage		\$250.00
Storage in mausoleum for bodies to be interred in cemeteries outside the City of Ironwood (per season)		\$200.00
Body delivered to mausoleum on Saturday, Sunday, & Holiday, or after 2:30 pm weekdays (in addition to Storage Fee)		\$275.00
Pallbearer Assistance	per hour/per employee	\$50.00
Pallbearer Assistance Overtime	per hour/per employee	\$100.00

SALE OF NEW LOTS--PER SPACE

	<u>Resident</u>	<u>Non-Resident</u>	<u>Indigent</u>
Sale of New Lots - per space	\$375.00	\$675.00	\$160.00

FUTURE CARE/PERPETUAL CARE

Future Care per grave opening (body and cremains)	<u>\$300/grave opening</u>	<u>\$500/grave opening</u>	<u>\$130.00</u>
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Cemetery Care Fees per burial will apply to:

All lots purchased before July 1, 2015, and after June 30, 2025.

Grandfather clause (effective through 6/30/2030) only for lots purchased between July 1, 2015 and June 30, 2025.

No additional perpetual care fees will be charged if \$150 or more has already been paid toward future care since July 15, 2015. If less than \$150 has been paid, the remaining balance (up to \$150) per lot will be due at the time of burial.

ALL FULL CASKET INTERMENTS must be in a concrete grave box or vault.

No graveside services in winter (November 1st thru May 31st).

MONUMENT MARKER/LOCATE FEES (Max. 3 per year)

Place Flag for 2 weeks	1st locate - \$50	2nd locate - \$75	3rd locate - \$100
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RESOLUTION #025-017

Resolution to Transfer Delinquent Invoices for Ordinance Violations to the July 2025 City Tax Roll

This Resolution is to approve the transfer of delinquent invoices for ordinance violations to the July 2025 tax roll. This process provides a mechanism for the City to collect unpaid fees provided for in Chapter 28, Section 12. Passage of this Resolution will permit the inclusion of these fees on the July 2025 tax roll thereby allowing the City to recover the cost of providing these services. Passage of this Resolution is recommended.

Prepared by: Paul Linn, Finance Director/Treasurer

Reviewed and approved by: Paul Anderson, City Manager

At a regular meeting of the Ironwood City Commission, held on the 9th day of June 2025 at 5:30 p.m., the following Resolution was offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, there are unpaid charges for ordinance violations as of December 31, 2024;

WHEREAS, in accordance with Chapter 28, Section 12 of the Ironwood City Code, expenses incurred by the City upon or in respect to any single lot or premises shall be billed immediately to the owner thereof;

WHEREAS, the City Manager shall annually direct the City Treasurer to prepare a special assessment roll covering all such charges which have not been paid;

WHEREAS, such assessment roll shall be reported to the City Commission;

WHEREAS, the City Treasurer has prepared a list of the unpaid charges, a copy of which is attached and incorporated as Schedule A;

NOW THEREFORE BE IT RESOLVED, that the unpaid charges be levied as special assessments against such owners and premises according to the attached Schedule A, as provided for in Chapter 28, Section 12 of the Ironwood City Code; and

BE IT FUTHER RESOLVED, that the delinquent charges and fees be placed on the July 2025 tax roll of the City, and that such charges and fees be collected in the same manner as general City taxes.

YES: Commissioner(s) _____

NO: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED

I, Jennifer L. Jacobson, do hereby certify that I am the duly appointed acting and qualified Clerk of the City of Ironwood, and do further certify that the above and foregoing Resolution is a true and correct copy of the Resolution passed by the Ironwood City Commission, at a Regular Meeting held on June 9, 2025.

JENNIFER L. JACOBSON, CITY CLERK

SCHEDULE A

CITY OF IRONWOOD

SPECIAL ASSESSMENT ROLL - CHARGES FOR SERVICES - DELINQUENT ACCOUNTS TO BE PLACED ON THE 2025 SUMMER TAX ROLL

<u>NAME</u>	<u>PARCEL #</u>	<u>SERVICE DATE</u>	<u>TOTAL</u>
AHO, REBECCA TRUSTEE	52-27-128-010	Multiple	\$ 241.50
BETLEWSKI, DAVID	52-22-334-180	6/27/2024	\$ 75.00
BROZZO, RICHARD AND HEATHER	52-23-476-080	6/25/2024	\$ 82.50
CAMPOS, JOSE	52-22-182-110	6/24/2024	\$ 220.00
CASWICK, CHRISTINA AND COREY	52-22-301-130	7/16/2024	\$ 218.00
CONLEY, MARY	52-27-204-230	Multiple	\$ 243.00
DECKER, DAWN	52-16-477-070	6/11/2024	\$ 82.50
DIBBLES & DIBBLES, INC.	52-22-333-120	12/13/2024	\$ 416.00
DRAGISH, JOHN V. JR	52-22-482-090	7/15/2024	\$ 327.00
GARRISON, JERRY AND JAMIE	52-24-102-260	Multiple	\$ 243.00
HARRIS, SARA	52-24-304-060	6/25/2024	\$ 82.50
HARTELOO, JOHN	52-22-253-050	Multiple	\$ 240.75
KIEFER, TERRY	52-15-356-040	7/29/2024	\$ 116.00
KINNUNEN, RICHARD	52-22-156-100	6/25/2024	\$ 220.00
LAITURI, CRYSTAL ET AL	52-22-254-010	Multiple	\$ 241.50
LIVERMORE, NATHANIEL	52-24-307-120	6/25/2024	\$ 82.50
LOGAN, DAVID	52-15-478-080	Multiple	\$ 241.50
MATA, PEDRO	52-22-313-030	6/24/2024	\$ 220.00
MERRILL, PATRICK	52-22-132-220	6/24/2024	\$ 440.00
MOSELLE, PATRICK	52-24-313-050	6/27/2024	\$ 82.50
NEWBERRY, WILLIAM & CHAUNTELLE T	52-24-311-080	6/25/2024	\$ 82.50
PANEK, CHAD & SELINA PANEK	52-23-377-030	Multiple	\$ 236.25
PAY IT FORWARD MOVING INC.	52-24-310-060	Multiple	\$ 243.00
PERHALLA, AGNES J.	52-24-314-010	6/25/2024	\$ 82.50
PERHALLA, JOHN	52-24-314-100	8/8/2024	\$ 216.00
PERHALLA, RUDOLPH	52-22-301-140	7/16/2024	\$ 218.00
PORTER, SALLY ET AL	52-14-357-010	Multiple	\$ 657.50
REED, GLENN W.	52-22-181-070	6/24/2024	\$ 220.00
RINGSMUTH, PATRICK	52-24-336-010	6/25/2024	\$ 82.50
RUNGE, DAVID C.	52-15-478-200	6/24/2024	\$ 440.00
SCULL, ABRAHAM T.	52-26-108-040	8/2/2024	\$ 1,296.00
SPOONER, ANTHONY	52-24-307-140	Multiple	\$ 241.50
STEVENS, SCOTT AND LINDE	52-22-314-010	Multiple	\$ 462.25
STRAUSS, JUDITH	52-27-227-210	7/15/2024	\$ 327.00
TEIGE, SHAWN P.	52-14-357-130	Multiple	\$ 241.50
TYUS, ARTHUR LEE	52-22-426-100	7/15/2024	\$ 436.00
TYUS, ARTHUR LEE	52-22-284-030	7/15/2024	\$ 218.00
VELMER, ALBERT C.	52-23-451-020	6/25/2024	\$ 82.50
VETTERNECK, CHASE	52-22-428-060	7/17/2024	\$ 218.00
VUKELICH, HEIDI	52-24-337-040	6/25/2024	\$ 82.50
VUORENMAA, BRUCE A	52-22-330-020	12/6/2024	\$ 208.00
WHITLOW, JOHN	52-23-377-110	12/13/2024	\$ 208.00
WOOD, GUY H.	52-15-380-140	7/15/2024	\$ 218.00
YENCH, ROBERT	52-26-109-020	7/15/2024	\$ 436.00
YOUNGBEAR-TIBBETTS, FAWN	52-26-101-080	7/15/2024	\$ 436.00
YURCHAK, WALLACE	52-23-377-020	6/25/2024	\$ 75.00
TOTAL			<u>\$ 11,780.25</u>



MEMO

To: Mayor Corcoran and the City Commission

From: Tom Bergman, Community Development Director

Date: June 3, 2025

Meeting Date: June 9, 2025

Re: Establishment of Industrial Development District at 397 W. Aurora

Project Description

Neil Balduc of Tritegrity Machine is requesting the establishment of an Industrial Development District for the addition he is putting on his facility. This is the first step in a request to receive tax abatement through Michigan PA 198. Adopting the resolution for the district does not change zoning classification. It is a taxing district. In addition, the creation of the new district does not grant the tax abatement. The applicant still needs to apply for the tax abatement through an application process with the City and the State of Michigan. Currently the only other Industrial Development District is the Industrial Park.

Recommendation

Motion to adopt resolution to establish Industrial Development District.

RESOLUTION #025-018
CITY OF IRONWOOD
RESOLUTION TO ESTABLISH AN INDUSTRIAL DEVELOPMENT DISTRICT

At a Regular Meeting of the Ironwood City Commission, duly held on June 9, 2025, in the Commission Chambers of the Municipal Memorial Building, Ironwood, Michigan, the following Resolution was offered by Commissioner _____, supported by Commissioner _____.

Resolution Establishing an Industrial Development District for Tritegrity Machine

WHEREAS, pursuant to PA 198 of 1974, as amended, this City Commission has the authority to establish "Industrial Development Districts" within the City of Ironwood; and

WHEREAS, Tritegrity Machine has petitioned this City Commission to establish an Industrial Development District on its property located in City of Ironwood hereinafter described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility has not commenced at the time of filing the request to establish this district; and

WHEREAS, written notice has been given by mail to all owners of real property located within the district, and to the public by newspaper advertisement in the Globe Newspaper and/or public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on June 9, 2025, at 5:25 pm a public hearing was held at which all owners of real property within the proposed Industrial Development District and all residents and taxpayers of City of Ironwood were afforded an opportunity to be heard thereon; and

WHEREAS, the City Commission deems it to be in the public interest of the City of Ironwood to establish the Industrial Development District as proposed; and

NOW, THEREFORE, BE IT RESOLVED by the City Commission of City of Ironwood that the following described parcel of land situated in Ironwood, Gogebic County, and State of Michigan, to wit:

(LEGAL DESCRIPTION) ALL THAT PART OF SW 1/4 OF SW 1/4 OF SEC 22-47-47 BOUNDED BY A LINE AND DESCRIBED AS BEG AT THE SW COR OF PREMISES BY Q C DEED JAN 8, 1947 BY ASHLAND MINES CORP A DEL MINING CORP AND DULY LICENSED TO DO BUSINESS IN MICHIGAN TO M S KING OF IRONWOOD RECORDED IN LIBER 98 PAGE 112 KNOWN AS THE PT OF BEG WHICH SAID PT OF BEG IS ON N'LY BOUNDARY OF MCLEOD AVE PROCEEDING TH N 3 DEGREES 39' E 140 FT TH S 86 DEGREES 21' E 70 FT TH S 3 DEGREES 39' W 100 FT MORE OR LESS TO THE N'LY BOUNDARY OF MCLEOD AVE TH S 63 DEGREES 52' W ALONG N'LY BOUNDARY OF MCLEOD AVE 80.8 FT MORE OR LESS TO PT OF BEGINNING ACREAGE LOT 77 KING & GENTILE ADD. A PARCEL OF LAND IN THE

SW 1/4 OF SW 1/4 OF SEC 22-47-47 BEG AT THE SW COR OF LOT 77 KING & GENTILE ADDITION & RUNNING TH N 63 DEGREES 52' E ALONG THE NORTHERN BOUNDARY OF MCLEOD AVE 38 FT MORE OR LESS TO THE SW COR OF A PARCEL DEEDED TO M S KING DATED JAN 1ST 1947 AND RECORDED IN THE OFFICE OF REG OF DEEDS FOR GOG CTY IN LIBER 98 OF DEEDS PAGE 112 TH N 3 DEGREES 39' E ALONG THE BOUNDARY OF SAID PARCEL DEEDED TO M S KING 224.9 FT MORE OR LESS TO THE S'LY BOUNDARY OF AURORA ST TH S 48 DEGREES 55' W ALONG THE S'LY BOUNDARY OF KING & GENTILE ADDITION TH S 0 DEGREES 8' W ALONG THE BOUNDARY OF SAID KING & GENTILE ADDITION 195 FT MORE OR LESS TO PT OF BEG ACREAGE ALL THAT PART OF SW 1/4 OF SW 1/4 OF SEC 22-47-47 BOUNDED BY A LINE DESCRIBED AS FOLLOWS: BEG AT THE NW CORNER OF THE PREMISES CONVEYED BY Q C DEED JUNE 3, 1949 BY M S KING A WIDOW TO DANIEL O KING & MARY JANE KING HUSBAND & WIFE AS TENTANTS BY ENTIRETYS WITH RIGHT OF SURVIVORSHIP RECORDED IN LIBER 107 PAGE 138 KNOWN AS THE PT OF BEG WHICH SAID PT OF BEG IS ON THE W LINE OF THE PREMISES CONVEYED TO M S KING IN A DEED RECORDED IN LIBER 98 OF REG OF DEEDS OFFICE PAGE 112 PROCEEDING TH N 3 DEGREES 39' E 84.9 FT TH S 48 DEGREES 55' W 80.8 FT TH IN A GENERAL S'LY DIRECTION IN A STRAIGHT LINE 125 FT MORE OR LESS TO THE NE COR OF THE PREMISES CONVEYED BY M S KING TO DANIEL O KING & WIFE TH IN GENERAL W'LY DIRECTION IN A STRAIGHT LINE 70 FT (WHICH SD LINE IS N'LY BOUNDARY OF THE PREMISES CONVEYED TO D O KING & WIFE) TO THE PT OF BEG ACREAGE

is established as an Industrial Development District pursuant to the provisions of PA 198 of 1974, as amended, to be known as Ironwood Industrial Development District No. 2.

Upon roll call vote the following voted:

YEAS:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

Kim Corcoran, Mayor

I, Jennifer Jacobson, the duly appointed City Clerk of the City of Ironwood, Michigan, do hereby certify that the foregoing is a true copy of a Resolution adopted by the City Commission of the City of Ironwood at its Regular Meeting on June 9, 2025.

Jennifer Jacobson, City Clerk



To: Mayor Corcoran and City Commission

From: Tom Bergman, Community Development Director

Date: June 3, 2025

Meeting Date: June 9, 2025

Re: PC-Cases-2025-006 Lighthouse Church Surplus Property Request

Background

The City, has been contacted by Lighthouse Church with a request to acquire part of the lot in between the Church and the parking lot on Mcleod and Norfolk (see attached map). The Church is currently leasing space to a Day Care that is in need of an outdoor play area. They are looking to build a playground on the lot behind the Church. They are requesting the property be donated to the Church or sold for \$1. There will still be adequate snow storage for the parking lot after the lot is split. Our region is in dire need of additional daycare facilities. Supporting their continued success is an economic development priority.

Recommendation

Motion to sell the lot to the Lighthouse Church for \$1 with a reversionary clause that states the property will return to City ownership if the Church or the Day Care ceases to exist or are no longer utilizing the property. The property would not be able to be transferred to any other entity besides the City of Ironwood.

Lighthouse Ministries Faith Center

301 E Aurora Street

Mailing address, PO Box 357

Ironwood, Michigan 49938

906-364-7007

www.lfcironwood.org 9faith8@gmail.com

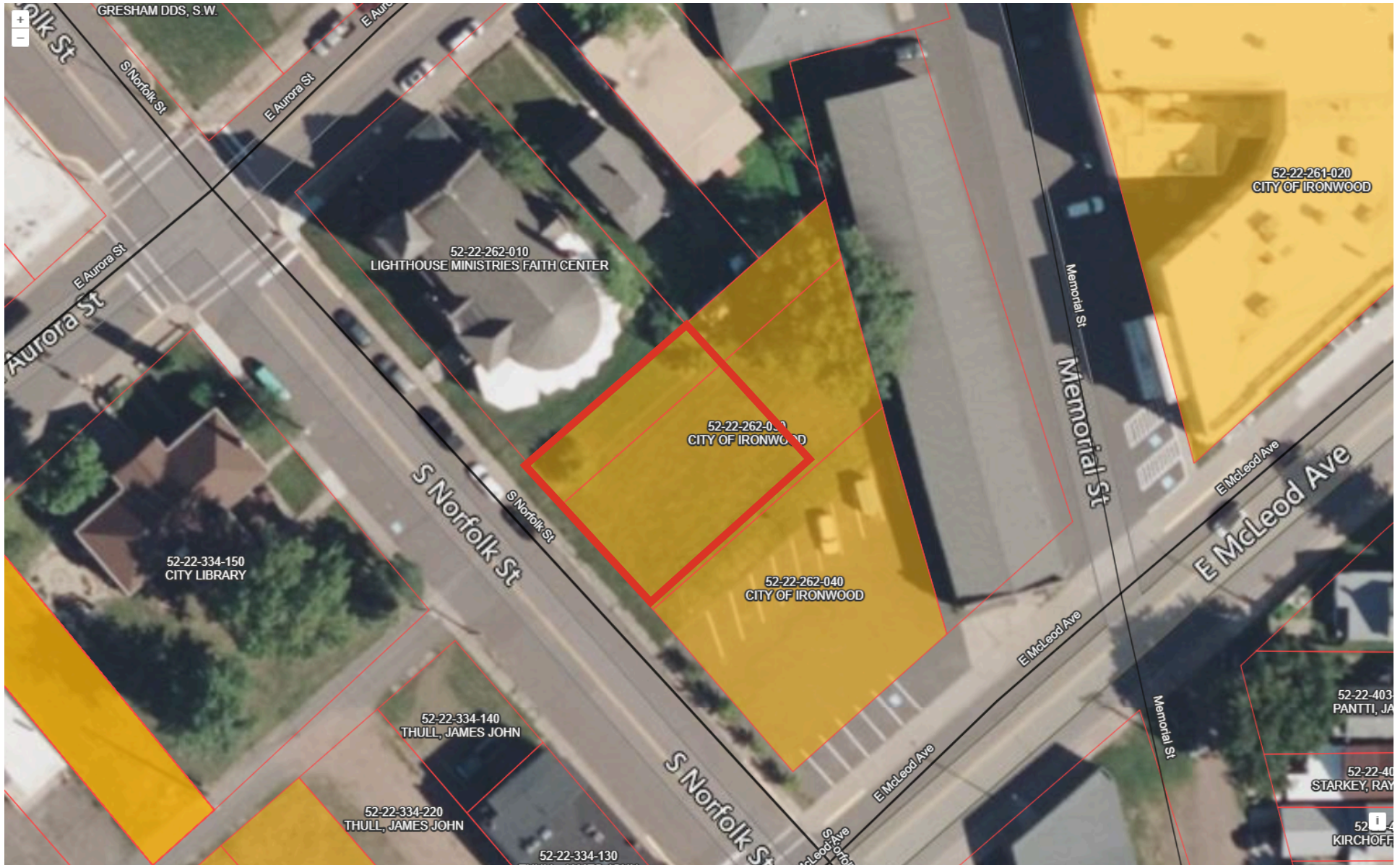
City of Ironwood:

We at the Lighthouse Faith Center/Little Lights Childcare, 301 E Aurora are looking for a place to put an outdoor play area for our childcare center. We found that the lot behind the church (lot 6) is vacant and request the City of Ironwood donate the lot to us.

We opened a childcare center to help our community. We undertook this project as a service to our community and are looking to the city to help with this project.

Our goal is to fence in this area and use it for the children to have a place to get fresh air and play outside. Your consideration is greatly appreciated.

Pastor Thomas Rouse



Lighthouse Church Surplus Property Request

Note: Property Lines are Approximate



To: Mayor Corcoran and City Commission

From: Tom Bergman, Community Development Director

Date: May 29, 2025

Meeting Date: June 4, 2025

Re: PC-Cases-2024-019 Hope Animal Shelter and Gogebic County Industrial Lot Request

Background

The City has been contacted by Hope Animal Shelter and Gogebic County with a request to acquire lot 5 in the Industrial Park. This is the lot just north of the Animal Shelter. HOPE is currently dealing with increased numbers of dogs due to the boom in annual adoptions during COVID that are now being relinquished to HOPE. They would like to increase the onsite exercise area. The County is requesting that the property be sold to the County for \$1. The property has a powerline easement down the middle of the lot. The neighbor on the east side is interested in purchasing half the lot as well. His property's septic system is located on that side of the easement.

Recommendation

Motion to sell the west side of the property to Gogebic County for \$1 with a reversionary clause that states the property will return to City ownership if Hope ceases to exist or is no longer utilizing the property. The property would not be able to be transferred to any other entity besides the City of Ironwood. The east side of the property to be sold to the adjacent landowner for \$2000 per acre.

JULIANE M. GIACKINO
ADMINISTRATOR

AMANDA L. PARKER
ADMINISTRATIVE ASSISTANT



DAN SIIRILA - CHAIRMAN
PETER MATONICH - VICE CHAIRMAN
JOSEPH CAYER
JAMES LORENSON
GEORGE PETERSON III
DANIEL WOOD
MICHAEL YON

March 25, 2025

Mr. Tom Bergman
City of Ironwood
213 S. Marquette Street
Ironwood, MI 49938

Dear Mr. Bergman,

This correspondence serves to request that the City of Ironwood transfer ownership of Lot 5 in the Ironwood Industrial Park (Tax #52-23-226-070) to Gogebic County for its use by HOPE.

Over the past few years, HOPE has had to handle an increasing number of animals; many of these have been larger dogs. The current outdoor dog exercise area, located just north of the shelter, has become too small for these larger animals. HOPE proposes to increase the size of the exercise area so to provide better care for these larger animals. Acquisition of Lot 5 facilitates expansion of the exercise area. Please remember that the current exercise area has been a permitted use of Lot 5 for several years.

Additionally, with the larger number of animals being cared for by HOPE, the organization has had to hire additional staff. For that reason, HOPE also proposes to grade and gravel an area of Lot 5 for employee parking spaces.

We are aware that the hardwood processing facility located on Lots 3 and 4 has also used Lot 5 in the past, most recently as a storage area for snow removal/clearing. HOPE has consulted with Mr. Marcus Bratu, a principal of Bratu's Hardwood Interiors, who concurs with the proposed acquisition. If this acquisition is successful, HOPE will execute an agreement with the firm to protect their ongoing use of the land.

Acquisition of the property has been approved by Gogebic County's Capital Improvement and Economic Development Committee on March 25, 2025. Please advise as to the necessary steps to move this project forward, and if you have any questions. Thank you for your attention to this matter.

For the GOGEBIC COUNTY BOARD OF COUNTY COMMISSIONERS,

Sincerely,

Daniel Siirila
Chairperson

CC: HOPE Board of Directors

Gogebic County is "an equal opportunity provider and employer"

200 N. MOORE STREET
COURTHOUSE • BESSEMER, MICHIGAN 49911
WWW.GOGEBIC.GOV
PHONE: (906) 667-0411 • FAX: (906) 667-1102
EMAIL: jgiackino@gogebic.gov

City of Ironwood
Mr. Tom Bergman
213 S Marquette St
Ironwood, MI 49938

October 25, 2023

Dear Tom,

Per your email response to Robbie Sardinha for HOPE to “*The first step towards purchase of the lot is a letter of intent to purchase and a concept plan of how the property will be used. Then the planning commission and the EDC review the request and make a recommendation to the City Commission to sell the property. An appraisal of the property will need to be done to determine the price of the property.*” we are sending you this as our letter of intent and are attaching the Board Resolution sent to Gogebic County in July 2023.

The lot in question is directly north of HOPE Animal Shelter with a tax id of 52-23-226-070 and appears to be described as Lot 5 as compared to HOPE’s building, which is situated on Lot 6.

Our intended use is not fully determined, but the possibilities range from moving our dog yard area further north so we can expand our parking area to adding a new outdoor storage building to perhaps even an addition onto the shelter itself. Any of the above would require some amount of reconfiguring parking space and dog exercise space.

The lot to our north would be needed for any expansion ideas as we are restricted to our east by Easements.

Please let us know if you need any further information. The HOPE email is: myhopeanimalshelter@gmail.com and I would recommend copying any message to my personal address of cas1445@gmail.com. I’ll make sure all Board members receive all communication from the City. My personal cell is 906.364.1445.

On behalf of the HOPE Board of Directors,
Sincerely,

Colleen A Sachs, Treasurer

Vacant Industrial Park Lot

Approximate lot lines for 2.144 Acre lot.

Legend

- Bratu's Hardwood Interiors
- Easy Street
- Industrial Park Lot Easy Street



Google Earth

Image © 2024 Airbus



MEMO

To: Mayor Corcoran and the City Commission

From: Tom Bergman, Community Development Director

Date: June 3, 2025

Meeting Date: June 9, 2025

Re: Adoption of Strategic Housing Plan

Project Description

In the Summer of 2023, the City applied for a Rural Readiness Grant through the office of Rural Prosperity. In the Spring of 2024, the City contracted HKGI to spearhead the planning project. The project included four major elements.

1. A set of action items for the City to undertake to improve housing opportunities in the City.
2. A conceptual plan for a housing development on City owned property.
3. A Developer's Guidebook to help developers navigate funding opportunities and the development process. The guidebook is set up to stand alone from the rest of the plan if needed.
4. A housing marketing analysis for Ironwood.

The Plan has been reviewed and recommended for adoption by the Planning Commission and the EDC.

Recommendation

Adopt the City of Ironwood Strategic Housing Plan



IRONWOOD

MICHIGAN | *Find Your North*



HOUSING ACTION PLAN

CITY OF IRONWOOD, MI
DRAFT MAY 2025



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Staff

- » Tom Bergman, Community Development Director
- » Tim Erickson, Community Development Assistant
- » Paul Anderson, City Engineer and City Administrator
- » Dennis Hewitt, Building Inspector

Consultants

- » HKGi
- » Acosta Development
- » Windward Group

Thank You

Thank you to the residents and other stakeholders in Ironwood that provided input on housing through the workshop meetings and during the concurrent Comprehensive Plan process.

Thank you also to The City of Jackson, Michigan and Jen Tucker with the MEDC for insights and examples about vacant lot infill programs and pre-approved housing plans.

This plan was funded by the City of Ironwood with grant assistance from the Michigan Office of Rural Prosperity, through the Rural Readiness Grant Program



EXECUTIVE SUMMARY

A Housing Dilemma

The City of Ironwood has seen dramatic cost increases for housing over the last 5 years. At the same time the community lacks many of the housing options that residents and potential residents desire. Apartments, senior housing, affordable rentals, and move-up homes are all extremely limited in the City. New construction has been nearly non-existent for decades and the current housing stock is aging rapidly.

A lack of options has had negative impacts on existing residents who would like to adjust their living situation. This also limits turnover of homes to better match the community's needs. Prospective residents (and businesses recruiting them) struggle to find adequate housing, and it becomes more difficult to attract and keep people in Ironwood.

Finding Housing Solutions

A healthy housing stock should include a variety of different housing types and price points. To encourage new housing development, simplify the process, reduce risk, improve the economics, and make sure people are aware of the opportunities that exist. Fixing the housing market in Ironwood will take time and a multi-faceted approach. The plan goes into further detail on how to move forward, but some of the highlights and steps the City should take are listed below:

Simplifying Regulations

- » Providing pre-approved housing plans that meet building code
- » Increase what housing is already a "permitted use" which simplifies and shortens the application and City review process
- » Address points where the zoning code makes it difficult to develop on certain lots
- » Urging the State to improve regulatory services in Ironwood and the western UP

Closing the Financial Gap

- » Using public finance tools such as Housing TIF and waiving fees to develop housing
- » Connecting developers with outside funding sources like state and regional grants and loans
- » Offering City owned vacant land at a discounted price to those who would develop housing
- » Exploring options to address how the current tax system disincentivizes rehabbing existing housing and creating new housing

Identifying and Promoting Development Opportunities

- » Piloting a infill program to turn vacant lots into occupied homes
- » Consider a similar program to incentivize rehabilitation of underutilized, existing homes
- » Promoting the findings of the market study that shows opportunities to develop successful projects in Ironwood
- » Identifying properties that could be developed and marketing them to the development community
- » Working with potential housing developers and builders to expand their capacity to build homes in Ironwood

Navigating the Plan

The main part of this plan is the Overview Section (pages 6-17) and the Action Plan Section (pages 18-27).

After these sections, the plan document includes a number of additional resources, including the Developers Guidebook aimed at the development community, and a number of technical additions that will be used by City Staff to support housing development and develop programs to facilitate development.



PROJECT PURPOSE

Why does Ironwood Need a Housing Action Plan?

Ironwood has historically offered a very affordable housing stock for residents. One appealing selling point for the city was that someone could afford to own a home in Ironwood, when a similar house would be out of reach in many other communities. This is evidenced by the finding that over half of households in Ironwood making less than \$25,000 per year own their homes.



As a town that grew up in the early 1900s, much of Ironwood's housing stock is from the same era.



With care, these older homes can be valuable assets in a community, but that requires ongoing maintenance and investment

In the last 5 years a number of factors have come together to drive housing costs much higher than the community has been used to:

- » Low interest rates allowed for higher purchase prices at a similar monthly payment.
- » The rise of short term rentals introduced new competition for for-sale homes.
- » The pandemic had people re-evaluating live/work patterns whether they were moving to Ironwood and working remotely, or purchasing a second home where they could work for longer periods of time.
- » Housing stock reaching the end of its lifespan and being demolished, reducing the supply of homes.
- » Material costs and labor shortages making it more expensive to rehabilitate homes to shore up the supply side of the residential market.
- » A continuing trend towards smaller household sizes, meaning that even if population declines, the number of homes needed may not.
- » Rising costs to build new housing, limiting new supply of homes.
- » Limited turnover keeping supply of housing options low

When combined these have contributed to home prices doubling or even tripling in the last five years. While home prices have remained affordable by national standards, the higher costs are posing challenges for Ironwood residents, where the median income for a household of four people is below \$80,000. At the same time, a lack of housing supply is making it challenging for businesses in the area to attract employees. The City's recent investments in infrastructure have been needed upgrades, but it would be good to spread the costs across more households. Regional projects such as mining and pipeline construction have the potential to drastically increase the demand for housing for a few years while these projects are being constructed.

What Does This Plan Include?

This plan is an **action plan** for the City of Ironwood. Findings in this document are intended to guide City staff, boards, and commissions as they strive to improve housing in Ironwood.

This plan is also paired with a **Developer's Guidebook**. The intent of the guidebook is to assist potential developers in understanding what they need to do to build homes in Ironwood. For a new developer, the guidebook may serve as a road map, pointing out common pitfalls and connecting to other valuable resources. To an experienced developer, the guidebook may simply act as an insight into local policies and procedures. Either way, the goal of the guidebook is to encourage developers and smooth the process for creation of more homes in the city.

During the process of developing this plan, there have been a series of three **workshops** to help walk community members through the process of building housing. These have been led by Jenifer Acosta, a member of the Incremental Development Alliance and frequent lecturer for the MEDC guiding "how-to" sessions for development. The presentations and recorded workshops are available at [LINK HERE]

The process also included site planning for a 27 acre City owned property on Ayer Street and a review of available City owned vacant lots scattered throughout the community.

The findings and recommendations in all these documents are based on background and market analysis, as well as community and board and commission input.



Figure 1. The Comprehensive Plan and the Housing Study both emphasize the potential for downtown re-investment, including housing.



EXISTING CONDITIONS AND NEEDS ASSESSMENT

This section summarizes findings from the market study and analysis of other data and input. The market study can be found at the end of this report.



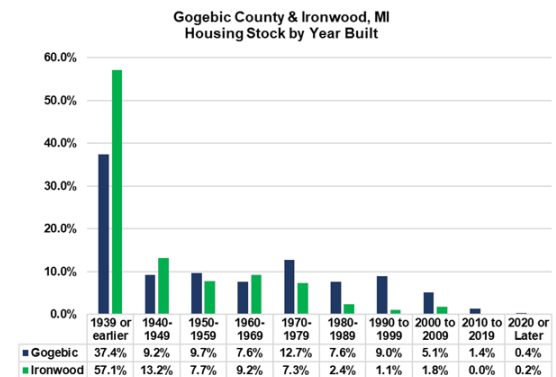
Many Ironwood homes were built at the same time, from the same blueprints. Over the last century they have been modified and seen different levels of upkeep and reinvestment.

The Existing Supply of Housing

Ironwood's housing stock is extremely limited in terms of diversity. The city's population peaked in the 1920s at almost four times the current number of residents. Unsurprisingly most of the City's housing stock is from this era.

These houses are typically single family homes, sitting on small lots that were platted during the mining heyday of the region. Many of the homes were originally built as workforce housing, functional and not fancy, meant to serve the needs of families in the 1920s.

Over time as the city lost population, these homes have experienced vastly different levels of upkeep. Some have remained occupied throughout their life, while others have at times been abandoned. With declining prices at many times in the last 100 years, it has been difficult for some residents to justify spending money on upgrades or even standard maintenance. The winters in the Upper Peninsula can be punishing on houses and those that have gone through periods of minimal maintenance often show additional wear and tear.

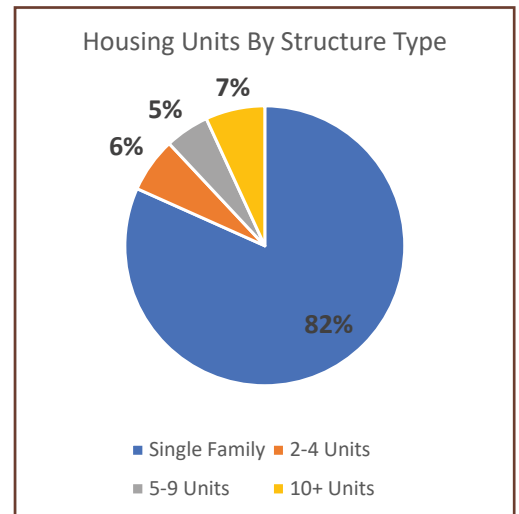


More than half of Ironwood's housing stock was built before 1940. Only about 5% of the existing homes in Ironwood are less than 45 years old.

Though the supply of housing in Ironwood is limited, some of this housing stock that is 100 years old may be reaching the end of its functional lifespan. The City has torn down a number of blighted homes in the previous decade. In the coming decades, it is likely that more homeowners will find it is cheaper and/or easier to build a new home than to renovate an older home. This may lead to additional teardowns. From 2010 to 2020, the US Census recorded 112 fewer housing units in the City of Ironwood.

Ironwood's housing stock is also primarily single family. Over 80% of the housing units in Ironwood are single homes. Many are a typical miner's home with two stories, two to four bedrooms, and economically built. These homes may not meet the preferences of the current population.

While some additional homes were built through the 1970s, fewer than 200 homes have been built since 1980.



Challenges to Increasing Supply

Reductions in Current Supply

As noted above, the current housing stock is getting old, and some of it will need to be demolished. This has the effect of reducing the supply of homes, at a time when housing is getting tighter.

Rising Prices, but not enough to Merit New Construction (until recently)

While home prices have risen significantly, the prices of existing homes remain low enough to deter new construction. While a prospective buyer may value the easy maintenance and up to date features of new construction, it may be difficult to justify paying \$250,000 for a new home when existing houses could be had for \$50,000. Similarly, prospective developers would likely have a hard time finding comparable products to prove to lenders that a market exists. In Ironwood, this may have been a self fulfilling conclusion. Nobody was building, which may have led some to believe there was not a market for new construction. In reality, nobody had tested the market.

In the last three years, 16 homes sold for \$200,000 (5% of approximately 330 home sales) and above according to Zillow. This suggests that there is a small, but real market for homes in a price range that can be achieved with new construction.

Recently a few small projects have gone under construction. Seeing how these sell when they reach market will be informative about the potential for additional new housing.

A Note on Data Sources

This document uses different sources of data to identify trends and statistics. At some points, the data may vary slightly from place to place. This is typically due to variations in the way data is collected. Each source has benefits and drawbacks. It is our intent to use the various data sources to identify key trends, though there may be small inconsistencies.

- American Community Survey (ACS) from the US Census Bureau 2018-2022 *This information is a sample collected over 5 years, not a full count. The sample is extrapolated to make assumptions about the full community.*
- Census 2010 and 2020 *This information is a full counting of all residents. It occurs once every ten years. The Census asks fewer questions than the ACS. The 2020 Census was collected in April of 2020 and may reflect deviations from a normal reality because it was in the midst of COVID-19 shutdowns.*
- Real Estate Sales trackers like Zillow and Realtor.com *These sites provide information based on public sales that have been reported to the Multiple Listing Service (MLS) and may not reflect all transactions*
- City/County Building Permits and Assessor Data *Building permits look at new activity only. Assessor data is typically based on formulas and may lag for unsold properties.*

Any New Homes will be a Small Portion of Total Housing Stock

It will be difficult for the city to build themselves out of the crisis. Ironwood has an estimated 3,015 housing units. In order to increase the housing supply by just 2%, there would need to be 60 homes built. This would represent a 10x increase in the number of homes built from 2014-2023.

At the same time, there are an estimated 379 housing units that are not owner occupied or rented to long term tenants. That is about one in every eight homes in Ironwood. These homes may fall into a number of categories:

- » Vacation Homes
- » Seasonal Residents who claim residence elsewhere
- » Short Term Rentals (AirBnB, VRBO, etc.)
- » Unoccupied Houses
- » Homes for sale or preparing for sale and the owner has already moved out.

It is likely that these homes are in varying levels of repair. An AirBnB may have been recently updated, while an unoccupied house may be on the verge of condemnation. But there may be opportunities to increase the functional supply of housing by reintroducing some of these units into homes.

That's not to say that the City shouldn't be focusing on home building. It is very important that Ironwood diversifies its housing stock to meet the needs of the community. This means building new single family homes, homes targeted to seniors, and for rent apartments. Improving the housing supply will take a number of different solutions.

Construction Prices and Challenges

Across the country, builders have been seeing inflated material costs for the last 5 years. This has been occurring for a number of reasons ranging from supply chain issues, to increased building activity in other parts of the country, to labor costs to manufacture those goods. Labor costs for the trades have also risen dramatically, a trend that is especially pronounced in Ironwood where there is a limited labor supply and many currently in the trades are reaching (or have reached) retirement age. Residents looking for contractors have reported long wait times and higher pricing, which is expected when contractors are in higher demand than supply. Higher construction prices have pushed more of the building activity to stronger markets.

Ironwood also relies on the State of Michigan to issue electrical, plumbing, and heating permits. This can present issues when inspectors are not locally available from a timing and scheduling perspective for builders.

While not directly construction related, home insurance rates have been increasing significantly as flooding, fire, and storm events have caused more damage to homes. While Ironwood has been more insulated from those effects than some communities, the costs are still rising significantly. This has the effect of raising the cost of home ownership.

Competition in the Townships

It is worth noting that the City's housing market exists as part of a larger region including Hurley, Bessemer and other townships and small cities. One issue that was pointed out during this process was a competitive mismatch between the City of Ironwood and the surrounding townships. Because the City provides additional resources relative to the townships, there is a higher tax rate within the city limits. This may be putting the City at a disadvantage, especially for higher cost homes when property tax bills are calculated based on value. Further exacerbating the mismatch is the presence of larger lots in the townships. This has made it even more difficult for the City to compete for "move-up" housing.



Drivers of Housing Demand

Ironwood is a great place to live. A tight knit community that offers more than most towns of 5,000, Ironwood is the gateway to the western UP and all of the natural beauty of the south shore of Lake Superior. Multiple ski resorts, hiking, bike trails, waterfalls, snowmobiling, and ATVing all sit at the city's doorstep. Jobs are available in a variety of industries. The City boasts an historic downtown and is home to Aspirus Ironwood Hospital serving northern Wisconsin and the western UP between Ashland and Iron River. Ironwood is the regional hub for Gogebic and Iron (WI) Counties.

Affordability

The affordable housing stock has been a key asset for the City of Ironwood. More than two thirds of households making less than \$50,000 and over half of households making less than \$25,000 per year own their homes. These were often purchased years ago when home prices were even lower. Many households in Ironwood could afford a more expensive house than the one they live in currently but those homes don't exist in similar numbers. This means that higher earning households are competing for the same pool of homes as lower earning households. With more resources, higher earning households are able to pay higher prices for homes. When that is combined with the lower interest rates that were in place through the late 2010s and early 2020s, people could afford to pay a much higher "sticker" price for homes, while keeping a similar monthly payment. This has had the effect of creating additional demand in the housing market.

Rethinking Live/Work Patterns

During the pandemic, there was a shift to allow some employees to work from home. When that occurred, it didn't really matter where "home" was as long as you had a good internet connection. Ironwood has seen a small increase in the number of people who have chosen to live in Ironwood. There has also been an increase in the number of people who are splitting time between Ironwood and a home elsewhere. Remote work has allowed people to stretch trips from a weekend stay into weeks long stays.

Short Term Rentals

AirBNB, VRBO, and other short term rental options have been increasing in popularity across the country, and in Ironwood. When sorting for full homes, there are approximately 70 AirBnBs in the system in Ironwood. This represents a little more than 2% of the homes in the city. That does not mean that each is actively being run exclusively as an AirBnB. Some may be vacation homes that people use as short term rentals when they are not vacationing themselves. Others may be primary or seasonal homes that people occasionally rent out. Zillow identifies approximately 330 homes sold in Ironwood in the last 3 years. While some of these were undoubtedly purchased for short term rentals, the vast majority of sales do not appear to be for this purpose. Short term rentals have contributed to the rise in home costs, but are not the primary driver of the explosive change in prices.

Short term rentals can contribute to a community by encouraging owners to reinvest in homes that need it. They are also businesses and a welcoming spot for people coming to Ironwood who will spend money at other businesses too. But they can also be challenging to live next to and do remove some homes from the available housing stock for people to live in full time.

A Shifting Demographic

Smaller Households

Even though the City's population has been decreasing for some time, there has been a shift towards smaller households. People are waiting longer to get married, families are having fewer kids, divorces are more common, and the aging population increasingly has widows and widowers that are living alone. This means that housing demand has actually tightened today relative to the number of households than it was in 2010 with a larger population.

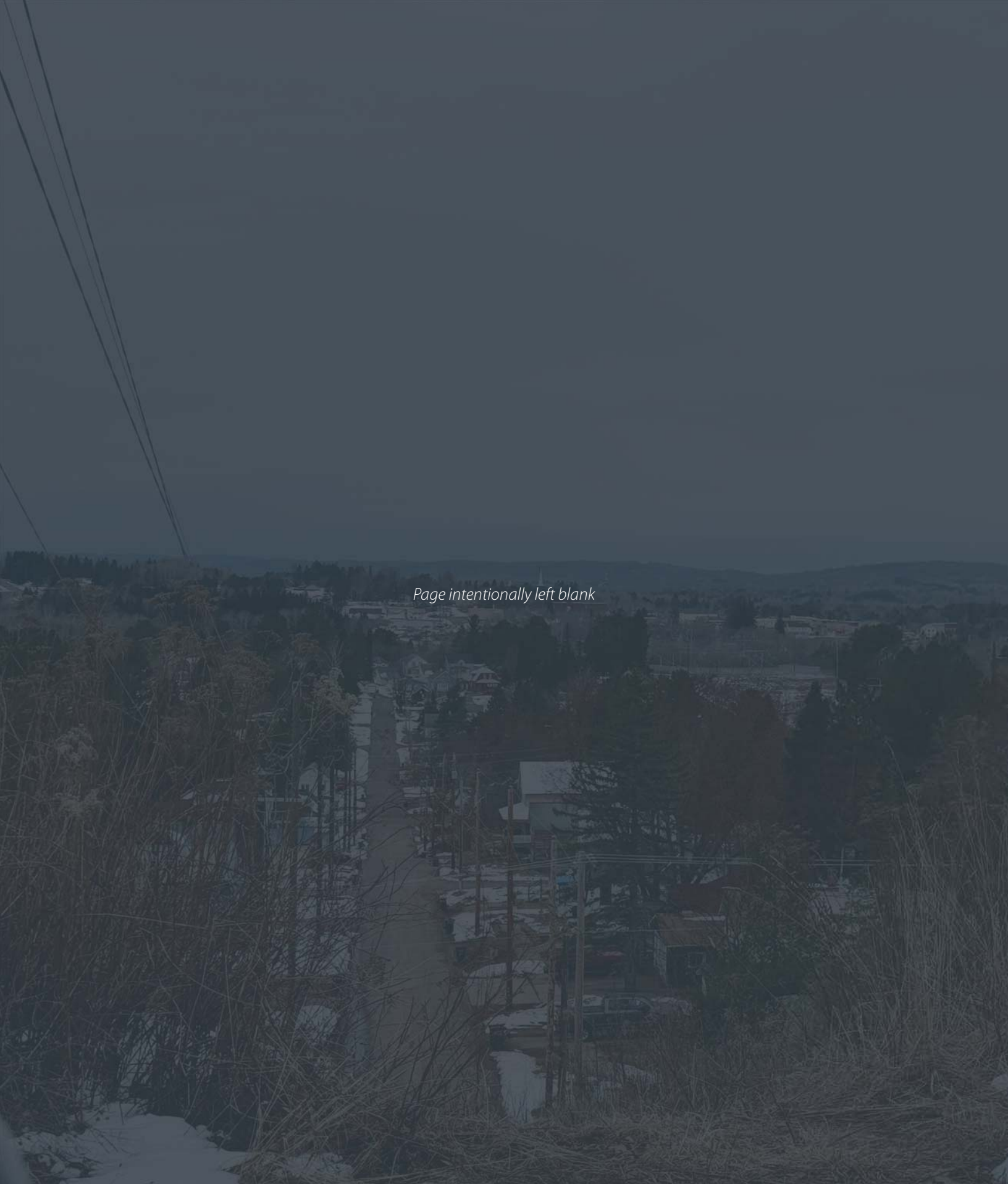
Census	Population	Households	Pop/HH	Ave HH	Housing Units	Units/HH
2010	5,387	2,520	2.14	2.09	3,175	1.26
2020	5,045	2,462	2.05	2.02	3,063	1.24

It also means that the housing stock may not be meeting the community's needs. Homes built for miners' families may be more house than a smaller household needs. While the homes here are not enormous, there are still very few options for one or two person households in Ironwood.

An Aging Population

The population is also aging. As the baby boom generation gets older, they are going to be looking for different things in their homes. Many own their homes outright. For owner occupied homes in Ironwood, 60% are owned without any type mortgage on them, with an average reported value of about \$70,000. That also means they have equity in their homes that can be put towards the purchase of a home that better meets their needs. More may be looking for single level living and minimal snow clearing. Some may even be considering multi-generational housing like accessory dwelling units.





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VISION AND DIRECTION

Based on the Existing Conditions and Needs Assessment, the following direction is provided as part of this plan. The action steps that follow are intended to help the City achieve the vision for housing in Ironwood.

Summary of Key Issues

The Vision and Direction are intended to address the key issues identified in the previous section:

- Aged Housing Stock
- Constrained (and shrinking) housing supply
- Challenges to building new housing
- Limited housing types
- Increasing demand
- Rising Housing Costs
- Pockets of unmet demand in specific housing types



Improve Local Development Capacity

Local Development Solutions

Ironwood recognizes that outside forces are not the likely solution to the City's housing crisis. In order to build momentum for new construction and reinvestment, it is going to take members of the community stepping up and creating change. Local people:

- » Care about creating a better Ironwood
- » Understand the unique market conditions and opportunities
- » Are able to take on the incremental, small scale projects that fit Ironwood
- » Have the community connections to draw on to get things done

The City should strengthen efforts to cultivate, grow, and strengthen the local development community.

Improved Regulatory Conditions

The City of Ironwood has already begun the process of streamlining and improving the regulatory requirements necessary for development, through the work done to become a "Redevelopment Ready Community." Even with the improvements, any zoning and development process is a complex regulatory task. When including the constraints of relying on the State and their limited staff in the western UP, it can become more challenging.

The City should continue working to reduce and clarify what the regulatory obligations are for developers who would like to do projects in Ironwood.



Improving Use of Existing Homes

Any solution to housing problems in Ironwood should start with the homes that are already in Ironwood. It will be difficult to build yourself out of the housing shortage, without adding other strategies in a multi-pronged approach.

Reinvestment in Current Stock

As noted in the Existing Conditions section, more than 2,100 of the 3,015 housing units are over 75 years old. Seventy-five years of Ironwood winters will age a house even more. Population and even total households may decline, but it is likely that this housing stock will shrink faster, putting additional pressure on the remaining homes. Ongoing investment in these homes will keep them at the core of Ironwood's housing mix.

The City should continue to promote and utilize programs that encourage residents to reinvest in their homes.

Vacant Homes

One in eight Ironwood homes is not consistently occupied. Some of these are seasonal homes, vacation homes, or currently for sale, but others are sitting vacant or abandoned. These homes can become magnets for trouble, decrease the value of not only vacant homes, but also surrounding properties, and reflect poorly on the community to visitors and residents alike. Some of these homes may be salvageable and can supplement Ironwood's housing supply.

The City should take an active role in monitoring and addressing vacant properties with property owners to either restore or remove homes that are no longer habitable.

Safety

In addition to the vacant homes discussed above, a number of occupied homes have not been kept up. Maintaining affordability should not be an excuse for deferring necessary maintenance to keep homes safe. No resident of Ironwood should be put in danger due to the condition of their home.

The City should build on existing code enforcement efforts, including the rental registration and inspection program to ensure all homes are being maintained in safe condition.

Short Term Rentals

Short term rentals are a double edged sword for the housing stock in Ironwood. They provide places for visitors to stay and discover the western UP, supporting tourism in the area. Owners also tend to put significant reinvestment into these properties, at a level that is not often matched for primary homes.

At the same time, houses that are being used for AirBnB or VRBO are often coming out of the housing stock. People visiting them may not have the same respect for their neighbors and if not managed properly can be a nuisance for nearby residents. While not a perfect substitute, they can also compete with hotels for tourists.

The City should continue to monitor the impacts of short term rentals on the housing stock.

At this point a short term rental licensing program may be more expensive to operate than benefit that would be realized, but the City should be inspecting all rental housing for compliance with the City Code and issuing a Certificate of Compliance.

Do We Have the Housing?

A lack of housing options is an ongoing concern. It can be helpful to think about the people in Ironwood that may be looking for something other than what exists today. Consider the:

- Widow who would like to downsize to single level living with a garage and an association to mow the lawn and clear snow
- Doctor being recruited by Aspirus looking for a large, newly built home in a nice neighborhood.
- Recently divorced father that wants an apartment nearby his kids for the next year until he figures out his next steps
- Business owner who doesn't have time to be constantly in DIY mode or chasing down contractors to fix problems
- The college grad moving back home and looking for a fun apartment
- The senior citizen who wants to stay in town by their family, friends, and church, but needs more support than living alone.
- The machinist & nurse couple that can now afford a nicer "move-up" house for their growing family.



Diverse Housing Stock

Ironwood has a very homogenous housing stock of older, mid-sized single family homes. While these homes have served Ironwood well, they are not for everyone. Part of having a healthy housing stock is a wide range of options.

Apartments

With limited supply, vacancy is very limited. A review of the apartment complexes in the City did not find any vacancy. There have not been apartments built since at least 2000, and likely much longer. The existing stock of apartments are mostly rent controlled or individual units built over commercial buildings or into single family homes.

Findings suggest that 40% of renters are spending more than 30% of their income on apartments. This suggests that there is a real need for affordable housing in Ironwood for renters. With subsidy programs, there are programs that will likely make it more feasible to do affordable housing rather than market rate. The market rate in Ironwood is consistent with affordable housing limits so this likely makes more sense.

A single 30 unit apartment building would represent a 1% change in the overall housing units in Ironwood, but it would mean a 15% increase in the number of Apartment complex units, and a 5% increase in the number of total rental units in the City.

The City should support apartment development, particularly affordable housing, to better support all residents and provide different options to existing and new residents.

Age in Ironwood

Ironwood has a rapidly aging population. A quarter of the population was over 65 at the 2020 Census, and that number is probably closer to one third today. These residents are closely tied to the community through family, volunteering, churches, and history. Ironwood's housing stock does not lend itself to aging in place. Wildwood Manor is the only identified senior facility and that is 24 units with no vacancy.

Thirty units of senior appropriate housing would represent a 1% change in the overall housing units in Ironwood, but it would mean more than a 2x increase in the number of dedicated senior housing units in the City.

The City should support Senior appropriate housing as it will allow more residents to age in Ironwood.

Move-Up Housing

In discussions with the community and employers, the lack of housing has been a major challenge for attracting and retaining talent, especially those who could afford and prefer nicer housing. That's not just very high earners like doctors and lawyers, but also managers, accountants, nurses, tech support, and a number of technical blue collar jobs. As people grow families and move up in their careers, they would like to have options for newer and lower maintenance homes.

Fifteen new homes half a percent change in the overall housing units in Ironwood, but it would mean more than a 2.5x increase in the number of homes built in the last 15 years.

The City should support the development of new, middle class homes to provide options for the community, and attract and retain families and workforce.



Filling In

Neighborhood Infill

The City has invested in an extensive network of sewer, streets, and other services. There are quite a few vacant lots of homes that have been demolished over the years. These lots are not contributing much to the tax rolls and not taking advantage of the adjacent services. Great neighborhoods have been cited as an asset for the City and filling them in will strengthen them further.

The City should work to get vacant, neighborhood lots developed. This could include pursuing a scattered site infill program to get new homes built on vacant lots and reviewing zoning, specifically setbacks, that may be making infill more challenging.

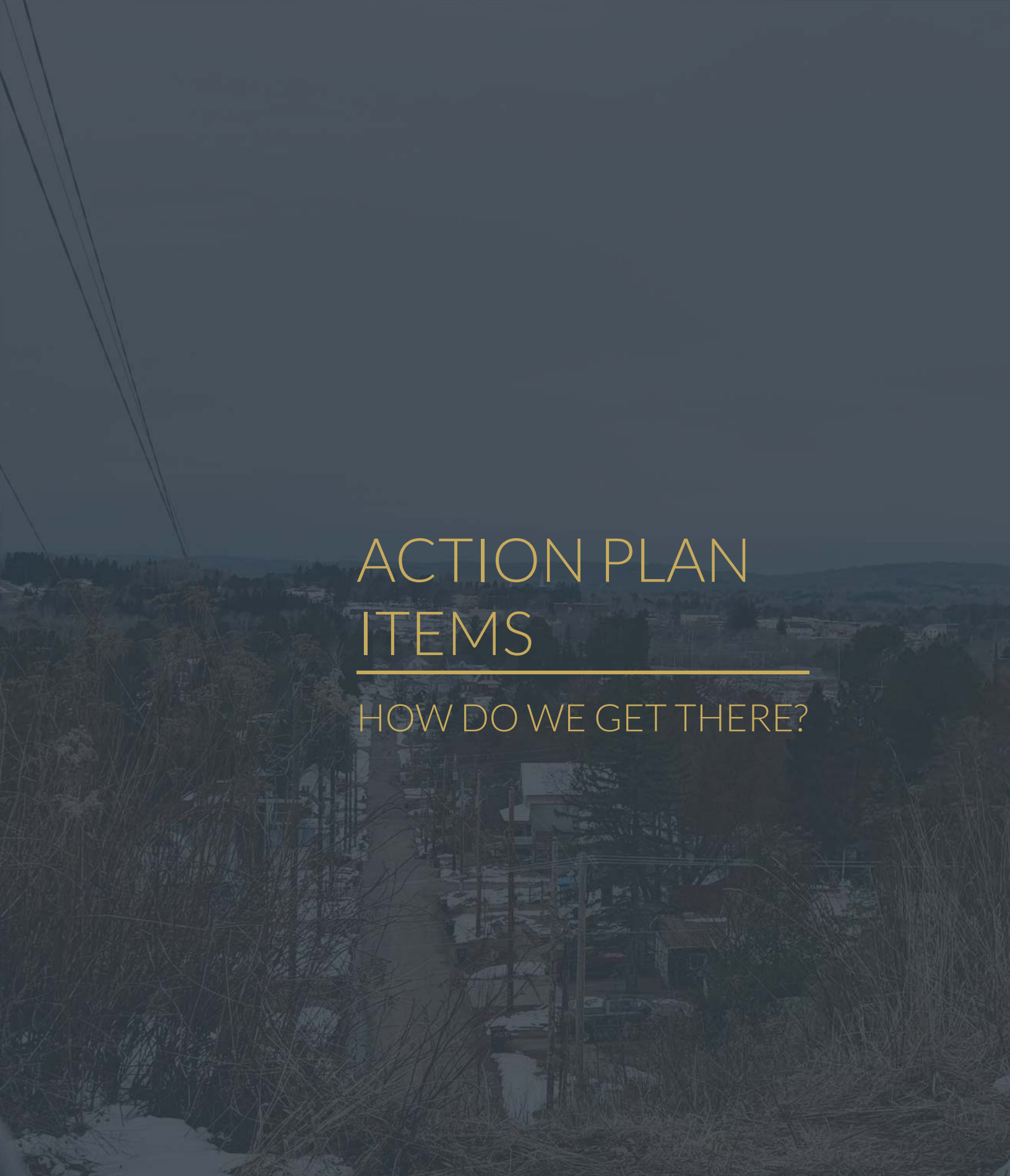
Downtown Living

Ironwood is able to offer a walkable downtown with great parks, trails, galleries, theater, shops, restaurants, a brewery. This is a marketable asset, and would certainly be a benefit to any apartment development in the area. Many of the buildings in downtown also have apartments on the second level. Reinvestment in these buildings would go a long way to preserving the character, charm, and history of Downtown Ironwood.

The City should support development of denser housing on vacant lots in the downtown area, as well as redevelopment and rehab downtown mixed use buildings with apartments on the upper floors.



Mixed use building example that could fit in Ironwood



ACTION PLAN ITEMS

HOW DO WE GET THERE?



Rehabilitate and Revitalize Downtown Properties

Objective: Encourage reinvestment in underutilized properties to support economic growth and mixed-use development.

Ironwood is able to offer a walkable downtown with great parks, trails, galleries, theater, shops, restaurants, a brewery. This is a marketable asset, and would certainly be a benefit to any apartment development in the area. Many of the buildings in downtown also have apartments on the second level. Reinvestment in these buildings would go a long way to preserving the character, charm, and history of Downtown Ironwood.

Key Strategies:

- » Promote rehabilitation of buildings for residential and commercial uses.
- » Identify redevelopment opportunities, such as the former Sleight School, and connect property owners to funding programs (e.g., MEDC's Community Revitalization Program).
- » Leverage incentive programs like Façade Improvement Grants, Brownfield Redevelopment incentives, and OPRA abatements.

Expand Housing Opportunities

Objective: Maximize available land and infrastructure to address housing shortages.

The City of Ironwood has a smaller population than it did during its heyday during the first half of the 20th Century. The City's roads, pipes, and other municipal infrastructure were designed to serve more households than they do today. Neighborhoods were platted and built out to accommodate more people than are currently in the community.

This presents an opportunity and desired outcome for the City. If Ironwood can encourage redevelopment on existing lots it can eliminate the need to build new infrastructure, while at the same time, spreading the costs of the existing systems out over a larger population and tax base.

This may mean incentivizing development in these locations or providing public assistance for barriers to redevelopment such as demolition or foundation removal.

Key Strategies:

- » Utilize vacant lots for infill housing that aligns with market needs. Consider a scaled version pilot program of the Jackson 100 Homes initiative.
- » Promote accessory dwelling units (ADUs) by streamlining permitting and providing homeowner guidance.
- » Work with the Gogebic County Land Bank to identify and market properties suitable for redevelopment.



Address the Impact of Short-Term Rentals

Objective: Balance economic benefits with long-term housing availability.

Short term rentals are a double edged sword for the housing stock in Ironwood. They provide places for visitors to stay and discover the western UP, supporting tourism in the area. Owners also tend to put significant reinvestment into these properties, at a level that is not often matched for primary homes.

At the same time, houses that are being used for AirBnB or VRBO are often coming out of the housing stock. People visiting them may not have the same respect for their neighbors and if not managed properly can be a nuisance for nearby residents. While not a perfect substitute, they can also compete with hotels for tourists.

Anecdotally, during this planning process, there were stories of AirBnB's being converted back into longer term rental housing. Landlords who were struggling with off-season vacancies and constant turns found longer term tenants. While the one-night fees might be less, the consistency of these tenants more than outweighed the cost difference.

Key Strategies:

- » Monitor short-term rental trends and their effect on housing stock.
- » Consider policies that encourage long-term rentals through tax incentives.
- » Apply successful renovation models from short-term rentals to long-term housing solutions.
- » Explore programs to convert short term rentals to longer term rentals
- » Connect local employers and short term rental landlords to offer longer term leases

Strengthen the Rental Market

Objective: Improve the quality and availability of rental housing.

The current rental market is incredibly tight in Ironwood. Larger apartment buildings have negligible or no available units. Employers and residents have both reported challenges when it comes to finding housing for rent. Even among renters, there is a decent contingent of residents that could afford nicer rental units, but they are not available. This means that people looking for cheaper housing may be getting out competed by those that can pay a little more.

There has not been a larger new apartment building built in Ironwood in at least 40+ years. Developers may want to utilize affordable housing tools like LIHTC to finance their projects, but from a cost perspective, these would be on par or higher than most of the available for rent housing stock today.

Key Strategies:

- » Partner with local housing commissions and nonprofits to increase affordable rental units.
- » Provide landlords with access to rehabilitation funding (e.g., MSHDA rental housing assistance programs).
- » Ensure rental prices reflect local demand while promoting quality developments.



Strengthen Local Development Capacity

Objective: Increase the number of local developers and contractors involved in housing projects.

Review of the community and the market study suggests there are opportunities to develop homes and be successful doing it in Ironwood. But it will likely take those who have local knowledge of the markets and a good feel for what will and won't work in the city.

Furthermore, local developers are more likely to be invested in the community for the long haul, know their neighbors, and develop the incremental, small scale projects that will be truly transformative for Ironwood.

Efforts should be made to encourage and teach local builders, designers, property owners, and others how to develop.

Key Strategies:

- » Support workforce development programs in collaboration with Gogebic Community College.
- » Establish ****Developer Roundtables**** to connect investors, landlords, and builders for peer mentorship.
- » Foster local investor networks through initiatives like LiveIronwood to encourage reinvestment.

Advance Public-Private Partnerships

Objective: Leverage employer engagement and community resources to support housing initiatives.

Housing and economic development go hand in hand. Many employers have reported issues finding suitable housing for potential employees. Growing the resident base is a good thing for employers, whether they will be employees or customers in the future. Employers have some resources to put toward housing, and there are programs that can heavily subsidize housing development that is done with a workforce focus.

Key Strategies:

- » Partner with major employers to create workforce housing programs.
- » Collaborate with CDFIs and philanthropic organizations to establish a revolving loan fund for housing rehabilitation.
- » Work with regional employers like Stormy Kromer and Ironwood Plastics to align housing supply with workforce needs.



Increase Awareness and Utilization of Financial Incentives

Objective: Ensure developers and investors understand and access available funding programs.

The City of Ironwood, the State of Michigan, and the Federal government all have programs that can improve the viability of a project in Ironwood. These are often changing and difficult to follow for anyone, but if a developer isn't dealing with them constantly, they are unlikely to even know they exist.

The City has the opportunity to be a clearing house and resident expert on these tools, to support developers when they come in to explore different projects.

Key Strategies:

- » Develop a ****Housing Development Financial Tools Guide**** outlining tax abatements, low-interest loans, and grant opportunities.
- » Host workshops and roundtables to educate local stakeholders on incentives like Michigan Community Capital's Build MI Community initiative.
- » Strengthen relationships with local lenders to encourage investment in small-scale projects.

Streamline Development Process and Permitting

Objective: Reduce barriers for developers and first-time homebuilders.

An ongoing challenge for any city is managing the permitting process. It is necessary to protect the safety and welfare of the community and to ensure that homes are up to standards. At the same time, questions about approvals and regulations increase timelines and risk for potential developers. Any efforts are positive that can be made to mitigate that risk while continuing to ensure the housing product in Ironwood is safe.

Key Strategies:

- » Implement a pre-approved building catalog with ready-to-use designs for small scale infill projects
- » Create a simplified development manual with clear zoning approvals, permitting process, and incentives
- » Provide a visual flowchart to make permitting and approval steps easier to navigate



ACTION PLAN TO-DO LIST

A plan for City Staff, Officials, and other stakeholders

The following list identifies different strategies and the associated action items to achieve them. Each action item has a general timeframe associated with it. These timeframes will be somewhat fluid as the capacity of City Staff, Officials, and other stakeholders shifts. The list is based on current resources, grant availability, and programs through the State and Federal government. These may need to be updated from time to time.

Most of the City Staff initiatives will be the responsibility of the Community Development office, sometimes in collaboration with other offices.

On a year-to-year basis, the City Commission, Economic Development Corporation, and Planning Commission will identify specific action items as staff priorities. Generally items identified as short term are 0-3 years, mid term is 3-6 years, and long term is 6+ years, subject to staff capacity and City prioritization.

City Staff Initiatives

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Reduce Barriers with Inspectors	Ensure building inspector is trained in rehabilitation code, Building inspector to identify common barriers experienced by developers, Improve access to electrical inspectors, Improve access to health department, Engage Fire Marshall in Redevelopment Goals	Ensure building inspector is trained in rehabilitation code	Mid Term	Collaborative code enforcement	Rehabilitate & Revitalize Properties
		Building inspector to identify common barriers experienced by developers	Short Term	Increased communication with across city staff departments	Streamline Development & Permitting
		Advocate to State for increases to electrical inspectors	Short Term	Reduce barriers to investment by streamlining processes	
		Advocate to State for improved access to health department forms and procedures.	Short Term		
		Engage Fire Marshall in Redevelopment Goals	Short Term		

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Identify Priorities for MI Neighborhood Program Funding	MSHDA program aligns directly with need for single-family rehabilitation	Complete MI Neighborhood LOI based on Priorities	Short Term	Create local funding opportunity to rehabilitation of single-family housing	Rehabilitate & Revitalize Properties
		Explore hosting an Americorps Volunteer through the Community Economic Development Association of Michigan or through the American Connection Corps in Community and Economic Development who can work with emerging developers and local investors on rehabilitation of existing housing	Mid Term	Increase local capacity to administer new funding and programmatic efforts	Strengthen Local Development Capacity
Scattered Site Infill Program	Development of a pilot program to encourage and incentivize infill development on vacant existing City lots	Ongoing coordination with MEDC and the City of Jackson	Short Term	Creation of an infill housing program on City services	Expand Housing Opportunities
		Verify existing vacancy mapping and identify other opportunity sites	Short Term		
		Develop pre-approved housing plans either through the MEDC/MML plans, the MiPlace.org plans, City of Jackson, City of Marquette, or other pre-approved plans.	Mid Term		
		Identify potential financiers for infill program	Mid Term		
		Create developer RFP to utilize City owned land	Mid Term		
		Develop incentive program sources to close financial gap (if any) for the development community	Mid Term		
		Shepard the development RFP proposals through the application and inspection process	Mid Term		
		Review pilot and develop strategy for continuing infill	Long Term		
Incentive Training	Participate in Incentive Trainings (MEDC, MSHDA, CEDAM, Rural Prosperity Office), Share Incentive Summaries and Mini-Trainings for City Officials	Familiarize City Council with key local incentives (OPRA, NEZ, PILOT, and TIF)	Short Term	An informed and proactive local government able to review and approve incentive requests as needed	Increase Awareness & Utilization of Financial Incentives
		Participate in Incentive Trainings (MEDC, MSHDA, CEDAM, Rural Prosperity Office)	Short Term		
Make very clear visual guide to City Fees & Permit Costs	Using the fee table, identify what fees would be typical for different types of redevelopment and development projects	Develop worksheets for 3-5 typical development projects: cosmetic remodel, gut rehab, ADU, new single family home, attached homes. These may be incorporated into the Developers Guidebook.	Short Term	Adding clarity to processes and forms	Streamline Development & Permitting

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Ensure all Planning Commissioners are Engaged in Trainings with Michigan Association of Planning	Michigan Association of Planning offers many resources	Review the zoning reform toolkit, pro-housing webinar series, and annual conference	Ongoing	An informed and proactive local government able to review and approve incentive requests as needed	Streamline Development & Permitting
Consider adoption of MML Pattern Book Homes to be allowable as of right in appropriate zoning districts.	Contact MML for a presentation and process for adoption of permit ready home catalog	Build an Online Experience that is Highly Visual and Clear - Link or offer resources directly in a One-Stop Shop Format	Short Term	Adding clarity to processes and forms	Streamline Development & Permitting
		Include Permits and Fees	Short Term		
		Include Allowable Deviations	Short Term		
Explore a Fire Suppression Grant Program to Incentivize Mixed-Use Rehabilitations			Long Term	Reduce barriers to rehabilitating existing buildings	Rehabilitate & Revitalize Properties
Vacant Home Inventory	In coordination with the police department and utility department, develop a list of Ironwood homes that are unoccupied	Develop an inventory of the vacant homes in Ironwood.	Ongoing	Reduce barriers to rehabilitating existing buildings	Rehabilitate & Revitalize Properties

Other Stakeholder Initiatives

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Employer Assisted Housing Opportunities	Employer-Assisted Housing Pilot program opportunities are available	Discuss opportunity with area employers and see if there is any interest in land donation, investment, direct financial support, low interest loans, or downpayment assistance	Short Term	Potential for financial assistance by employers for workforce housing	Advance Public-Private Partnerships
Explore Developer Roundtables to facilitate peer-to-peer networking among local investors	Local landlords and developers often benefit from collaboration	Regularly held open agenda meetings for local investors and developers to form a collective where they can leverage the purchasing power and information of each of their small entities can help them gain strength in a difficult marketplace. Cadance can be quarterly unless a more frequent desire is demonstrated	Mid Term	Local coalition building of developers, investors, builders, and landlords to share information, collaborate, streamline inspections and timelines for mutually beneficial goals.	Strengthen Local Development Capacity

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Facilitate alignment among stakeholders all along the real estate pipeline	Communication and collaboration of housing market needs and opportunities	Participation in realtor, builders, lending, and inform groups of market demands and opportunities	Mid Term	Inform, collaborate, and strengthen robust local real estate pipeline	Address the Impact of Short-Term Rentals
Civic/Grassroots Events and Opportunities for Welcoming	Strong local events increase resident engagement	Support local festivals and events.	Ongoing	Networking, neighboring, and encouraging legacy residents to embrace new residents	Advance Public-Private Partnerships
Enhance local capacity for builders and developers to navigate opportunities more effectively	Participate in area association meetings	Attend local homebuilders association meetings and any other groups that can identify barriers, solutions, and actions to increase local capacity	Mid Term	Increase investment in opportunity sites	Strengthen Local Development Capacity
Increase or Reactivate Building Trade Program Collaboration with Gogebic Community College and Luther L. Wright High School	Increased need for local trades and leveraging financial resources through collaborative construction measures	Explore opportunities to reignite this program in collaboration with MI Neighborhood rehabilitation program funding opportunity	Mid Term	Increase skilled trade program talent pipeline and offer hands-on learning opportunities	Advance Public-Private Partnerships
Collaboration with Region A Action Plan in calling out Growth Area in City of Ironwood	Represent and articulate Ironwood's Housing Needs to the Region A Group so resources and needs can be more easily achieved	Participation in the Region A Housing Strategy group by one City representative.	Short Term	Inform on local needs for Ironwood to the Region	Expand Housing Opportunities
		Participation in Region A Housing Strategy annual events by electeds, staff, and area stakeholders	Mid Term		

City Commission and Planning Commission Initiatives

Strategy	Description	Action Items	Timing	Objective	Strategic Focus
Incentive Trainings to stay current on programs, policies, procedures, and regulations	Funding programs update often and require consistent training to stay updated	Attend conferences, webinars, and training opportunities for incentives when possible	Ongoing	An informed and proactive local government able to review and approve incentive requests as needed	Strengthen Local Development Capacity
		Consider what mechanisms behind funding incentives can be implemented in projects to well-align with strategic goals	Short Term	An informed and proactive local government able to review and approve incentive requests as needed	Increase Awareness & Utilization of Financial Incentives
Strengthen relationships with Major Employers	Strong communication and relationship building with area employers and their housing needs	Identify any opportunities and needs for housing and infrastructure to support economic development	Ongoing	Deeper understanding of employer's workforce needs and how their growth targets align with housing market capacity	Strengthen the Rental market
Review housing reports and data annually to understand market needs	Ensure policies and activities are in line with overall housing strategy	Review local data, number of permits issued, types of permits, variances needed	Annually - Ongoing	Deeper understanding of market needs and capacity	Streamline Development & Permitting

An aerial photograph of a town, likely in a mountainous region. In the foreground, a large brick church with two tall, pointed spires is visible. To its right is a large, modern-looking building with a flat roof. The town is surrounded by dense green forests, and in the far background, rolling hills or mountains are visible under a clear sky. The text 'DEVELOPERS GUIDEBOOK' is centered in the middle of the image, with a horizontal line underneath it. Below this, the text 'YOU CAN BUILD IT!' is also centered.

DEVELOPERS GUIDEBOOK

YOU CAN BUILD IT!



DEVELOPERS GUIDEBOOK

Why Develop in Ironwood?

Ironwood, Michigan represents a great opportunity for development. Situated just south of Lake Superior, at the foot of multiple ski resorts, trails, and other natural attractions, Ironwood is a dream for outdoor enthusiasts. Pair that with a vibrant downtown, strong employers, and a growing middle class, and it is no surprise that the demand for housing has pushed prices up. The market strengthened over the last five years and opportunities to develop successful projects have emerged.

The City is eager to help bring your project to life! City Staff is well versed in the incentive programs that can support your project and close financial gaps. There are available lots and pre-approved housing plans to help speed up your process and reduce time, cost, and risk. It is the City's goal to increase the number of local developers and contractors involved in building here and we want you to be a part of it!

Getting Started

Real estate development in Ironwood presents a unique opportunity to restore older homes, provide much-needed housing, and contribute to the community's growth. With a housing inventory where the median home is 90 years old and only 2% of homes built since 2000, the demand for rehabilitation and new housing is significant. However, successful development requires careful planning, financial preparedness, and an understanding of local market conditions.

Before starting a project, consider your motivation. Are you interested in revitalizing historic homes, improving housing options for local workers, or investing for long-term financial returns? Having a clear goal will help guide your decision-making. Financial readiness is also essential, as development involves both expected and unexpected costs. Consider who will buy or rent your project. The median household income in Ironwood is lower, so affordability is a key consideration in planning any project. There are also many households that want and could afford more expensive homes, if that housing stock existed in the city. Developers should assess the financial feasibility of their project, explore funding sources, and have a plan for unexpected expenses.

Understanding the local market is crucial. Ironwood has a housing shortage at price points above \$100,000, with 88% of homes valued below this threshold. At the same time, there is an excess of homes priced under \$100,000 that are in need of renovation. Annual growth has been 20-30 households per year. That trend is expected to continue and will provide strong demand for quality housing, particularly for young professionals and families. Developers should align their projects with these needs, ensuring they provide housing options that fit within local income levels while also improving the city's aging housing stock.

Understanding the Development Process

For any real estate project—large or small—it's essential to understand the overall development process. Every successful project begins with identifying the right product for the right market. Ironwood's housing shortage presents opportunities for new homes that are priced appropriately, offer modern amenities, and respect the character of existing neighborhoods.

Developers should start by identifying their target market—is it young professionals looking for small, efficient homes near downtown? Is it seniors looking to downsize into accessible living? Is it families in need of workforce-priced housing? Once the market is clear, the next step is to decide what to develop. Projects responding to clear gaps in the market tend to perform best.

DRAFT

Development Process

For new developers, starting with small projects—such as rehabilitating single-family homes—can provide valuable experience while minimizing financial risk. Given that Ironwood’s housing inventory is dominated by older homes, focusing on projects that modernize existing structures while preserving their historic character can create strong market demand. Working with experienced contractors, architects, and real estate professionals can help ensure that projects meet local needs and regulatory requirements.

Stages of the Development Process

1. Feasibility & Acquisition

At this stage, the developer analyzes the site, market conditions, local demand, and project costs to determine if the project “pencils out.” This includes checking zoning, evaluating existing structures, and making offers on land or property.

2. Design

This is where the project vision takes shape—floor plans, building elevations, accessibility features, and overall site layout are drafted. The design process balances creativity with cost-efficiency and building code compliance.

3. Financing

Developers finalize the capital stack—personal equity, bank loans, investor capital, and potential incentive programs (like TIF or OPRA). A solid pro forma and lender-ready documentation are essential here.

4. Construction

Once financing is secured, construction begins. This includes hiring contractors, managing site work, scheduling inspections, and ensuring the project stays on budget and timeline. In rehab projects, critical systems—electrical, plumbing, HVAC, and the building envelope (roof, siding, insulation)—must be prioritized to bring homes up to code.

5. Marketing & Leasing (or Sales)

As the project nears completion, developers launch marketing efforts to attract renters or buyers. The story behind the project—why it was developed and for whom—is often key in Ironwood’s community-minded market.

6. Operations & Management

For rental projects, this stage includes leasing, maintenance, and property management. For for-sale projects, this is about warranty, customer care, and transitioning to homeowner occupancy.

Navigating City Requirements

Navigating city requirements is an essential step in any development project. Ironwood has a zoning framework that allows for a mix of single-family and multi-family housing, and developers should familiarize themselves with permitting processes and guidelines. Meeting with city officials early in the planning process can help clarify expectations and streamline approvals. The city's interest in revitalization means that well-planned projects that enhance the housing stock are often welcomed and supported. It is wise to meet with Community Development staff **BEFORE** you are going through your application process. They can guide you on the regulatory requirements, flag potential issues, and are also familiar with various incentive programs that may be available to you and your project.

Zoning

The City's zoning code outlines what is permitted on any given piece of property in Ironwood. The code can be found online at the City's website, and a preliminary look at the zoning map will give you an idea of what is permitted on your parcel. The code does include a number of different considerations from allowable uses to site design and layout, and it can be helpful to meet with Ironwood's Community Development staff to understand the intricacies of the zoning code, as well as the steps you will follow to get your project permitted. Even if your project does not align perfectly with the zoning code, it may still be allowed. Staff can walk you through options if you are proposing something different than what is zoned.



If your project meets certain thresholds, it may need to go through a public hearing process. Nearby residents will be notified of the project and given the opportunity to comment on the proposal. This process will take longer than an administrative approval.

Building Code

Your architect should be familiar with the building code requirements, but if your project is a rehabilitation of an existing building, it is a great idea to meet with the City's building inspector to walk the building. They will help you get an understanding of where it may be deficient from a building code standard and what you will be required to address.

Other Regulatory Considerations

The City has a number of other development related ordinances and plans. City staff can help you understand if these will affect your project. Depending on the project, there may be other regulatory requirements beyond the City. Examples of things that can require additional permitting include floodplains, wetlands, contamination, or historic designation. These are usually on larger or more complex projects, and getting through state or federal permitting will extend the timeline significantly.

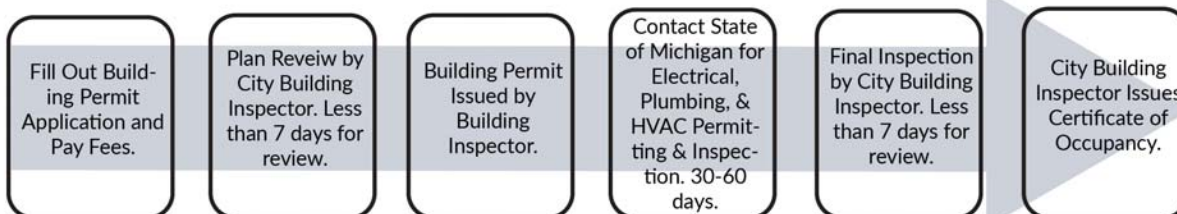
Fees

Pre-conceptual meetings with the City will not incur a fee, but when you begin submitting applications, there are fees in place to help the City recoup the costs of staff time and materials. This extends through the construction process for items like inspections and utilizing City utility services. The City has a fee schedule on the website, and staff can help you identify which fees may apply to your project. It is important to include these fees in your financial planning so they are not a surprise cost to your project.

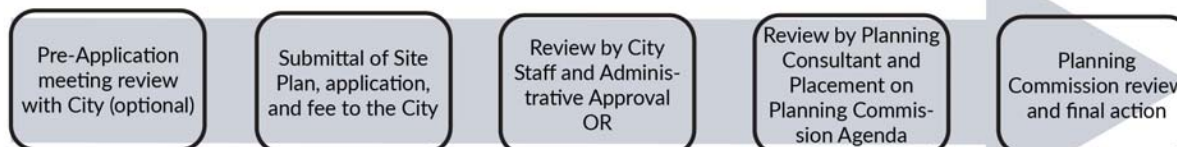
Timing

Staff review, public hearings, and approvals all take time. It is not uncommon for these processes to take 2-4 months or more. Pay special attention to when submissions are due in order to give staff time to review them and include them in Planning Commission and City Commission packets ahead of meetings. The best approach is to set the time you would like to be finalizing approvals and then work backwards through the various due dates, knowing you may need time to develop plans and adjust them based on feedback. For more complex projects, you may need to budget time for another round of reviews before you get approvals.

Permitted Use Development.....TIMELINE DEPENDENT ON STATE REVIEW



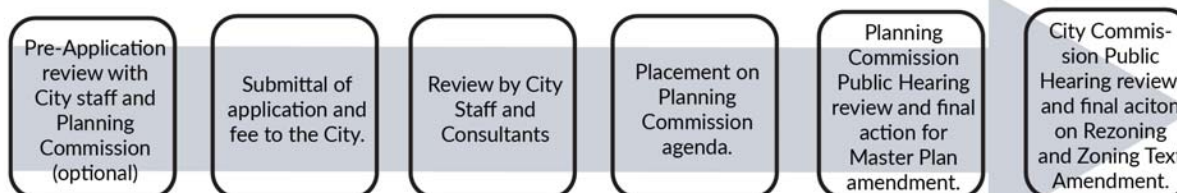
Site Plan Review.....APPROXIMATELY 45-60 DAYS



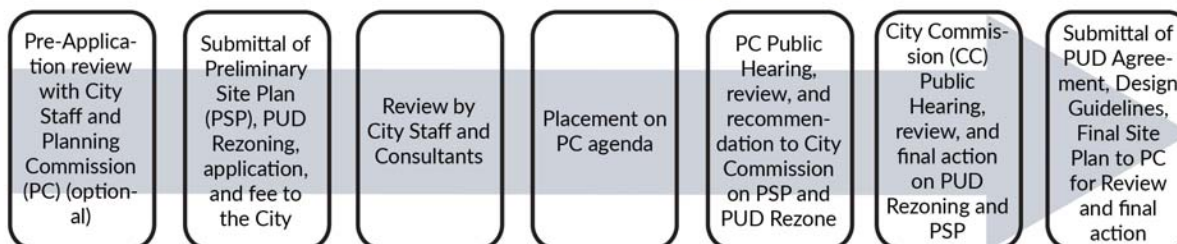
Special Land Use.....APPROXIMATELY 45-60 DAYS



Rezoning, Zoning Text Amendment, and Map Amendment.....APPROXIMATELY 60-70 DAYS



Planned Unit Development (PUD).....APPROXIMATELY 60-70 DAYS



Public Participation

As a developer, you may want to consider reaching out to the surrounding residents to gather feedback on your project if you think there may be neighborhood concerns. This will give you an understanding of neighbors' concerns and the opportunity to address them prior to a public hearing.

Assembling Financing

Each development project operates as its own business, requiring a well-structured financing plan to succeed. Developers must determine where their initial capital will come from, the most appropriate type of financing for the project, and whether to involve investors. Successful real estate financing relies on a combination of strategic planning, a strong financial foundation, and the ability to present a viable project to lenders or investors.

What Can You Bring to the Table?

In order to do a development project, you will need to bring some of your own resources to the project. This is often referred to as “skin in the game” and helps other investors and lenders know you are serious about making the project happen. Often, this takes the form of cash that you bring to a project, similar to a down payment in a traditional mortgage.

You may also have other assets to leverage. If you own land already, you may be able to use the value of the land going into the project as your contribution to the financial package. You may also be able to contribute your own labor (sweat equity), project management, or design skills as part of the value of the project.

Bank Loans

A key component of financing a project is securing a bank loan, which provides the primary funding for property acquisition, construction, or renovation. Banks evaluate loan applications based on the developer’s financial standing, project feasibility, and risk factors. Understanding how to approach a bank, prepare necessary documentation, and present a compelling case will significantly improve your chances of loan approval.

Before approaching a bank, developers should ensure they have a legally registered business entity (LLC, partnership, or corporation). A strong personal and business credit history is crucial, as lenders assess your ability to manage debt and repay loans. If your business is new, the bank may also evaluate your personal credit score.

Lenders want to see a well-thought-out business plan that outlines the project’s scope, objectives, and financial viability.

Different projects require different types of loans. Some common financing options may include acquisition loans, construction loans, bridge loans, permanent loans, small business administration loans and other government-backed loan options. Preliminary conversation about the investment and project goals with area lenders can help identify the best funding sources. Knowing what local lenders can offer and what their investment priorities are is very helpful to developers. When project opportunities appear, they will know which lending agent to contact first.

Once a lender is interested in a project they will request required documents for their underwriters and leadership. Be prepared to provide:

- » Business and personal tax returns (last 2-3 years)
- » Personal and business bank statements
- » Credit reports
- » A detailed proforma with cost breakdowns
- » Property appraisals and feasibility studies
- » Construction budgets and contractor bids
- » Lease agreements (if applicable)
- » Title reports and site surveys

Development Plan Bank Package

A well prepared package of information the bank will want to see readily available will help present your case for financing in a compelling way. It shows the bank you have thought through and organized the potential project. It should include:

- Project Overview:** A description of the development, including property location, size, and intended use
- Market Analysis:** Data on local demand, rental rates, sales trends, and comparable properties
- Financial Projections:** Estimated development costs, revenue projections, and expected return on investment (ROI)
- Exit Strategy:** Whether you plan to sell or hold the property long-term
- Project Timeline:** Estimated completion and leasing/sales phases

Developers should engage privately with several banks to compare loan terms, interest rates, and repayment structures. Local banks and credit unions offer more flexibility for community-focused projects, while larger institutions provide higher loan amounts. Consider working with lenders who specialize in real estate development.

Most real estate loans require collateral, such as the property itself, personal assets, or additional guarantees from investors. Be prepared to offer sufficient security for the loan. Understand your loan terms in order to secure the most favorable financing for your project. Knowing whether the interest rate is fixed or variable. The loan-to-value (LTV) ratio determines how much of the project costs the bank will finance. A repayment schedule will include any potential interest-only periods or deferred payments during construction. Prepayment penalties and additional fees are of additional importance for financial planning.

With home values increasing by 8.1% over the past year and demand for new housing growing, developers should explore both traditional financing, such as bank loans and private investments, and public incentives designed to support revitalization efforts.

Incentive Programs

Sometimes funding a development project requires exploring multiple financing sources. In Ironwood, developers can benefit from local, state, and federal incentives. Programs such as Tax Increment Financing (TIF) and the Obsolete Property Rehabilitation Act (OPRA) offer financial relief for renovation projects. At the state level, the Michigan State Housing Development Authority (MSHDA) provides grants and low-interest loans for housing development. Federal options, including FHA 203(k) rehab loans, Low-Income Housing Tax Credits (LIHTC), and USDA housing incentives, can also support development efforts. All of these local, state and federal programs that may fill the gap between the cost and value of a project benefit from or require the information in your Development Bank Package.

These programs can be vital for helping you secure financing and making a project viable. They also have their own goals they are trying to achieve, and may have restrictions, requirements, or additional reporting that can increase costs or your time. Be open to using these tools, but make sure you know what they require so you aren't left with surprises at the end of your project.

City staff can help connect you with the right state and federal resources if you want to pursue these funding options.

Other Sources

It may be the case that you do not have enough money at this point to pay for a project, but you still want to pursue the project. If you are going to seek outside investors, even friends and family, it is worth hiring a lawyer who understands how to put together partnership agreements for real estate.

Who gets paid back first?

The order in which participants get paid back is known as a "capital stack." Deals can be structured in different ways, but typically the bank loan and interest will be paid back first. Next comes anyone else who has invested in your project, plus the additional returns on their investment. If there is money after that (hopefully there is, including a nice profit!), you get those funds. Discussion about selling or keeping your property are discussed further later in this guidebook.

Finding & Securing Your Site

Choosing the right property is a critical step in any development project. In Ironwood—where over 80% of the housing stock is made up of aging single-family homes—developers have a unique opportunity to revitalize existing structures or build infill housing that meets modern standards. The city’s downtown and adjacent neighborhoods are seeing increased real estate activity, with homes currently selling at an average price of \$108,860 and an average size of 1,315 square feet. This growing momentum signals opportunity for well-positioned, thoughtfully upgraded housing.

When searching for the right site, it’s important to begin with a clear vision of your budget, product type, and development goals. Working with a local real estate agent who understands the Ironwood market can be one of the most valuable partnerships a developer makes. Realtors often have early access to listings, off-market opportunities, or distressed properties that are ideal for renovation or redevelopment. Be sure to:

- » Clearly communicate what you’re looking for: single-family homes for renovation, small multi-unit properties, vacant lots, etc.
- » Share your purchase budget and any pre-approval letters from lenders to ensure your realtor understands your financial parameters.
- » Ask about current deal timelines in the local market—how long properties are staying on the market, how quickly offers are being accepted, and what contingencies are typical.
- » Request insight into comparable property values and market rents, particularly if you plan to hold the property as a rental.

Once you’ve identified a potential property, it’s important to conduct proper due diligence before finalizing your purchase. This includes:

- » Ordering a professional home inspection to assess the condition of the structure and key systems (electrical, plumbing, HVAC, roof, foundation, insulation, windows).
- » Walking the lot to evaluate site conditions, drainage, access, and visibility.
- » Checking zoning regulations to confirm your intended use is permitted and to identify any restrictions or special approvals needed.
- » Reviewing utility access—confirm that water, sewer, electricity, and broadband are available or can be extended affordably.
- » Investigating environmental concerns, particularly if the site was previously used for industrial or commercial purposes.

It’s strongly recommended that developers make their purchase agreements contingent upon inspection, using language that allows the buyer to withdraw from the deal at their sole satisfaction. This gives you a critical off-ramp if major problems are uncovered during inspection and protects your upfront capital.

Given the city’s need for homes priced above \$100,000—and the limited inventory in that segment—sites that can be improved and positioned to fill that market gap are particularly promising. Focus on locations that are walkable to downtown, schools, parks, or recreation trails, and that will appeal to first-time buyers, retirees, or remote workers relocating to the region.

A strong start begins with a smart site. When developers combine local knowledge, professional support, and careful due diligence, they greatly improve their odds of a successful and profitable project.

Designing Your Project

Designing a successful project in Ironwood means balancing affordability with quality. With the city's median home value at \$67,700, keeping costs manageable while delivering well-designed housing is essential. Renovation projects should focus on preserving historic charm while modernizing interiors to meet current market expectations.

Developers should prioritize energy efficiency, functional layouts, and durable materials. Creating flexible spaces that accommodate multi-generational living, aging in place, and remote work can make properties more attractive to a diverse range of buyers and renters. In a market where single-family homes make up over 80% of the housing inventory, designing homes with two to three bedrooms and updated amenities will meet the greatest demand.

Designing a successful housing project in Ironwood means aligning the vision of your development with the needs of the local community—balancing affordability with durability, beauty with functionality. While sensitivity is real, it doesn't mean cutting corners. It means being smart, efficient, and intentional.

Preserve What's Beautiful, Modernize What's Needed

For renovation projects, developers should aim to preserve architectural details—like original woodwork, window trim, porches, and facades—while investing in meaningful interior updates that meet modern expectations.

Focus on:

- » Energy efficiency (insulation upgrades, high-efficiency HVAC, LED lighting, and energy-star-rated windows and appliances),
- » Improved layouts that open up spaces and add storage, and
- » Modern kitchens and bathrooms, which are among the top decision factors for buyers and renters.

Flexible design is key—spaces should be adaptable to multi-generational living, aging in place, and remote work, all of which are rising priorities for today's households. That could mean adding a half bath on the main floor, incorporating a flex room that could serve as a home office or guest room, or ensuring wide hallways and no-step entries for older adults.

Incorporating Permit-Ready Housing Plans

For developers constructing new homes, Michigan's Permit-Ready Housing Plans provide a smart starting point. These pre-designed, code-compliant architectural plans help developers build homes that are both cost-effective and shovel-ready, reducing the time and expense typically associated with design and permitting.

These plans are designed to:

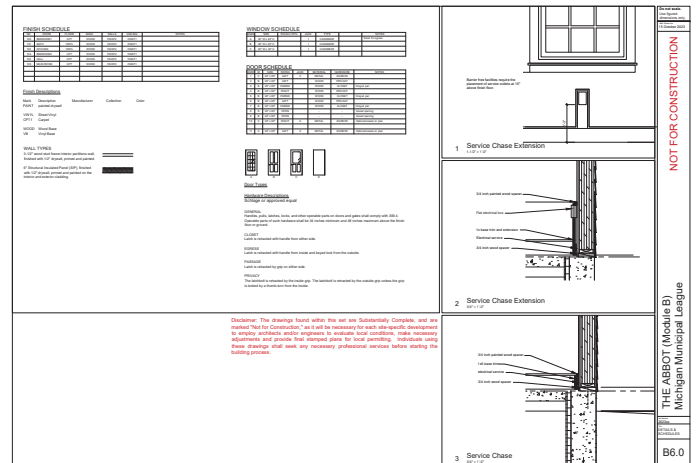
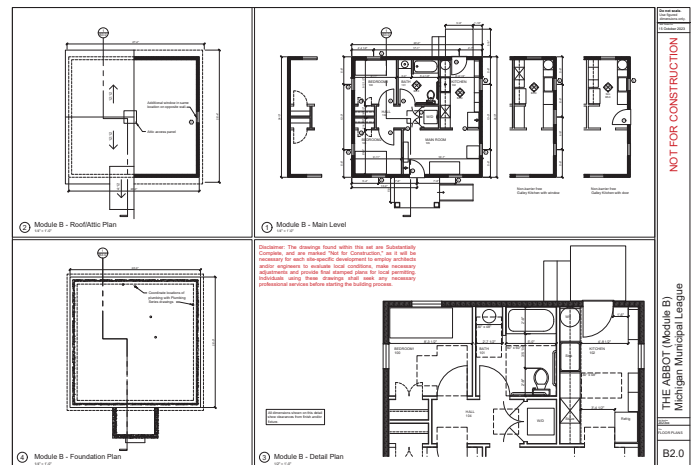
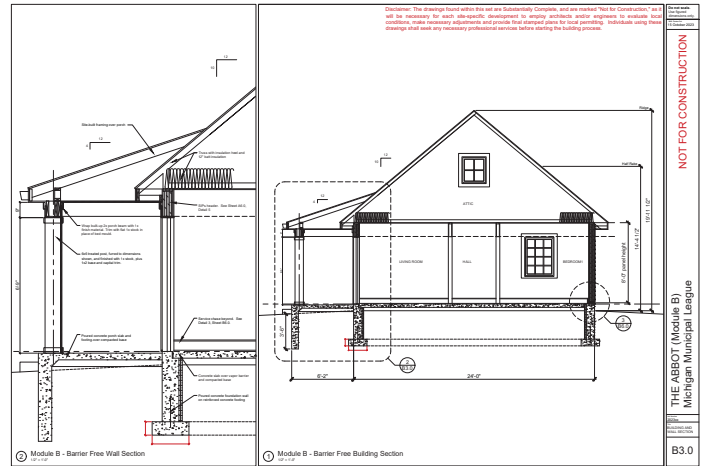
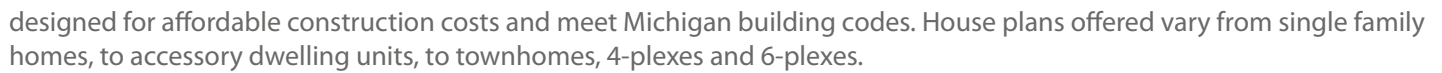
- » Be flexible in lot orientation and fit a range of lot sizes, including narrow or infill parcels,
- » Offer attractive curb appeal with minimal construction complexity,
- » Use standard, widely available materials to control cost,
- » Include energy-efficient layouts that align with affordability goals, and
- » Satisfy Michigan Residential Code (2015), making them easier to adapt locally.

Some of the available plan types include:

- » Two-story family homes ideal for smaller lots and efficient building footprints,
- » Single-story ranches designed for accessibility and senior living,
- » Accessory Dwelling Units (ADUs) which could complement an existing home on the same lot and support multi-generational living or rental income,
- » Cottage-style homes that pair well with a cottage court or pocket neighborhood concept.

Ironwood developers can download and use these plans at no cost from MiPlace.org's Permit Ready Housing Plans page, adapting them to local zoning and site conditions with the help of a licensed architect or builder.

These are examples of the types of plans available for free through the MEDC and MML websites. These homes have been



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Design Principles for Success in Ironwood

To meet both affordability and appeal, developers should prioritize:

- » Durable materials like engineered wood or fiber cement siding, LVP flooring, and solid-surface countertops.
- » Low-maintenance exteriors that can withstand Ironwood's weather without frequent repair.
- » Simple, well-proportioned designs that are timeless rather than trendy.
- » Porches and entryways that create a sense of arrival and enhance the walkability and sociability of neighborhoods.

Even with modest budgets, thoughtful design creates homes that people are proud to live in—and which strengthen the fabric of Ironwood's neighborhoods.

Design Strategies Checklist: Building Better Homes in Ironwood

Core Design Priorities

Preserve Historic Character (if renovating)

Retain exterior architectural details like wood trim, porches, or original siding where feasible.

Improve Energy Efficiency

Add or upgrade insulation, install energy-efficient windows and doors, and use Energy Star appliances.

Prioritize Building Envelope

Repair or replace roof, siding, windows, and foundation as first priorities to prevent future issues.

Use Durable, Low-Maintenance Materials

Select finishes like LVP flooring, fiber cement siding, and solid-surface counters for longevity.

Layout & Floor Plan Functionality

Flexible Room Uses

Include at least one flex space that could function as a bedroom, office, or guest room.

Aging in Place Features

Offer no-step entries, wide doorways, main-level bedroom and full bath where possible.

Storage & Closet Space

Include coat closets, bedroom closets, pantry space, and dedicated laundry area.

Open-Concept Living

Design living, kitchen, and dining spaces to feel open and connected without unnecessary walls.

Modern Livability

Dedicated Space for Remote Work

Ensure there is a quiet nook or room with good lighting and outlets for remote work or study.

Efficient Kitchen & Bath Layouts

Galley or L-shaped kitchens with storage, durable countertops, and a dishwasher. Bath upgrades = major ROI.

Natural Light & Ventilation

Design for cross-ventilation and maximize daylight with well-placed windows and glass doors.

Site & Exterior Features

Front Porch or Entry Feature

Even a small covered entry adds charm and connects the home to the neighborhood.

Parking Plan

Include off-street parking that doesn't dominate the front yard—use alleys or side-driveways when possible.

Outdoor Living Space

Provide a patio, yard, or shared green space for tenants or homeowners to enjoy.

Landscape for Curb Appeal

Simple native plants, walkway lighting, and a clear path to the front door go a long way.

Use Permit-Ready Plans When Possible

Select from Michigan's Permit-Ready Housing Plans

Plans can be found with the Michigan Economic Development Corporation and Michigan Municipal League. Confirm with a local architect or builder to adapt the plan to your site. Ensure design meets Ironwood's zoning and building code requirements

Getting it Constructed

Construction management is crucial to keeping projects on time, within budget, and aligned with regulatory standards. In Ironwood, where housing rehabilitation presents a significant opportunity, developers should prioritize working with experienced contractors who understand local building codes, permitting requirements, and the specific challenges of renovating older homes. Ensuring that homes are structurally sound and meet modern safety standards should be the first step in any renovation.

A comprehensive home inspection is essential before beginning any rehabilitation project. Given that the median home in Ironwood is 90 years old, many properties have endured decades of disinvestment or deferred maintenance. Before allocating funds toward cosmetic improvements, developers should conduct thorough inspections of the following core systems:

- 1. Structural Integrity** – Foundations, load-bearing walls, and framing should be assessed for stability. Issues like cracked foundations or sagging floors can lead to major safety concerns and expensive repairs.
- 2. Electrical Systems** – Older homes often have outdated or unsafe wiring, posing fire hazards. Ensure electrical panels, wiring, and outlets meet current safety codes and can handle modern energy loads.
- 3. HVAC (Heating, Ventilation, and Air Conditioning)** – Heating systems must be efficient and safe, especially in Ironwood's cold climate. Many older homes lack central air or have inefficient heating units. Ensuring proper ventilation can also prevent moisture buildup and mold issues.
- 4. Plumbing** – Many aging homes have old, corroded pipes that can cause leaks and water damage. Inspecting water lines, sewer connections, and drainage systems is crucial to avoiding costly surprises.
- 5. Building Envelope (Roof, Siding, Windows, & Insulation)** – A home's exterior must be weather-tight to protect against the elements. Old roofs may leak, causing water damage and mold. Siding should be inspected for rot or deterioration, and windows and doors should be energy-efficient to reduce heating costs. Proper insulation is necessary to improve efficiency and lower utility expenses.

These essential upgrades should be the first priority in the project's budgeting process. Once a property meets structural and safety standards, additional allocations can be made toward interior enhancements that will have the most impact on a future buyer or tenant.

- **Kitchen & Bath Upgrades** – These are the most valuable improvements for potential homeowners and renters. Modernizing layouts, upgrading fixtures, and installing new countertops and cabinetry significantly improve livability and marketability.
- **Closet & Storage Enhancements** – Older homes often lack sufficient storage. Adding built-in shelving, closet organizers, or expanding storage space can make a home much more appealing.
- **Aesthetic & Functional Improvements** – Flooring, lighting, and fresh paint contribute to the overall feel of a home but should only be prioritized after essential repairs are completed.

Developers should ensure they obtain the necessary permits and schedule inspections at critical points throughout the renovation process. Managing labor costs, securing quality materials, and maintaining clear communication with contractors will help prevent delays. Given that Ironwood has seen an increase in new home construction, securing skilled labor early in the process is particularly important.

By following a code-first approach, developers can ensure that rehabilitated homes not only look appealing but also provide safe, long-lasting, and energy-efficient housing for Ironwood's growing population.

Selling or Holding/Managing

Once construction is complete, developers need to decide whether to sell the property or retain it as a rental investment. Ironwood has an increasing number of households, and the demand for quality housing is expected to continue growing. Selling homes at price points above \$100,000, where inventory is limited, can be a profitable strategy. Working with real estate professionals to stage and market properties effectively will help attract buyers.

To maximize the value of your sale:

- » Work with a local realtor who understands current buyer trends and can help you price the property strategically.
- » Stage the home professionally or with simple furnishings to highlight space, function, and comfort—particularly in small footprint homes.
- » Highlight upgrades such as energy-efficient systems, new roofs, updated kitchens and baths, or features that support aging in place.
- » Market the home well, using high-quality photography and storytelling that communicates your investment in the home and the surrounding neighborhood.

Holding & Managing as a Rental Investment

Ironwood's rental market is limited, with most available units in older homes or subsidized properties. Market-rate rental options that are well-maintained, energy-efficient, and thoughtfully designed are rare—especially for professionals, small families, and retirees who want to stay in the community but don't want the responsibility of homeownership.

Retaining your property as a rental can be a powerful strategy to build long-term income and equity, particularly in a rising housing market.

Key factors for success include:

- » **Tenant Screening:** Carefully screen for credit, references, and stable income. Consider partnering with a local property manager if you're not equipped to handle screening personally.
- » **Maintenance Planning:** Set aside a monthly reserve for maintenance and repairs. Preventative maintenance will protect your asset and reduce costly emergencies.
- » **Compliance:** Ensure your unit meets all building code and rental licensing requirements. Properties must be safe, habitable, and up to code to avoid liability.
- » **Financial Modeling:** With a median rent under \$500 in Ironwood, you'll need to structure rents carefully. Look at what comparable updated homes are leasing for, and factor in insurance, taxes, and maintenance to ensure long-term viability.

If your property includes energy-efficient systems or utility-inclusive pricing, it may be possible to command slightly higher rents while still remaining within local affordability guidelines. Keep in mind that more than 40% of Ironwood renters are cost-burdened, so affordability remains key.

For developers who take a long view, rentals offer the benefit of steady cash flow, potential appreciation, and tax advantages, while contributing to Ironwood's growing need for quality rental housing.

The BRRR Method



Why is the BRRRR method popular?

Low Initial Investment:

The BRRRR method can be used with a relatively low initial investment, as it leverages debt to finance the purchase and renovation.

Passive Income:

By renting out the property, you generate a consistent stream of income, while the property appreciates in value.

Capital Growth:

The method allows you to grow your property portfolio and build wealth by repeating the process.

Financial Freedom:

By leveraging equity and generating income, the BRRRR method can be a path to financial freedom.

Proforma “Lite” Project Evaluation Tool

Ironwood’s market conditions indicate strong demand for updated housing, particularly at higher price points. A carefully prepared proforma can help developers determine the feasibility of a project and adjust plans to maximize returns while ensuring affordability for local residents.

Every development project starts with a question: Will this work financially? A proforma is your tool to answer that question. It’s a back-of-the-envelope analysis that helps you determine whether a deal is feasible, and if so, whether it’s worth pursuing. The “Proforma Lite” tool included in this guidebook includes separate worksheets for for-sale and rental project analysis, allowing you to quickly compare outcomes based on acquisition price, renovation costs, and market assumptions.

For-Sale Projects: Renovation Feasibility

The RENOVATION FOR SALE PROFORMA tab is designed to help you determine if your project will return a profit once it’s sold. To use it:

- » Enter your purchase price, renovation budget, and soft costs like closing or holding expenses.
- » Input your expected sale price based on comparable sales in the area.
- » The spreadsheet will calculate your project cost, net proceeds, and estimated profit.

This is especially useful in Ironwood where many older homes need significant work to meet buyer expectations. Use this tool early in your process to see if a deal is worth moving forward before spending time or money on design, permits, or financing.

Rental Projects: Cash Flow & Financing

Rental deals are more complex. They’re less about the immediate sale price and more about ongoing cash flow and long-term asset management. The RENTAL PROFORMA tab helps you evaluate if your rental property will cover its costs and still return a profit.

Here’s how it works:

- » Input your rents, vacancy assumptions, and annual operating expenses (including taxes, insurance, maintenance, and reserves).
- » Input your acquisition and rehab costs, then calculate your loan amount based on expected mortgage terms.
- » The spreadsheet will calculate annual cash flow and your Debt Service Coverage Ratio (DSCR).

Ironwood’s current median rent is low, so it’s essential to understand how your rental income stacks up against your loan payments and operating costs. Even small miscalculations in taxes or repairs can make the difference between a profitable and unviable project.

What is DSCR?

DSCR stands for **Debt Service Coverage Ratio**. It measures how well your rental income covers the annual cost of your mortgage.

$$\text{DSCR} = \frac{\text{Annual Operating Income}}{\text{Annual Debt Service}}$$

A DSCR of 1.25 means you are earning 25% more in net operating income than your annual mortgage payments—a common minimum threshold banks require to approve a loan. Anything below 1.0 means your property won’t generate enough income to pay the debt, and lenders will consider it too risky.

Quick Start Guide to Using the Proforma “Lite” Tool

The Proforma Lite spreadsheet is your go-to tool for deciding whether a potential project is worth pursuing—either as a for-sale flip or a rental investment. This guide will help you get started.

For-Sale Projects: Is It Worth Flipping?

Use the RENOVATION FOR SALE PROFORMA tab to quickly test a rehab deal.

Step-by-step:

1. Enter the Purchase Price of the property.
2. Plug in your Renovation Costs using the RENO BUDGET TEMPLATE tab to estimate line items.
3. Add Soft Costs (e.g. utilities during rehab, permits, closing costs).
4. Input Expected Sale Price based on local comps.
5. Review your Net Profit and % return—does the deal work?

Rule of thumb: Build in at least a 10–15% profit margin to account for surprises.

RENOVATION FOR SALE proforma						
1	GROSS POTENTIAL VALUE					
2	Unit type	sf / unit	SALES value / sf	no. of units	subtotal sf	subtotal VALUE / UNIT
3	Example A	1200	\$ 150.00	1	1200	\$ 180,000.00
4	Example B	1000	\$ 125.00	2	2000	\$ 125,000.00
5					0	\$ -
6					0	\$ -
7					0	\$ -
8					0	\$ -
9					0	\$ -
10					0	\$ -
11					0	\$ -
12					0	\$ -
13	Land sale					\$ -
14	total # of units			3		
15	total square foot home sale				3,200	
16	gross potential income					\$ 430,000
17						
18	PROJECT COSTS					
19	property purchase					\$ 130,000
20	closing costs (including 1.5% realtor fee)					\$ 4,000
21	attorney / litigation expenses					\$ 2,500
22	survey + geotech					\$ 5,000
23	entitlement cost to rezone / lot split					\$ 5,000
24	civil engineering fees					\$ 20,000
25	property basis					\$ -
26						
27	renovation direct construction costs	\$ 50	per sf			\$ 160,000
28	renovation indirect construction cost	\$ 10	per sf			\$ 32,000
29						
30	total project costs					\$ 358,500
31	equity			20%	% of total costs	\$ 71,700
32	debt					\$ 286,800
33						
34	CONSTRUCTION DEBT SERVICE					
35	loan term	12	months			
36	12 month interest only rate	4.00	%			
37	loan amount					\$ 286,800
38	monthly interest payment					\$ 956
39						
40	18 month interest only debt service					\$ 11,472
41	construction equity					\$ 717
42	total project equity required					\$ 12,189.00
43						
44						
45	PROJECT PERFORMANCE					
46	total project cost					\$ 369,972
47	gross profit					\$ 430,000
48	net income					\$ 60,028
49	profit margin					14%

RENOVATION FOR SALE proforma

1 GROSS POTENTIAL VALUE

	Unit type	sf / unit	SALES value / sf	no. of units	subtotal sf	subtotal VALUE / UNIT	total sales value
2							
3						\$ -	\$
4						\$ -	\$
5						\$ -	\$
6						\$ -	\$
7						\$ -	\$
8						\$ -	\$
9						\$ -	\$
10						\$ -	\$
11						\$ -	\$
12						\$ -	\$
13	Land sale						\$ -
14	total # of units						
15	total square foot home sale						
16	gross potential income						\$
17							
18	PROJECT COSTS						
19	property purchase						\$
20	closing costs						\$
21	attorney / litigation expenses						\$
22	survey + geotech						\$
23	entitlement cost to rezone / lot split						\$
24	civil engineering fees						\$
25	property basis						\$
26							
27	renovation direct construction costs		\$	per sf			\$
28	renovation indirect construction cost		\$	per sf			\$
29							
30	total project costs						\$
31	equity				% of total costs		\$
32	debt						\$
33							
34	CONSTRUCTION DEBT SERVICE						
35	loan term			months			
36	12 month interest only rate			%			
37	loan amount						\$
38	monthly interest payment						\$
39							
40	18 month interest only debt service						\$
41	construction equity						\$
42	total project equity required						\$ -
43							
44							
45	PROJECT PERFORMANCE						
46	total project cost						\$
47	gross profit						\$
48	net income						\$
49	profit margin						

DRAFT

Rental Projects: Will It Cash Flow?

Use the RENTAL PROFORMA tab if you plan to hold and rent the property.

Step-by-step:

1. Enter Monthly Rent and expected Vacancy Rate (use 5–8%).
2. Input Annual Expenses (taxes, insurance, repairs, reserves).
3. Estimate Loan Terms (interest rate, term, down payment).
4. Calculate Debt Service using the mortgage inputs.
5. Review your Annual Cash Flow and DSCR (Debt Service Coverage Ratio).

Goal: DSCR $\geq$ 1.25

This means your Net Operating Income covers your mortgage with a safe buffer. Most lenders require this to approve your financing.

Tips for Use

- » Always run both proformas before committing to a deal—you may discover the rental strategy works better than selling (or vice versa).
- » Make your purchase agreements contingent on inspection and “buyer’s sole satisfaction” to allow an exit if the numbers don’t work.
- » Use realistic estimates. Ask contractors and local realtors for input before filling out the tool.

Additional Resources

- » Michigan Economic Development Corporation’s Proforma 101 Guide & Development Proforma
- » MI Neighborhood Rental Development Proforma & Grant Resources
- » Invest U.P. tools and technical assistance

Rental Proforma								
1 GROSS POTENTIAL VALUE								
2	Unit type	sf / unit	monthly rent / SF	no. of units		subtotal sf	subtotal monthly rent / unit	subtotal annual rent
3	Example: Studio	550	1.75	2		1100	\$ 962.50	\$23,100.00
4	Example 2BR	1,000	1.50	1		1000	\$ 1,500.00	\$18,000.00
5						0	\$ -	
6						0	\$ -	
7						0	\$ -	
8	total # of units			3				3
9	total square footage					2,100		2100
10	gross potential income							\$41,100.00
11								
12	NET OPERATING INCOME							
13	gross potential income							\$ 41,100
14	vacancy allowance		5%	% of GPI				\$ (2,055)
15	operating expenses	40%	\$ (5,480)	per unit	# of units:	3		\$ (16,440)
16								
17	net operating income							\$ 22,605
18	PROJECT COSTS							
19	land basis					\$ 40,000	per door	\$ 120,000
20	direct construction costs		\$ 75.00	per sf		\$ 52,500	per door	\$ 157,500
21	indirect construction cost		\$ 15.00	per sf		\$ 10,500	per door	\$ 31,500
22	architectural / engineering		7.00%			\$ 4,410	per door	\$ 13,230
23	Project Management Fee		4.00%			\$ 2,520	per door	\$ 7,560
24								
25	total project costs							\$ 329,790
26	equity			30%	% of total costs			\$ 98,937
27	debt							\$ 230,853
28								
29	DEBT SERVICE							
30	loan term		60	months				
31	interest only rate		5.00%	%				
32	loan amount							\$ 230,853
33	monthly interest payment							\$ 962
34								
35	interest only debt service							\$ 57,713
36	construction equity							\$ 989
37	total project equity required							\$58,702.62
38								
39								
40	PROJECT PERFORMANCE							
41	net operating income							\$ 22,605
42	annual debt service							\$ (14,871)
43	leveraged cash flow							\$ 7,734
44	% to hold for reserves		10%	of net operating income				\$ (2,261)
45								
46	annual cash flow available for distribution							\$ 5,473
47	debt service coverage ratio							(1.52)
48	cash-on-cash return							5.53%
49	depreciation basis							\$ 329,790
50	annual depreciation							\$ 11,992

Rental Proforma

1 GROSS POTENTIAL VALUE

2	Unit type	sf / unit	monthly rent / SF	no. of units	subtotal sf	subtotal monthly rent / unit	subtotal annual rent
3						\$ -	
4						\$ -	
5						\$ -	
6						\$ -	
7						\$ -	
8	total # of units						
9	total square footage						
10	gross potential income						\$ -
11							
12	NET OPERATING INCOME						
13	gross potential income						\$
14	vacancy allowance			% of GPI			\$
15	operating expenses			per unit	# of units:		\$
16							
17	net operating income						\$
18	PROJECT COSTS						
19	land basis					per door	
20	direct construction costs			per sf		per door	\$
21	indirect construction cost			per sf		per door	\$
22	architectural / engineering					per door	\$
23	Project Management Fee					per door	\$
24							
25	total project costs						\$
26	equity				% of total costs		\$
27	debt						\$
28							
29	DEBT SERVICE						
30	loan term			months			
31	interest only rate			%			
32	loan amount						\$
33	monthly interest payment						\$
34							
35	interest only debt service						\$
36	construction equity						\$
37	total project equity required						\$ -
38							
39							
40	PROJECT PERFORMANCE						
41	net operating income						\$
42	annual debt service						\$
43	leveraged cash flow						\$
44	% to hold for reserves				of net operating income		\$
45							
46	annual cash flow available for distribution						\$
47	debt service coverage ratio						
48	cash-on-cash return						%
49	depreciation basis						\$
50	annual depreciation						\$

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TECHNICAL RESOURCES

THE TOOL KIT

INCENTIVE GUIDE

Leveraging Financial Tools for Housing Rehabilitation, Infill Housing, and Downtown Redevelopment

Introduction

The City of Ironwood faces critical housing challenges, including an aging housing stock, limited rental housing options, and a shortage of new, higher-quality housing units. As noted in the Ironwood Housing Needs Assessment (2024), 78% of homes were built before 1960, with the median year of construction being 1934. Few new residential units have been constructed in the past two decades, and rental housing supply is extremely limited, with most apartments either subsidized or senior-restricted. Downtown Ironwood has underutilized and obsolete buildings that could be redeveloped into mixed-use housing. Household incomes are relatively low, with renters earning a median of \$22,613 per year.

To address these challenges, the City of Ironwood must prioritize housing rehabilitation, support the development of workforce and affordable housing, and activate mixed-use redevelopment downtown. This guide outlines state, federal, and local housing incentives that can help finance these initiatives.

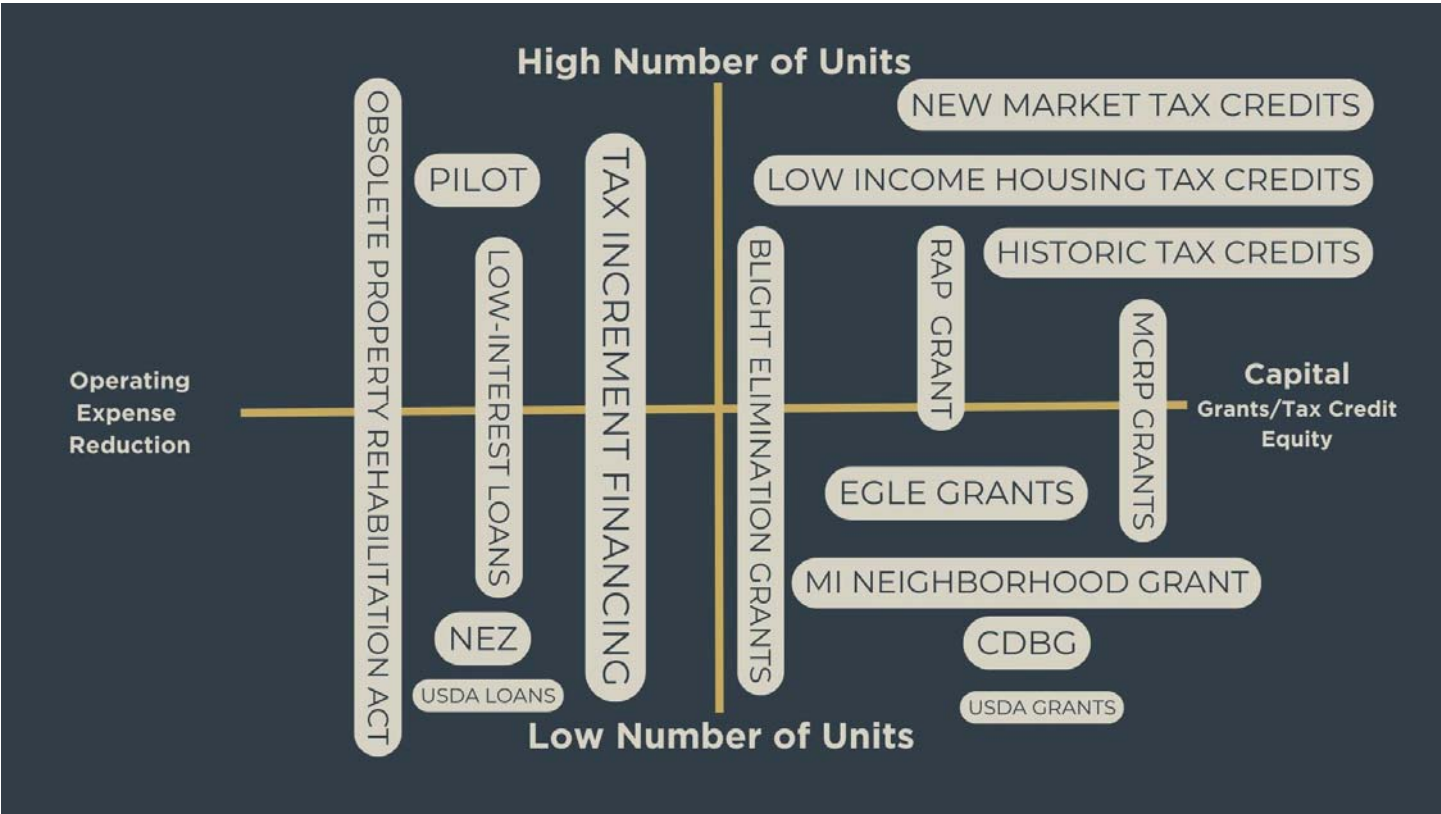
Category	Excess or Shortage
Homes Valued Under \$100,000	Excess of 767 units
Homes Valued Over \$100,000	Shortage of 767 units
Rental Units Needed	Shortage of 32 Rental Units
Barrier-Free/Aging-Friendly Housing	Significant Need

Incentives are categorized into either reducing the project's operating expenses or offering an equity source into the project. Operating expense subsidies allow for projects to afford more private capital, either through bank financing or equity. The reduced operating costs allow the project to utilize the increase in cash flow to generate more ability to repay loans or get returns to equity investors up to a reasonable rate. Both tax abatements and tax increment financing are in the hands of local government to review and approve these subsidies for appropriateness. Local government staff review applications, meet with the project leaders, and review the project proforma to ensure the incentive is based on need. Local governments could take these tools further by negotiating terms in their developer reimbursement agreements that align with the city's strategic housing goals.

Equity contributions on the other hand are often state and federal tax credits or grants designed to support projects through strategic objectives in state and federal program policy. Local impact investment equity, employer support matching grant dollars and downpayment assistance are examples of more locally controlled equity sources for project support. For the federal and state programs, it is important for local governments to understand their role in project support, the checks and balances that exist among the other program partners, and to build confidence among the public.

Operating Expense Subsidies	Equity Contributions
Tax Abatements Reduce property tax liability over time	Tax Credits Credits can be sold at a discounted rate or taken over time by the investor/developer
Tax Increment Financing (TIF) Uses future tax revenue to fund elements of a public benefit (site improvements, infrastructure, housing attainability)	Government Grants (e.g. HOME, MI Neighborhood) Direct funding that reduces required debt and equity
Low-Interest Loans Reduces the cost of borrowing	Impact Investment Equity Non-Traditional investment sources

Of importance, securing incentive requires demonstration of need, alignment with local and state priorities, and for projects to be shovel ready. Projects will have to privately complete ample predevelopment work to be shovel ready. The City of Ironwood having clearly demonstrated priorities, housing data, and streamlining regulatory controls can assist project. Investors often look for communities who are proactive in their approach as they consider investing the time and money into predevelopment activities. City of Ironwood could consider reduced review fees, consolidation of the public approval process, and/or allowing workforce housing projects to receive priority review.



Priority Incentives for Ironwood

MI Neighborhood Program (MIN) – Addressing Ironwood’s Housing Rehabilitation Needs

The MI Neighborhood Program provides grants for housing rehabilitation and development in areas with an aging housing stock and a high-cost burden. It can fund both occupied and unoccupied residential rehabs, helping preserve and modernize Ironwood’s existing housing. This program can directly impact the number of low home values that need rehabilitation and conversion to higher home values. In addition, the program has a built in affordability mechanism to keep 20% of units offered at or below 60% area median income, directly impacting the ability to offer existing residents rehabilitated homes as affordable price points as well as offering the higher value homes to the market (current residents and non-residents alike).

Eligible Uses:

- » Rehabilitating single-family and small multifamily homes
- » Improving energy efficiency, accessibility, and structural integrity
- » Infill construction of new homes
- » Addressing code violations and safety issues

Key Considerations:

- » Grants range from \$25,000 to \$2 million, depending on the applicant’s experience
- » A five-year forgivable lien applies to properties receiving over \$10,000 in assistance
- » Funds must be spent within 24 months

Strategic Recommendation:

- » Ironwood City Led Redevelopment Program
- » Communities without CDBG entitlement can complete a Letter of Intent form to MSHDA with a funding request
- » If approved, municipalities can have locally led rehabilitation programs for local investors to comply with MI Neighborhood Guidelines and interface with the City in their administration of the funds.

The City could leverage this tool further by adding mechanisms in their developer agreements whereby the affordable units must be sold to households with a primary residence in Ironwood. The market rate units would not. This would allow for the City to create more high-quality homes at reasonable price points for existing residents, attract new residents to the market, and be an integral part of the administration of MI Neighborhood funds for emerging developers without experience utilizing subsidy.

Michigan Community Revitalization Program (MCRP) – Downtown Mixed-Use Redevelopment

This program offers pathways for the redevelopment or infill development in Downtowns. There are pathways for emerging developers in addition to the primary MCRP program. The MCRP provides gap financing in the form of grants or low-interest loans for redeveloping vacant, underutilized, or historic buildings into mixed-use and residential spaces. It encourages private investment in downtown revitalization projects.

Eligible Uses:

- » Rehabilitation of vacant and underutilized buildings for mixed-use development
- » Conversion of historic buildings into market-rate or workforce housing
- » Infrastructure improvements supporting downtown housing development

Key Considerations:

- » Can provide up to 25% of a project's cost, capped at \$10 million per project
- » Smaller cities (under 15,000 residents) may receive up to 50% of project costs
- » Can be combined with Brownfield TIF and OPRA abatements

Strategic Recommendation:

As a State Incentive, a degree of local support is anticipated to be paired with the funding request to the state. Generally, this would be a local tax incentive (either the OPRA or a TIF). The local support is required to be pledged before the MCRP applicant can be approved for State support. Public education around these incentives can be very helpful. The Downtown Ironwood Development Authority (DIDA) is very aligned with the goals and mission of this program and can be a voice of support. In addition, DIDA funding can be pledged to projects for public amenities that enhance projects and reduce costs (e.g. sidewalk, alley, lighting, bike racks, benches, and infrastructure improvements).

Leveraging Local Incentives for Housing & Redevelopment

Tax Increment Financing (TIF) – Financing Infrastructure for Housing Development

TIF captures increased property tax revenue from new development to finance infrastructure improvements. It is used for site preparation, demolition, utilities, and streetscapes in designated TIF districts.

Best Used For:

- » Making downtown housing projects financially viable by funding infrastructure costs
- » Supporting new workforce housing projects. Either for-rent or for-sale.

Key Considerations:

- » In attainable housing developments, the infrastructure and public improvements can all be demonstrated in documentation for reporting. However, the housing public benefit is reported through the sale of homes at attainable pricing or receipt of rent rolls for each unit annually.
- » Involve assessors very early. Local tax assessors will be the primary source of information for how much increment the project will generate.

Strategic Considerations:

Map an administrative process for City Staff to receive reporting from housing incentivized developments, audit the income compliance aspects, and approve disbursements. As staff proactively has a plan in place, each tax increment financing plan has an administrative fee related to the City's administrative needs. In addition, Brownfield Redevelopment Authorities are allowed 5-years of capture at the end of project capture. Those funds create a local Brownfield Revolving Loan Fund which can support more projects through low-interest loans.

Obsolete Property Rehabilitation Act (OPRA) – Lowering Costs for Historic and Mixed-Use Projects

OPRA freezes property taxes for up to 12 years, reducing financial barriers to rehabilitation. It helps convert obsolete, vacant, or historic buildings into housing and mixed-use spaces.

Best Used For:

- » Historic building rehabilitations in downtown Ironwood
- » Converting obsolete buildings into modern housing units

Key Considerations:

- » Policy is written with job creation as a key element. Knowing the full time equivalents, pay rates, and economic growth aspects is crucial.

Strategic Considerations:

Developers and investors should be able to explain how they will have the ability to pay full taxes when the project matures past the abatement period. Working with the assessor early and being able to demonstrate to City Staff the project will be able to pay taxes is critical. The project team may need to demonstrate a refinance that will increase their cashflow at a later date or establish a reserve fund for operating expense increases.

Invest UP Build UP Cash Collateral

InvestUP provides cash collateral to enhance the borrower's collateral position, enabling lenders to extend necessary financing. The cash collateral covers a portion of the collateral shortfall as identified by the lending institution. Eligible borrowers must meet the lending requirements of qualified lending institutions and be engaged in projects located in the Upper Peninsula.

Eligible Uses:

- » The cash collateral award addresses collateral shortfalls within a lender's loan structure for shovel-ready projects expected to commence within 18 months of approval.
- » The maximum cash collateral award for a single project cannot exceed 10% of total project costs, with awards ranging from \$50,000 to \$1,500,000

Invest UP Build UP Equity Participation

To invest equity into qualified housing projects when the lender determines the borrower's cash equity is insufficient for construction equity. InvestUP provides equity investment to support the construction phase.

Key Considerations:

- » Requires repayment within five years
- » Borrowers must have a minimum 10% real and tangible equity, defined as cash or cash and land
- » InvestUP's equity position is capped at 20% of project costs or a maximum \$1,000,000
- » The equity may be used in conjunction with the Cash Collateral Program, subject to demonstrated need.

Invest UP Residential Infrastructure Loan Program

To provide financial assistance to local governments in the Upper Peninsula for infrastructure improvements that facilitate new residential developments.

How Ironwood can use it:

- » InvestUP purchases municipal bonds issued by local units, providing funds for infrastructure such as water, sewer, road improvements, and utility placements
- » Bond amounts range from \$250,000 to \$1,500,000 with a term not exceeding 15 years and interest rates not exceeding 2%
- » Repayment is secured by the limited tax, full-faith, and credit of the issuing entity

Strategic considerations for InvestUP Programs

Leveraging the Build U.P. programs can be instrumental to address housing shortages and promote development.

1. Utilizing the Residential Infrastructure Loan Program: Ironwood can finance essential infrastructure improvements to support new housing development. By issuing municipal bonds purchased by InvestUP, the city can upgrade water, sewer, and road systems making areas more attractive for residential or mixed-use project. Focusing on infill development whether in downtown or on vacant and underutilized properties will be most in line with the repayment structure for financial and environmental sustainability.
2. Encourage Developers to Access the Cash Collateral and Equity Participation Programs: local developers facing collateral shortfalls or insufficient equity can benefit from these programs, facilitating financing for housing projects that align with Ironwood's strategic housing plan.

Low-Income Housing Tax Credits (LIHTC) – Supporting Affordable Rental Housing

LIHTC provides tax credits for developers who build affordable rental housing. It includes the 9% LIHTC (competitive) and the 4% LIHTC (non-competitive).

Why It's Important for Ironwood:

- » Rental housing supply is extremely limited
- » Affordable workforce housing is needed for Ironwood's lower-income renters
- » LIHTC can support mixed-income housing development downtown

Key Considerations

- » Permanent supportive housing for specialty populations or elderly LIHTC properties may be a priority for Ironwood
- » Local support is generally a PILOT in lieu of a TIF or OPRA abatement

Strategic Consideration

Low-income housing tax credit projects do not necessarily align with the most imminent needs demonstrated in the market data but can serve as a catalyst to offer a new construction higher quality product in rental housing. These additional comparisons can leverage additional local investment, encourage landlords to improve disinvested properties, and create mixed-income affordable housing with more barrier-free units.

Payment in Lieu of Taxes (PILOT) – Tax Abatement for LIHTC Projects

A Payment in Lieu of Taxes (PILOT) agreement is a tax incentive that allows developers of affordable housing projects to replace traditional property taxes with a fixed annual service charge, typically based on rental income. PILOT programs are a critical component of financing Low-Income Housing Tax Credit (LIHTC) developments by lowering operating costs and making projects financially viable.

How PILOT Works

Unlike standard property taxes, which are based on assessed property value, PILOT agreements calculate payments as a percentage of rental income. This ensures that taxes remain predictable and aligned with the financial realities of affordable housing operations.

Key Features:

- » Ties taxes to rental revenue instead of property values.
- » Typically applies for 15-35 years, ensuring long-term affordability.
- » Requires a local ordinance and City Council approval.

Eligibility and Calculation

A PILOT can be applied to LIHTC projects that commit to long-term affordability standards.

Typical PILOT Calculation:

- » Example: A 4% PILOT means the developer pays 4% of total annual rental revenue as a service charge.
- » If a project generates \$1,000,000 in rental income annually, a 4% PILOT would result in a \$40,000 tax payment.

PILOT vs. Other Tax Incentives

Unlike OPRA and TIF, which are used for general redevelopment, PILOT is specifically designed for LIHTC deals:

- » PILOT vs. OPRA: OPRA freezes property taxes for up to 12 years but does not apply to LIHTC projects. PILOT provides a longer-term tax stabilization mechanism.
- » PILOT vs. TIF: TIF captures increased tax revenue from redevelopment to fund infrastructure, while PILOT directly reduces tax burdens on affordable housing projects.

Applying PILOT in Ironwood

As Ironwood looks to expand affordable rental housing, implementing a PILOT program will be essential. Given the city's aging housing stock and lack of new rental developments, PILOT can be leveraged to attract LIHTC projects that support workforce and low-income housing.

Recommended Strategy for Ironwood:

- » Prioritize PILOT for LIHTC developments that align with the city's housing goals.
- » Coordinate PILOT approvals with MSHDA and developers to streamline project financing.

EGLE Brownfield Grants & Loans – Funding Site Cleanup for Redevelopment

EGLE provides grants up to \$1 million and loans at 1.5% interest to fund environmental remediation. This funding is used for cleaning up vacant, contaminated, or underutilized sites before redevelopment.

How Ironwood Can Use It:

- » Downtown sites needing environmental cleanup before housing development
- » Pairing with MCRP & TIF to finance mixed-use redevelopment projects

Employer-Assisted Housing

Engaged local employers can participate in the Employer-Assisted Housing Fund (EAHF). MSHDA offers a guidebook for employers interested in helping to create housing. In addition to the guidebook, a 2025 pilot program has been released which offers matching grant opportunities for employers willing to support the development of housing or downpayment assistance. Contributions can include cash investments, land donations, below-market interest loans, or a combination thereof.

Key Considerations:

- » Downpayment assistance maximum per household is \$50,000
- » Construction project grant assistance is maximum of \$1,000,000
- » Ensure the housing initiatives supported by EAHF are targeted toward income-eligible households and defined by MSHDA guidelines
- » Project must commit to maintaining affordability for a minimum of 10 years for rental housing and 5 years for for-sale to comply with program requirements

How Ironwood Can Use It:

- » Discuss employer needs for housing among their workforce
- » Inform employers of the opportunity and identify any shovel ready projects that could align with housing needs
- » Quantify home rehabilitation projects that are planned or upcoming with MI Neighborhood which would align with employer matched downpayment assistance

USDA Rural Grant and Loan Programs

The United States Department of Agriculture (USDA) offers various programs to support housing development in rural areas, focusing on both single-family and multi-family housing

Single-Family Housing Programs

Single Family Housing Direct Home Loans (Section 502 Direct Loan Program): Assists low- and very-low-income applicants in obtaining safe and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability

- » Eligibility: Applicants must have incomes below 80% of the area median income and be without adequate housing. They must also demonstrate the ability to afford mortgage payments, including taxes and insurance.
- » Terms: Loans are typically for up to 33 years (38 years for applicants with incomes below 60% of the area median income who cannot afford 33-year terms). The interest rate is fixed at 1%, with payment assistance reducing the effective interest rate.
- » • Usage: Funds can be used to build, repair, renovate, or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

Single Family Housing Guaranteed Loan Program: Assists approved lenders in providing low- and moderate-income households the opportunity to own adequate, modest, decent, safe, and sanitary dwellings as their primary residence in eligible rural areas.

- » Eligibility: Applicants must have incomes up to 115% of the median income for the area and must be without adequate housing. They must also have the ability to afford the mortgage payments, including taxes and insurance, and have reasonable credit histories
- » Terms: Offers 100% financing with no down payment required. Loans are for 30-year terms at fixed interest rates determined by the lender
- » Usage: Funds can be used to build, repair, renovate, or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities

Single Family Housing Repair Loans and Grants (Section 504 Home Repair Program): Provides loans to very-low-income homeowners to repair, improve, or modernize their homes or grants to elderly very-low-income homeowners to remove health and safety hazards.

- » Eligibility: Homeowners must have incomes below 50% of the area median income. Grants are available to homeowners aged 62 or older who cannot repay a loan.
- » Terms: Loans are up to \$20,000 with a fixed 1% interest rate and a repayment period of 20 years. Grants are up to \$7,500 and must be repaid if the property is sold within three years
- » Usage: Loans and grants can be used to repair, improve, or modernize homes or remove health and safety hazards

Multi-Family Housing Programs

Multi-Family Housing Direct Loans (Section 515): Provides financing to develop affordable rental housing for low-income, elderly, or disabled individuals and families in eligible rural areas.

- » Eligibility: Individuals, trusts, associations, partnerships, limited partnerships, nonprofit organizations, for-profit corporations, and consumer cooperatives; most state and local governmental entities; and federally recognized Tribes.
- » Terms: Loans are for up to 30 years with a fixed interest rate determined by the USDA.
- » Usage: Funds can be used for construction, improvement, and purchase of multi-family rental housing for low-income families, the elderly, and disabled individuals. Funding may also be available for related activities, including buying and improving land and providing necessary infrastructure.

Multi-Family Housing Loan Guarantees (Section 538): Works with qualified private-sector lenders to provide financing to qualified borrowers to increase the supply of affordable rental housing for low- and moderate-income individuals and families in eligible rural areas and towns.

- » Eligibility: For-profit and nonprofit organizations, including LLCs; federally recognized Tribes; and state and local government entities.
- » Terms: Loans are for up to 40 years with fixed interest rates. The USDA guarantees up to 90% of the loan amount.
- » Usage: Funds can be used for new construction, acquisition with rehabilitation, and revitalization or repair of existing rental housing.

Housing Preservation and Revitalization Demonstration Program (Section 514/516): Provides grants, zero- and low-interest loans, and debt deferrals to owners of USDA-financed rental and farmworker housing properties in rural areas to preserve and revitalize affordable rental housing.

- » Eligibility: Owners of USDA-financed rental and farm labor housing properties.
- » Terms: Varies based on the type of assistance provided.
- » Usage: Funds can be used to preserve and revitalize existing multi-family housing complexes financed by USDA Rural Development to ensure that the properties are safe and affordable for low-income residents.

Strategic Approach for Ironwood

To maximize housing and downtown redevelopment, Ironwood should prioritize the following incentive utilization as appropriate:

For Housing Rehabilitation & Neighborhood Revitalization:

- » MI Neighborhood Program (MIN) → Grants for housing rehab
- » OPRA Tax Abatements → Reduces property tax burden for property owners
- » InvestUP programs to support emerging developers through the cash collateral program or equity participation and potentially upgrade infrastructure to align with redevelopment efforts
- » Single Family Housing Repair Loans and Grants through USDA
- » Single Family Housing Direct Home Loans and Guarantees through USDA

For Downtown Mixed-Use Redevelopment:

- » MCRP (Grants/Loans) → Funds gap financing for mixed-use projects downtown
- » Brownfield Grants & TIF → Covers site remediation and infrastructure costs
- » OPRA Abatement → Lowers tax burden on developments so they can afford more private (bank) financing
- » USDA Multifamily Housing Direct Loans and loan guarantees

For New Rental Housing Development:

- » LIHTC (Tax Credits) → Supports new affordable housing
- » PILOT would be used to support LIHTC development projects
- » USDA Multifamily Housing Direct Loans and loan guarantees
- » Housing TIF → Covers infrastructure costs and can cover a portion of potential rent loss/potential development loss

Conclusion

Ironwood must leverage state and local incentives strategically to meet its housing and downtown redevelopment goals. By stacking MI Neighborhood Program and MCRP funding with OPRA and TIF, the city can revitalize neighborhoods, attract private investment, and expand housing options.

Next Steps:

- » Familiarize City Council with key local incentives (OPRA, NEZ, PILOT, and TIF)
- » Identify priority sites for MI Neighborhood Program funding
- » Complete MI Neighborhood LOI based on priorities
- » Align development opportunities to utilize MCRP & LIHTC
- » Participate in events, trainings, and roundtables offered by the Rural Prosperity office of Michigan
- » Consider hosting an Americorps Volunteer through the Community Economic Development Association of Michigan or through the American Connection Corps in Community and Economic Development who can work with emerging developers and local investors on rehabilitation of existing housing stock

DEVELOPMENT CONCEPTS

City Owned Property: 7XX Ayer Street

As part of this planning process, conceptual plans were developed for housing development at an approximately 26 acre City owned property on Ayer Street, across from Miners Park. The City would entertain development proposals for the site that further advance the City's goals for development and housing in the community.

The City recognizes that a future development will likely deviate somewhat from this concept. This concept has seen solid community support through this plan and the Comprehensive Plan process. Similar approaches should be well received by staff, the Planning Commission, the City Commission, and the community.

Goals:

Integrate a mix of housing types into the site

How the preferred concept does this: The concept shows four housing products: Apartments, rowhouse townhomes, twinhomes, and senior care housing.

The twinhomes and senior care housing are intended as a continuum of care type layout. Single level twinhomes with garages and association maintenance would be attractive to the independent senior population, while those needing additional care would be well served in the larger building.

This concept could conceivably be completed as three to four separate phases or even projects. This would allow developers to "prove the market" without overly relying on one product type.

Consider the relationship between housing and economic development

How the preferred concept does this: The apartments would likely be rental units affordable at "workforce" level pricing. They are located more proximate to the industrial park and could serve employees of companies located there.

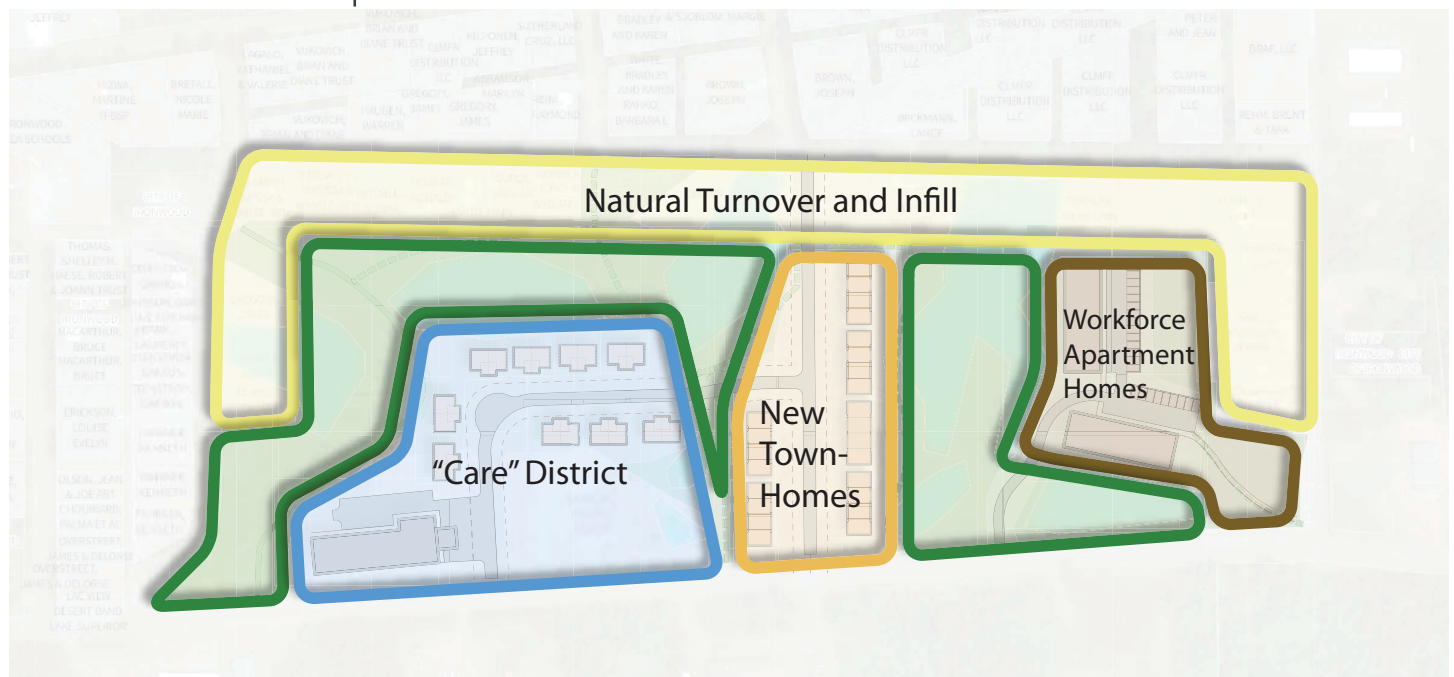
The rowhomes would likely appeal to a number of people in the community looking for low maintenance living, but could be especially valuable to hospital staff such as techs and nurses.

Extend greenspace and trails to both serve the community, and market the development

How the preferred concept does this: While the individual parceling of the sites would be small, the shared greenspace gives residents the feel of a much larger lot. For the most part, homes face out to forested property and people wouldn't have immediate rear neighbors.

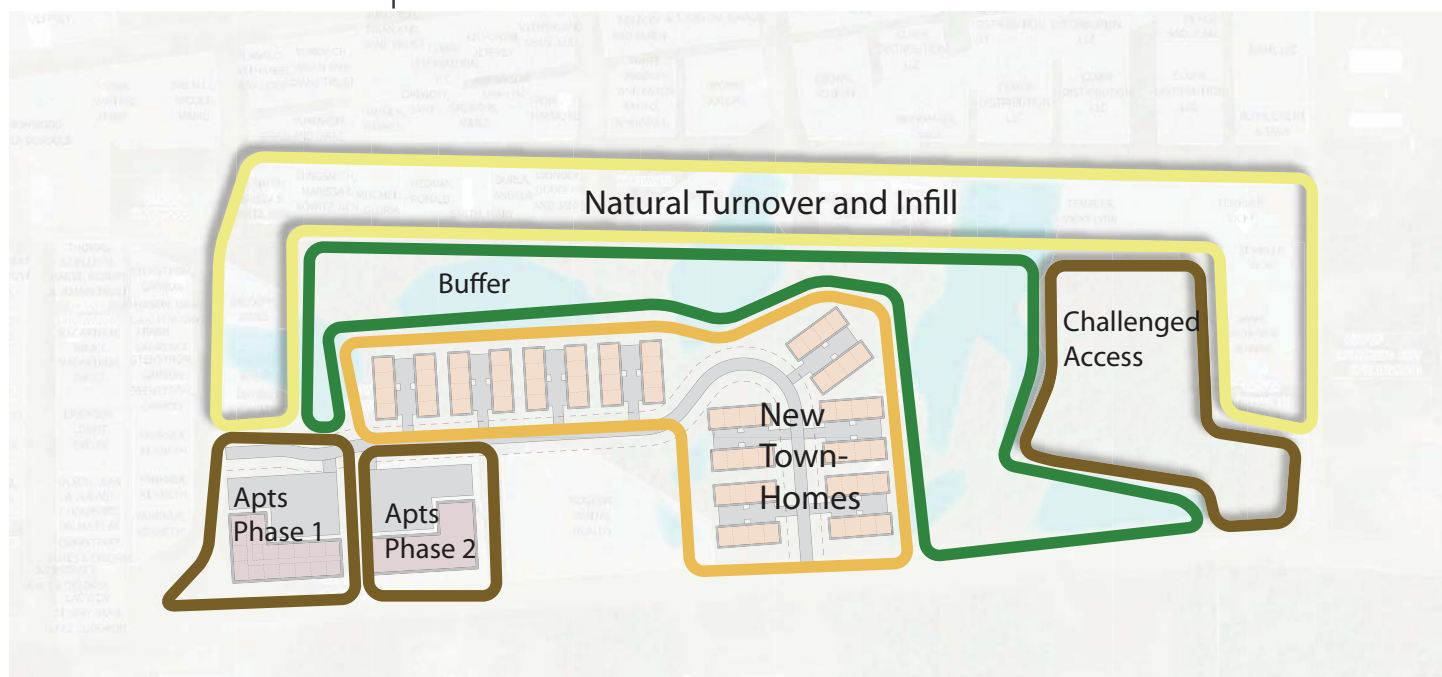
An internal trail network, building on some existing trails on the property, would help connect the surrounding neighborhoods and the Iron Belle Trail to Miners Park.

Preferred Concept



Product	Unit Count
Senior Care Housing	32
Twinhomes	18
Rowhouse Townhomes	24
Apartments	56

Alternative Concept



Product	Unit Count
Townhomes	72
Apartments	102

This concept was not as well received when compared to the preferred concept, but may offer alternative layouts that would be of interest. The primary driver of this concept was to develop an apartment building in the southwest corner with the least amount of upfront infrastructure investment. Future phases could include a second apartment building and townhomes. Minimization of infrastructure remained the driving theme for this concept, while still retaining connectivity through the site.

The reduced mix and reliance on only two product types may also be challenging for the market to take on.

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VACANT LOT INFILL PROGRAM AND VACANT LAND ANALYSIS

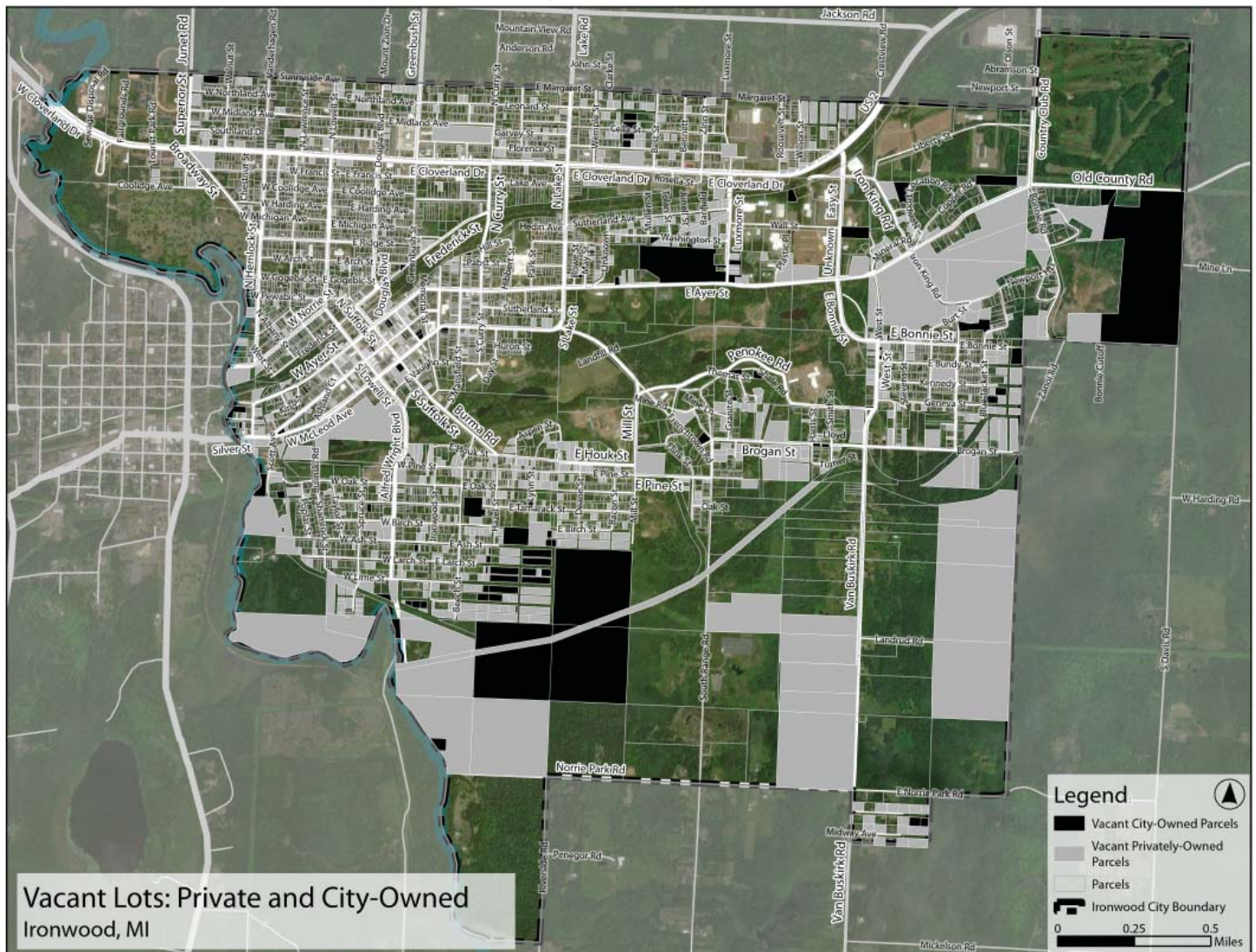
A new program to incentivize infill development on existing City lots and infrastructure

The City of Ironwood has a number of vacant lots that were platted at a time when the City had significantly more population. Over the course of the last few decades a number of homes have come down, leaving behind these vacant lots, that are still adjacent to a number of City services, such as roads, water, and sewer, and proximate to amenities like downtown. While many are in private ownership, these lots represent an enormous opportunity to build new housing.

The City of Jackson, Michigan has been running a program called “100 Homes” that focused on vacant site infill. This project could be replicated in Ironwood. While Jackson is a larger city, and had more public ownership of lots, Ironwood could scale the project to better fit a City of 5,000. 10 city owned vacant lots could be identified for phase one of the project.

Steps:

1. Identify 10 lots that could be offered to builders/developers at a nominal cost if they would develop housing on them. If there are other vacant lots currently in private ownership that could be included, consider them as well as long as there are solid assurances that they will be available for redevelopment.
2. Develop an RFP for developers to put homes on those lots. The RFP should include:
 - » Cost to the final owner. Utilize financial tools to close the gap between cost of construction and the for-sale price of the home to ensure new homes are attainably priced.
 - » A review of anticipated proforma and returns
 - » Desired ownership structure (for example, homes need to be owner occupied for at least 5 years)
 - » What homes would be built. Jackson had developers create home plans that would fit. By replicating the same home, there were cost savings achieved through scale and repetition. Developers could create their own home plans, or the City could use any number of the pre-approved home plans available through MML/MEDC, or other cities that are developing plans, including the City of Jackson plans.
3. Pre-approve these homes to be built on identified vacant lots without additional zoning approvals. This may require an adjustment to setbacks or other regulatory considerations. Having them pre-approved allows the developer to minimize risk and move faster.
4. Coordinate with the lending community in Ironwood to get these projects financed. Help lenders understand the other public finance tools that will go towards supporting the project.



Other issues that may need to be considered are:

- » Unique challenges to Ironwood’s vacant lots including depth to bedrock and old foundations.
- » Tax and fee structure of these projects. New construction taxed on a millage basis without abatement, TIF, or other tools may not be competitive due to the low valuations on much of the existing housing stock.
- » City staff capacity. Jackson’s staff made this project a large priority. Introducing new work to the Community Development department without additional support may pull them off of other community priorities. Consider the use of Americorps or similar programs.

Follow-Up

If the project is successful, there is a good chance that much of the work done could be applied to future projects, especially in the private market. Lending, pre-approved plans, an understanding of the market and pricing, and leveraging scale and builder experience could all help this project expand greatly beyond the initial ten homes.

Jackson and the MEDC as resources

The City of Jackson and the MEDC have both offered to continue to be resources for the City of Ironwood. Both would love to see the program replicated and be successful in other Michigan communities, especially Ironwood. As this project gets underway, continue discussions with both entities to review and fine tune Ironwood’s program.

ZONING REVIEW

Objective: Consider adjustments to the zoning code to better support housing development.

Existing Zoning Conditions

Zoning Districts

The City of Ironwood’s zoning ordinance includes both residential and commercial/mixed-use zoning districts that allow housing development. The districts regulate what types of housing are allowed and where they are allowed, as well as the required dimensional (lot/site/building), design, and parking standards by district and housing type.

Residential Districts

The five residential districts are:

- R-1 Residential
- R-1A Low Density Residential
- R-1B Medium Density Residential
- R-2 Multiple-family Residential
- R-3 Rural Residential
- R-4 High Density Residential

Commercial/Mixed-use Districts

The four commercial/mixed-use districts are:

- C-1 Neighborhood Commercial
- C-2 Downtown Mixed-use
- C-2A Downtown Storefronts
- C-3 Highway Mixed-use

Housing Types Allowed

The following housing types are defined and allowed in the districts:

- » Detached single-family dwelling
- » Detached single-family dwelling, small lot
- » Duplex/triplex
- » Townhouse
- » Multi-family residential dwelling (flat)
- » Upper floor residential dwelling
- » Manufactured housing unit
- » Cottage court
- » Cottage (tiny home)
- » Accessory dwelling unit (ADU)
- » Live/work

Lot/Site/Building Dimensional Requirements

Residential Districts

The Residential Districts have the following lot, site, building requirements:

- » Lot size - area minimum, width minimum and maximum, depth minimum
- » Setbacks (minimum) – front, rear, side least, side total
- » Floor area ratio maximum
- » Building floor area minimum
- » Building height maximum – stories and feet

Commercial/Mixed-use Districts

The Commercial/Mixed-use Districts have the following lot, site, building requirements:

- » Lot size - area minimum, width minimum
- » Setbacks (minimum) – front, rear, side, parking; also front setback maximum, build-to/dooryard, buffer (adjacent to single-family residential)
- » Building footprint maximum
- » Building height maximum – stories and feet; also building height minimum
- » Other building standards – ground floor elevation, second floor elevation, upper stories clear height, upper stories setback, window fenestration
- » Other site standards – Frontage build-to, private open space, lot coverage, screening (parking, adjacent to single-family residential)

Design Standards

Residential General Building Standards

- » Window fenestration
- » Façade articulation
- » Front porch or stoop
- » Building materials
- » Utility services
- » Garage/parking

Residential Standards by Building Type

- » Building entrance orientation
- » Parking access and location
- » Façade articulation
- » Cottage courts – many!
- » Manufactured housing units – many!

Commercial/Mixed-use Districts

- » Building materials
- » Façade articulation
- » Window fenestration
- » Upper story windows
- » Entrances
- » Awnings
- » Building height
- » Screening of building-mounted mechanical equipment
- » Private open area
- » Existing buildings

Findings

Allowed Uses in Districts

1. The names and numerical codes for the Residential Districts are confusing and misleading related to the types of housing and density allowed.
 - a. R-3 is the rural and lowest density district
 - b. R-4 is named High Density but is not high density, is lower density than a medium density district, and only allows single-unit dwellings
 - c. R-2 is the highest density district
 - d. R-1A and R-1B are sub-districts of R-1 which is confusing. R-1 is not an actual district and R-1A and R-1B function like separate districts (even shown separately on the zoning map).
2. Three of the five districts only allow single-family dwellings, one district allows one- and two-family dwellings, and only the R-2 district allows more than two-unit dwellings; there is not a district that allows Missing Middle Housing that doesn't also allow higher density housing.
3. While the Residential Districts' Use Table includes both detached and attached housing types, it is missing some attached housing types. Often referred to as Missing Middle Housing, some additional housing types that could be defined in the zoning ordinance are small vs. large townhouses and low- vs. high-rise apartment buildings.
4. Each district's intent also identifies applicable building types, which is redundant with the Use Table, so could be removed.
5. Commercial districts/mixed-use districts also allow residential uses, however, developers may not be aware of or understand these opportunities for residential development.
6. It's not clear whether the C-2A district is an overlay district or a base district, both in the zoning ordinance and the zoning map.
 - a. Since the C-2A district is also subject to the C-2 requirements, it functions as an overlay. However, the C-2A district has different allowed uses in the Use Table which is not typical of an overlay district.
 - b. In the C-2 Siting & Building Requirements table, it appears that there are separate standards for the C-2 and C-2A districts within the same table.
 - c. If it is an overlay district, it could be shown on the zoning map as a hatched area over the C-2 base district. The way that the C-2A district is represented on the current zoning map, properties appear to be subject to both C-2 and C-2A zoning.

Zoning Map

1. On zoning map, for all residential zoned land:
 - a. 83% of the land only allows single-unit dwellings
 - b. 98% of the land only allows single- or two-unit dwellings
2. On zoning map, for urban residential zoned land (doesn't include R-3 district):
 - a. 70% of the land only allows single-unit dwellings
 - b. 96% of the land only allows single- or two-unit dwellings
3. For C-2A, the zoning map is confusing as to whether it is a base or an overlay district.
4. Limited quantity of vacant land/parcels zoned for development of small lot single-unit dwellings, duplexes, triplexes, townhouses, and apartments. See tables below.

Zoning	Zoning District	Number of Vacant Parcels in District	Number of Total Parcels in District	Percent Vacant Parcels
Residential		634	3226	19.65%
R-1A	Low Density Residential	452	1756	25.74%
R-1B	Medium Density Residential	130	1293	10.05%
R-2	Multiple-family Residential	4	30	13.33%
R-3	Rural Residential	37	90	41.11%
R-4	High Density Residential	11	57	19.30%
Commercial		143	580	24.66%
C-1	Neighborhood Commercial	5	38	13.16%
C-2	Downtown Mixed-Use	81	292	27.74%
C-3	Highway Mixed-Use	57	250	22.80%
Other		24	93	25.81%
I	Industrial	17	58	29.31%
O	Open Land	7	35	20.00%
Total		801	3899	20.54%

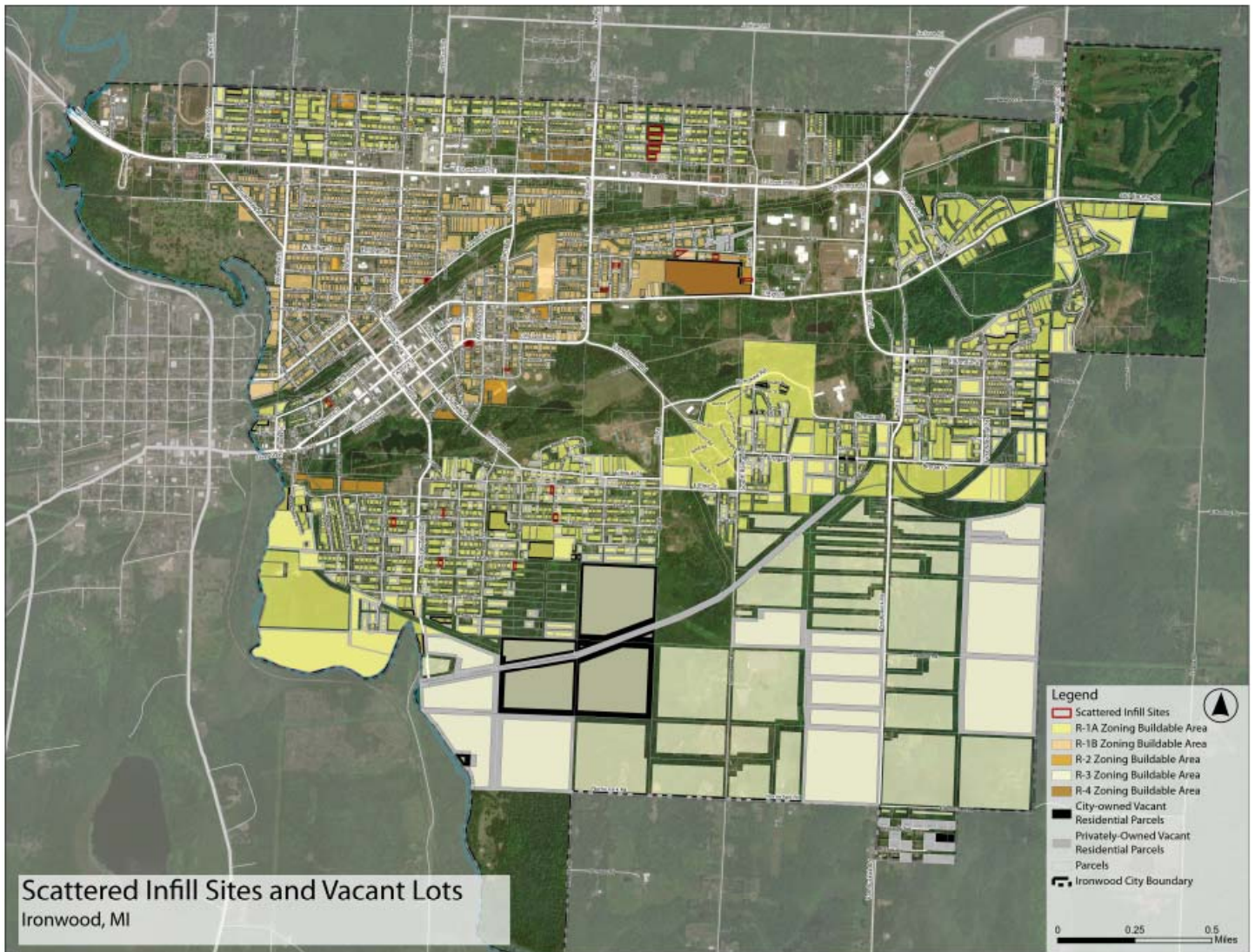
Zoning	Zoning District	Vacant Acres in District	Total Acres in District	Percent Vacant Acreage
Residential		732.41	2200.04	33.29%
R-1A	Low Density Residential	242.25	834.74	29.02%
R-1B	Medium Density Residential	28.69	338.76	8.47%
R-2	Multiple-family Residential	20.37	45.89	44.40%
R-3	Rural Residential	439.78	972.75	45.21%
R-4	High Density Residential	1.32	7.90	16.67%
Commercial		50.27	272.73	18.43%
C-1	Neighborhood Commercial	0.42	15.04	2.80%
C-2	Downtown Mixed-Use	21.29	80.81	26.35%
C-3	Highway Mixed-Use	28.56	176.87	16.15%
Other		182.44	1175.62	15.52%
I	Industrial	92.29	384.51	24.00%
O	Open Land	90.15	791.11	11.40%
Total		965.12	3648.39	26.45%

Lot, Site, and Building Dimensional Requirements

1. The R-1A district, which is applied to 70% of the urban residential zoned land, has minimum lot size requirements that are large enough to be potential barriers to housing development. While the R-4 district has smaller lot size requirements, it is applied to less than 1% of the residential zoned land.
2. Average lot sizes of existing parcels by district are substantially larger than the minimum lot size requirements. Over time, the potential for subdividing lots could facilitate infill redevelopment.

Residential District Code	Residential District Name	Average Parcel Size in Square Feet	Minimum Lot Size in Square Feet
R-1A	Low Density Residential	20,990	8,400
R-1B	Medium Density Residential	10,824	5,000
R-2	Multiple-family Residential	62,478	5,000
R-3	Rural Residential	470,899	435,600 (10 acres)
R-4	High Density Residential	6,037	4,000

3. Minimum lot size requirements are set at the district level only; where multiple housing types are allowed in one district, the single minimum lot size requirement may be too large for some housing types. For example, the minimum lot area (5,000 sf) and lot width (50 ft) are too large for townhouse units. Consider setting lot size minimums by housing type.
4. Sec. 3.1-18 establishes a minimum lot width/depth ratio which probably is not needed.
5. Some site and building requirements may present barriers to housing development:
 - a. The R-2 maximum building height may be too low for the market for apartment buildings – 3 stories (50 ft).
 - b. Lot depth is typically determined by block sizes and typically is not needed as a standard, since there is already lot area and lot width standards.
 - c. The FAR standards may be too low, particularly for higher density housing. Best practices are to have a lot coverage standard and building height standard and then the FAR standard is not needed.
 - d. Floor area vs. FAR calculations related to the inclusion of garages is confusing.
 - e. Cottage court/cluster housing have confusing maximum floor area standards: 700 sq. ft. in the Schedule of Regulations table but 1,200 sq. ft. in the use specific standards within the district text.
 - f. The zoning ordinance has potentially restrictive, overly complex standards that could present barriers to housing development for ADUs and cottage court housing.
6. Cottages/tiny homes require a special land use approval, including a public hearing, but there are no specific standards. This approach may add delay and unpredictability to the development process.
7. Minimum parking space standards for residential are high, for example:
 - a. Multi-family _____ 1.5 to 2.5 spaces per dwelling unit
 - b. Small single-family (cottage, tiny home) _____ 2 spaces per dwelling unit
8. Numerical window fenestration standards are located in multiple locations - Siting & Building Requirements tables, Design Standards section, and the C-2A district text.
9. Definitions should be located in one place. Residential Building Design (Sec. 2.2-7) includes definitions for housing types. Some definitions are missing or hard to find.



A review of buildable lot areas shows that in many cases, what exists today could not be build with today's setback requirements. While the City has other options for permitting variances and special uses to allow development to happen on many of the undersized lots (a remnant of old, mining times platting), it is worth exploring other options to remove the ambiguity of what is allowed.

R-1A Low Density Single Family Residential Example Lots



R-1A District Requirements

Lot Requirements

Minimum lot area: 8,400 s.f.
Minimum Lot Width: 75 ft. average, 70 ft. at road
Maximum Lot Width: 100 ft.
Minimum Lot Depth: 120 ft.

Setback Requirements

Front Yard: 35 ft.
Side Yard: 20 ft. total, 8 ft. minimum
Rear Yard: 30 ft.

Average of R-1A Example Lots

Lot Requirements

Average Lot Area: 6,796 s.f.
(Median Lot Area: 6,211 s.f.)
Average Lot Width: 61 ft.
(Median Lot Width: 61 ft.)
Average Lot Depth: 102 ft.
(Median Lot Depth: 98 ft.)

Setback Requirements

Front Yard: 35 ft.
Side Yard: 10 ft. each side, total 20 ft.
Rear Yard: 30 ft.

Legend

--- Yard Setbacks
Buildable Area
R-1A Lot Lines

0 40 80 Feet

R-1B Medium Density Single Family Residential Example Lots



R-1B District Requirements

Lot Requirements

Minimum lot area: 5,000 s.f.
Minimum Lot Width: 40 ft.
Maximum Lot Width: 50 ft.
Minimum Lot Depth: 120 ft.

Setback Requirements

Front Yard: 25 ft.
Side Yard: 16 ft. total, 8 ft. minimum
Rear Yard: 30 ft.

Average of R-1B Example Lots

Lot Requirements

Average Lot Area: 6,961 s.f.
(Median Lot Area: 5,553 s.f.)
Average Lot Width: 63 ft.
(Median Lot Width: 50 ft.)
Average Lot Depth: 110 ft.
(Median Lot Depth: 110 ft.)

Setback Requirements

Front Yard: 25 ft.
Side Yard: 8 ft. each side, total 16 ft.
Rear Yard: 30 ft.

Legend

--- Yard Setbacks
Buildable Area
R-1B Lot Lines

0 40 80 Feet

Action Plan

City Staff Action Items

Residential Districts

1. Rename and renumber the residential districts to reflect their relative density, with R-1 as the lowest density district, in order to make the zoning districts and the zoning map easier to understand. Update the districts' sequence in the tables accordingly.
2. Review and update the residential districts' intents to reflect the renamed/renumbered districts.
3. Add and define new housing types: small townhouse buildings (up to 4 attached units) and low-rise apartment buildings.
4. Create a new medium density district or update an existing district to allow Missing Middle housing options without allowing apartment buildings.
5. Remove the applicable building types from each district's intent. Since the Use Table identifies building/housing types for each district, it is redundant to list them with each district intent.
6. Reduce the lot R-1A lot size requirements and/or rezone more parcels to other districts with smaller lot size requirements.
7. Consider eliminating the minimum lot width/depth ratio requirement (Sec. 3.1-18).
8. Identify existing parcels that have substantially larger lot sizes than the minimum lot size requirements and analyze the potential for subdividing and infill development or complete redevelopment.
9. In conjunction with updated lot standards, conduct a rezoning study to identify opportunities for increasing the application of the R-1B, R-4, and R-2 districts on the zoning map.
10. Increase the R-2 maximum building height of 3 stories (50 ft).
11. Consider eliminating the lot depth, site FAR, and building floor area requirements.
12. Reduce residential minimum parking standards.
13. Clean up the confusing standards, discrepancies, and overly complex standards, including the following:
 - a. Floor area vs. FAR calculations related to the inclusion of garages
 - b. Cottage court/cluster housing maximum floor area standards
 - c. ADUs
 - d. Cottage court housing
 - e. Cottages/tiny homes
 - f. Window fenestration
14. Organize all definitions into one place within the zoning ordinance.

Other Districts

15. Rename the commercial districts as mixed-use districts since they all allow residential.
16. Review and update the commercial districts' intents to reflect their mixed-use nature.
17. Clarify and update C-2A as an overlay district or a base district and represent accordingly on the zoning map. If it is a base district, then the properties should be clearly zoned C-2A. If it's an overlay district, there could be a hatched layer over the C-2 zoning.
18. Organize the Site & Building Requirements tables for the Commercial/Mixed-use districts into a single table, similar to the Residential Districts' Schedule of Regulations table (Sec. 2.2-5).
19. Review and update the dimensional standards of the commercial districts to remove barriers for housing development.
20. Conduct a rezoning study to identify opportunities for increasing the application of the C-1 district on the zoning map, which is only applied to 20 acres total and less than one acre of vacant land.



2025 HOUSING NEEDS ASSESSMENT

Prepared by: The Windward Group, LLC - March 2025

HOUSING NEEDS ASSESSMENT IRONWOOD, MI



Prepared by: The Windward Group, LLC

March 2025

DRAFT

PURPOSE & METHODOLOGY

At the request of The City Ironwood, Michigan, The Windward Group was commissioned to evaluate the existing housing market and offer recommendations regarding steps that can be taken to improve housing quality and affordability within Ironwood with a focus upon the downtown core.

More specifically, this analysis includes the following:

- A thorough examination and analysis of the Gogebic County and Ironwood, MI areas taking into consideration location, accessibility, visibility, proximity to major employment, recreational and retail concentrations, and the general character of the county/community.
- A detailed economic and demographic analysis of Ironwood, MI and Gogebic County focusing upon employment, residential construction, and population/household trends as they affect potentials within Ironwood.
- An analysis and assessment of the future demand for residential housing, in Ironwood and Gogebic County over the next five years.
- An audit of all newer/larger-scale housing developments in the defined market area viewed to hold either direct or indirect competitive influence over future development potentials in Ironwood. This audit details absorption rate histories, rent/price positioning, unit size factors and included features or amenities on a project by project basis.
- A thorough examination of the existing housing market in Ironwood, as evidenced through active listings and recent sales activity.
- An assessment of the future competitive positioning of comparable rental developments in the planning pipeline.

EXECUTIVE SUMMARY

The following paragraphs summarize the salient points detailed in the body of this analysis.

- After its incorporation as a city in the late 1800's, the population of Ironwood grew rapidly as iron ore mining jobs became plentiful, and myriad service oriented industries were established to support the local residents. As mining jobs disappeared beginning in the 1930's, continuing through the 1960's, Ironwood began a steady decline in both employment and population which continued until quite recently.

- In Gogebic County, of which the City of Ironwood is a significant component, we see that the number of employed persons declined from 6,113 in 2014 to 5,317 in 2021. A modest reversal of this trend has been witnessed over the past several years, as after losing only three jobs in 2021, Gogebic County added 149 new jobs in 2022, with another 175 positions added in 2023. Furthermore, the unemployment rate in Gogebic County has declined from 8.9% in 2014, to only 4.7% in 2023. It should be noted however, that during this ten-year timeframe, the labor force has also declined, but mirroring employment trends, has shown an increase over the past two years.
- In terms of residential construction (as evidenced by the authorization of building permits), between 2014 through 2021, development activity in Gogebic County was minimal, while in the City of Ironwood, it was nonexistent. However, along with modest employment additions there has been a recent uptick in residential construction with 38 new single family homes added to Gogebic County, and six new homes added to Ironwood over the past two years.
- From 2010 through 2015, US Census figures indicate that the number of households in Gogebic County dropped from 7,302 to 6,741, a net loss 561 households, continuing a trend that has been in place since mid-1900's. Over this same timeframe, the City of Ironwood lost 201 households. Over the past several years, however, an increase in employment has reversed the trend, with 196 households added to Gogebic County from 2015 through 2022, and an accompanying addition of 146 households added in the City of Ironwood. We expect this moderate increase to continue over the next several years, with 88 additional households forecast in Gogebic County and 139 new household formations expected in Ironwood by 2027.
- Annual household incomes in both Gogebic County and the City of Ironwood are somewhat low, but not altogether surprising. Specifically, we note a median income of \$48,199 in Gogebic County, and a median income of only \$35,722 in the City of Ironwood. Comparatively, we find a median income of \$51,950 in the larger Upper Peninsula, while the median in the State of Michigan stands at \$63,202. By ownership status, the median City of Ironwood income for homeowners is \$45,348 per year, while among renter households, the median is a very low \$22,613 per year.
- While local household incomes are restrained, correspondingly low housing costs have allowed area households to generally keep the percentage of income within standard affordability limits, defined as contributing under 30% of one's income towards housing. Specifically, we find that in both Gogebic County and the City of Ironwood, only 21.3% of all households are paying more than 30% of their incomes for housing. As would be

expected, rental households and lower income ownership households devote higher levels of income for housing in both areas.

- Given the older housing inventory and the associated lower prices/rents, in both Gogebic County and the City of Ironwood, we find an excess of homes at prices below \$100,000 and rents below \$1,000 per month. Conversely, at higher prices/rents, we note a significant shortage of inventory in both areas.
- Based upon a synthesis of several housing demand factors, we expect that housing demand in Gogebic County will average between 75 and 90 units annually over the next five years.
- As referenced earlier and detailed in the body of this analysis, the current housing inventory in both Gogebic County and the City of Ironwood is generally older, and in many instances, functionally obsolete. Specifically, the median year of construction for a home in Gogebic County is 1954 with only 6.9% of the housing stock having been built after the year 2000. In Ironwood, the general housing inventory is even older as the median home is 90 years old, with only 2.0% of existing homes having been built in the past 24 years.
- An older housing inventory coupled with modest incomes has kept housing values relatively low in the region. In Gogebic County, the 2022 median value of a home stands at \$87,800, with 70.9% of all homes valued at \$150,000 or lower. In Ironwood, we note a median home value of only \$67,700, with 88.2% of all units valued under \$150,000.
- While housing values remain relatively low, recent figures provided by Realtor.com indicate moderate increases over the past year. In Gogebic County, we note that since August 2023, median home values have grown from \$111,064 to \$119,776 in July of 2024, an increase of 8.1% over that timeframe. All things being equal, we anticipate that these moderate increases in housing values will likely continue over the next five years.
- In both Gogebic County and the City of Ironwood, the housing inventory trends heavily towards single family alternatives, with a representation rate of over 80.0% in both areas. Conversely, in both areas we find a low percentage of higher density (rental apartment and/or townhome/condominium) housing options. As would be expected, a preponderance of single family homes dictates that almost all housing units include two, three or four bedrooms, with over 80% of the overall housing inventory found in these categories.
- In the City of Ironwood focusing upon the downtown area, we note a total of 35 homes have been sold since October of 2023. Among all units the average home included 2.9

bedrooms, 1,5 bathrooms, and offered 1,315 square feet of living area. With an average sales price of \$108,860 among these 35 sales, we note a value ratio of \$82.79 per square foot.

- Among higher density for-sale alternatives, in Gogebic County only two townhome/condominium units have been sold over the past eight months, with both being located proximate to the Snow River Ski Resort. As such, it is likely that both units were purchased for seasonal use.
- Among rental apartment options, we find no significant development since the mid to late 1980's. Further, outside of two smaller properties (5 and 12 units), all apartment properties are either subsidized through programs like Section 8, are restricted to tenants aged 62 or older, or both. As Section 8 rents are based upon tenant income and not upon market factors, evaluating overall rental rate trends is not practicable.

CONCLUSIONS

Like many other similar communities located throughout the upper Midwest that were historically heavily dependent upon a specific manufacturing industry, the City of Ironwood (which relied upon iron ore mining, and to a lesser degree, timber/logging) experienced significant population losses, negative employment growth, stagnant housing values and general economic malaise after mining operations either closed or severely curtailed operations, beginning in the 1930's and continuing over the following decades.

For several reasons discussed further in the body of this report, the City of Ironwood has begun reversing these trends over the past several years. While a return to the halcyon days of the early to mid-1900's is unlikely, there is certainly cause for a moderate degree of optimism.

Based upon the information detailed in this report and summarized above, it is evident that the City of Ironwood, Michigan currently suffers from a shortage of newer, high quality housing and that new, properly designed, marketed and priced rental apartment and/or single-family home developments can achieve strong levels of consumer acceptance from both current residents of Ironwood, as well as from those currently residing outside of the City or Gogebic County limits.

However, it will be critically important that any future rental apartment or for-sale (single family or to a lesser degree, townhome/condominium) development be properly priced to fall within the affordability parameters of the consumer base.

Given the significant number of current area residents who are paying significantly less than what they can nominally afford (based upon a maximum of 30% of income for housing) there is ample opportunity for any new residential development to tap into those potential buyers or renters who would opt for newer housing options should they become available.

In the section which follows, we will present detailed product recommendations that will fit within these affordability parameters.

RECOMMENDATIONS

As detailed in the body of this analysis, and summarized above, though moderate, there is verifiable demand for various residential development alternatives in the City of Ironwood. However, in order to maximize consumer acceptance, it will be essential that any residential offerings be efficiently designed, well marketed and of primary importance, be properly priced.

As a matter of general guidelines, any residential development (either rental or for-sale) should be relatively simple in design, without excessive or overly expensive amenities and features. Buildings should be somewhat basic in layout, without extraneous gables, rooflines, exterior materials or interior finishes. Following each recommendation by product type are photo images that display the general concept for design.

Furthermore, the product guidelines are meant to be somewhat general in nature, and specific details concerning these options will need additional research and market analysis. These should be used as a starting point for future evaluation.

All options presented below would be well suited for development upon the 17-acre Ayer Street site just east of downtown, or upon any comparable site in Ironwood that includes, at minimum, approximately five to seven acres.

For rental apartments, there are three options presented below. The first two would require allocations of Low Income Housing Tax Credits, as allocated through MSHDA, while the third is a market rate apartment alternative. Developers can focus on any one of these options, or a combination of all three. It is important to stress, however, that the allocation of annual tax credits is typically both highly competitive and comprehensive.

Ironwood, Michigan Rental Apartment Product Recommendations LIHTC & Market Rate Alternatives							
60% of AMI Unit Type	Unit Count	Percent of Total	Maximum Rent (60%)	Unit Size (Sq. Feet)	Rent/ Sq. Foot	Estimated Utilities	Total Cost
Studio/Efficiency	2	5.0%	\$762	450	\$1.69	\$75	\$837
One Bedroom	18	45.0%	\$796	650	\$1.22	\$100	\$896
Two Bedroom	16	40.0%	\$950	800	\$1.19	\$125	\$1,075
Three Bedroom	4	10.0%	\$1,092	1,000	\$1.09	\$150	\$1,242
Total/Average	40	100.0%	\$886	735	\$1.20	\$114	\$999
80% of AMI Unit Type	Unit Count	Percent of Total	Maximum Rent (80%)	Unit Size (Sq. Feet)	Rent/ Sq. Foot	Estimated Utilities	Total Cost
Studio/Efficiency	2	5.0%	\$1,041	450	\$2.31	\$75	\$1,116
One Bedroom	18	45.0%	\$1,095	650	\$1.68	\$100	\$1,195
Two Bedroom	16	40.0%	\$1,309	800	\$1.64	\$125	\$1,434
Three Bedroom	4	10.0%	\$1,506	1,000	\$1.51	\$150	\$1,656
Total/Average	40	100.0%	\$1,219	735	\$1.66	\$114	\$1,333
Market Rate Unit Type	Unit Count	Percent of Total	Monthly Rent	Unit Size (Sq. Feet)	Rent/ Sq. Foot	Estimated Utilities	Total Cost
Studio/Efficiency	4	10.0%	\$1,100	450	\$2.44	\$75	\$1,102
One Bedroom	20	50.0%	\$1,200	650	\$1.85	\$100	\$1,202
Two Bedroom	14	35.0%	\$1,400	800	\$1.75	\$125	\$1,402
Three Bedroom	2	5.0%	\$1,600	1,000	\$1.60	\$150	\$1,602
Total/Average	40	100.0%	\$1,280	700	\$1.83	\$109	\$1,389



For single family development, we suggest that the following be used as a general guideline.

Ironwood, Michigan Single Family Product Recommendations					
Single Family Unit Type	Unit Type	Unit Count	Purchase Price	Unit Size (Sq. Feet)	Price/ Sq. Foot
3 BR/2 BA	Ranch	10	\$229,900	1,600	\$143.69
3+Den/2.5 BA	Cape Cod	15	\$249,900	1,750	\$142.80
4BR/2.5 BA	Two Story	20	\$269,900	1,900	\$142.05
4BR/2.5 BA	Two Story	10	\$289,900	2,100	\$138.05
Total/Average		55	\$260,809	1,841	\$141.67



For higher density, maintenance free townhome/condominium development, we suggest a flat-over-flat design, with attached one or two car garage spaces as detailed below.

Ironwood, Michigan Townhome/Condominium Product Recommendations					
Townhome/Condo Unit Type	Unit Type	Unit Count	Purchase Price	Unit Size (Sq. Feet)	Price/ Sq. Foot
1+Den/1.5 BA	Flat-Lower	4	\$149,900	800	\$187.38
2 BR/2 BA	Flat-Lower	8	\$159,900	900	\$177.67
2 BR/2 BA	Flat-Upper	8	\$174,900	1,000	\$174.90
3 BR/2 BA	Flat-Upper	4	\$194,900	1,200	\$162.42
Total/Average		24	\$169,067	967	\$174.90



Current Economic Developments

Within the Ironwood/Gogebic County, MI area, there are several recent, significant economic developments that will likely have a positive impact upon the local economy over the next five to ten years.

In northwest Gogebic County, the Quebec based Highland Copper Company has secured 550 acres to develop the **Copperwood Mine**. This fully permitted, non-acid generating development will include a processing plant, an ore stockpile area, a tailings disposal facility as well as support facilities.

With an expected life of 11 years, the Copperwood Mine will employ 380 workers and will inject an estimated \$425 million in development costs into the area.

At the **Copper Peak** ski area in Ironwood, the iconic ski jump structure is set to undergo a \$20 million renovation with the intent of making it a global destination. The structure, which was decommissioned in the 1990's, will allow Copper Peak to host year-round ski jumping competitions and training. Redevelopment is expected to take approximately two years to complete.

Just west of Ironwood on the Bad River Indian Reservation, Enbridge Energy, a Canadian Oil Company is working to reroute the existing **Line 5 Pipeline** after their permission on the land expired 10 years ago.

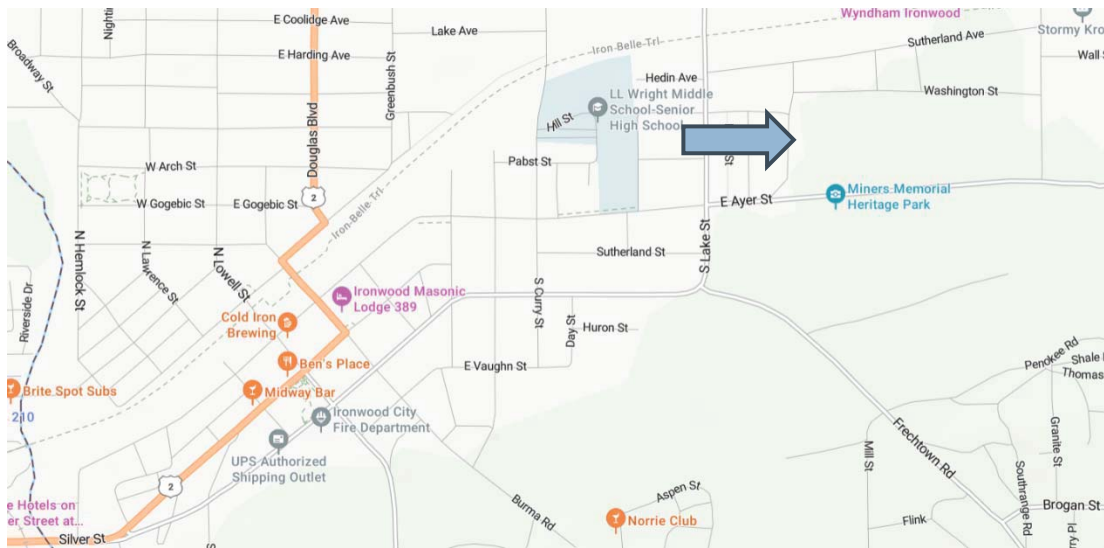
Line 5 currently transports 545,000 barrels a day of light crude oil, light synthetic crude oil and natural gas liquids from western Canada, through northern Wisconsin and the Upper Peninsula of Michigan into eastern Canada. Products which are carried by the 645-mile long pipeline are used to make transportation fuels, as well as fuel used to heat homes and businesses.

The rerouting of Line 5 is expected to cost approximately \$450 million, and will employ 700 workers during its construction, which is expected to take approximately 10 years to complete is still in the final permitting process.

Development Parcel

While this analysis is not site-specific, there is a 27-acre parcel located just east of the downtown area that has been identified by the City as an ideal location for future residential development.

As seen on the graphic below, the site is bordered by Ayer Street on the south, Washington Street on the north and by Luxmore Street on the east. The site is also enhanced by the presence of the Miners Memorial Heritage immediately to the south, across Ayer Street.



With its location proximate to downtown Ironwood, and the growth corridor along Highway 2 to the north, as well as to LL Wright Middle and Senior High School, the site is ideally suited for future residential development.

Topographically, the site is relatively flat, but it benefits from excellent accessibility and visibility. The property is also served by all utilities including sewer and water, as well as electrical.

The property is currently zoned R-2, which will allow for the development of most residential uses, including single family, rental apartment or townhome/condominium alternatives.

As part of their update to the Ironwood Comprehensive Plan, Minneapolis based HKGi developed two conceptual development layouts for this property. These include a mix of residential uses, including senior housing, rowhouses and /or rental apartment alternatives. These preliminary land use plans are presented below.





In the Recommendations section of this analysis, we provide specific market based product guidelines for each of the above residential development alternatives.

ECONOMIC, DEMOGRAPHIC & DEMAND FACTORS

Methodology

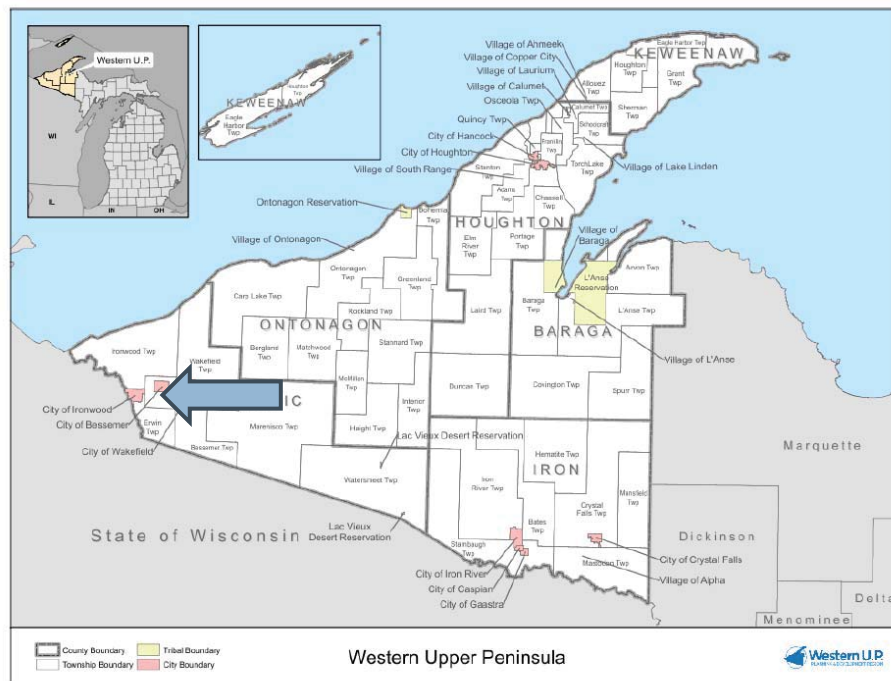
In this section of the analysis, we examine those relevant economic and demographic factors that will have an impact upon future housing potentials in both Gogebic County and the City of Ironwood over the next five to ten years.

In order to derive our future demand figures we synthesized a number of different housing demand indicators, including anticipated employment growth, residential construction activity, expected household formations, as well as capture rate calculations for both for-sale and rental alternatives.

Market Area Definitions

While the focus of this analysis is the City of Ironwood, Michigan, future residential potentials within the city will be significantly impacted by a larger geographic area. As such, to evaluate the potential demand for residential development within the City of Ironwood, it is first necessary to establish that market area from which most future demand will emanate. In our determination, this area includes the entirety of Gogebic County.

Geographically, the City of Ironwood sits in the southwest of Gogebic County, aligning the Montreal River, and immediately north and east of Hurley, Wisconsin. From a broader perspective, Gogebic County is geographically positioned within the westernmost reaches of Michigan's Upper Peninsula, as indicated in the maps which follow.





Gogebic County, Michigan

Typically, demand for new residential development within a given municipality or area is almost exclusively dependent upon employment growth. As such, in relatively “rural” areas such as Ironwood, employment growth is typically modest, leading to relatively low levels of new housing development.

However, beginning during the COVID pandemic in 2020, a significant number of urban/suburban households initiated a relocation into more rural areas that were less impacted by COVID restrictions. This transition fostered a rapid increase in home values in areas that were the beneficiaries of this trend.

Locally, we see that the Wisconsin counties of Oneida and Vilas located immediately south of Gogebic County have seen housing prices increase significantly over the past several years as limited supply coupled with increased demand placed upward pressure on the market. Specifically, in Vilas County, the average home value increased from \$262,362 in 2019, to a current level of \$370,832, an increase of 41.3%. In Oneida County, average values have grown by 44.9% over the past four years.

This rapid increase in housing costs has strained the affordability limits of many local residents, and it is likely that Gogebic County has begun to draw households searching for less expensive housing options.

Employment & Industry

As detailed in the chart which follows, over the past ten years, the number of employed persons in Gogebic County has **declined** from 5,959 to 5,620. This reflects a loss of 339 jobs in total, or an average of 40 per year.

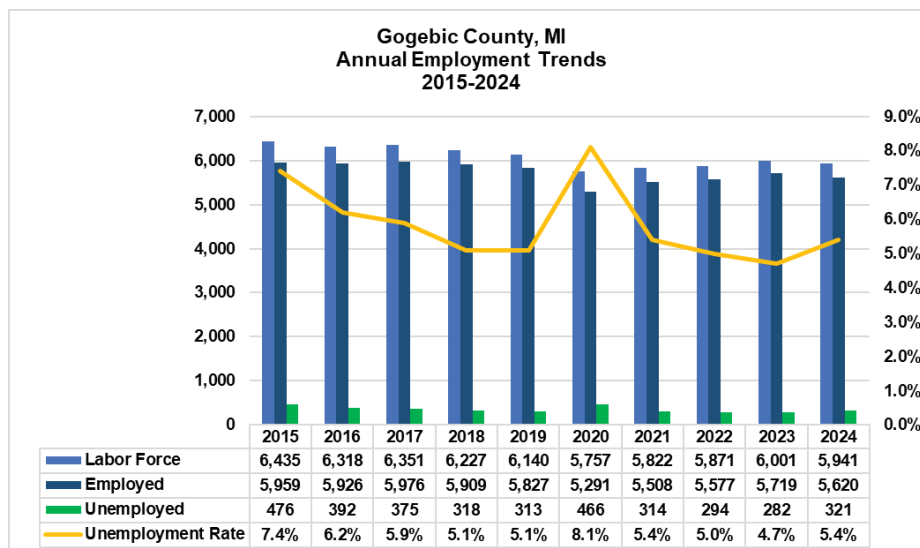
However, we also note that after suffering the loss of 536 jobs in COVID impacted 2020, over the following three years, employment in Gogebic County began to reverse this negative trend, with 217 job additions in 2021, followed by 69 jobs additions in 2022, and 142 jobs added in 2023. In 2024, the market weakened slightly, with 99 jobs lost during the year. This figure, however, is slightly misleading and likely due to general cyclical market trends, as evidenced by the fact that between July and December 2024, Gogebic County recorded 146 new job additions.

Going forward, we expect these moderate employment gains to continue, with an average of approximately 150 new jobs created annually in Gogebic County over the next five years. Based upon a ratio of one new housing unit for every 1.75 new jobs created yields expected demand for an average of 85 new housing units.

Furthermore, over this same ten-year timeframe, we see that the unemployment rate has declined significantly and consistently from a high of 8.1% in 2020 to 5.4% in 2024. This positive trend should be somewhat tempered, as over that same timeframe, the number of persons in the Gogebic County labor force has also declined from 6,435 in 2015 to 5,941 in 2024, as detailed in the table and chart which follow. The bulk of these recent declines in the labor force can be traced to an aging local populace with many current residents either in or approaching retirement age.

Gogebic County, Michigan Annual Employment Trends 2014-2024*						
	Labor Force		Employed		Unemployed	Unemployment
	Total	Net Chg	Total	Net Chg	Total	Rate
2015	6,435	-275	5,959	-207	476	7.4%
2016	6,318	-118	5,926	-33	392	6.2%
2017	6,351	33	5,976	50	375	5.9%
2018	6,227	-124	5,909	-67	318	5.1%
2019	6,140	-86	5,827	-82	313	5.1%
2020	5,757	-383	5,291	-536	466	8.1%
2021	5,822	65	5,508	217	314	5.4%
2022	5,871	48	5,577	69	294	5.0%
2023	6,001	131	5,719	142	282	4.7%
2024	5,941	-60	5,620	-99	321	5.4%

Source: Federal Reserve Bank of St. Louis



As noted above, the current employed population within Gogebic County stands at 5,620 persons, and the general economy is well diversified with no one employment sector dominating the area. Specifically, the Education & Healthcare sector accounts for the highest representation at 20.9%, followed by Retail Trade at 14.6%, and Manufacturing at 12.6%. Within the City of Ironwood, a similar trend is evident, with Education & Healthcare accounting for 21.2% of all jobs, while Manufacturing represents 19.5% of total employment, and Retail Trade supports 14.5%, as detailed in the table below.

**Gogebic County & Ironwood, MI
2022 Employed Population by Industry**

Industry	Gogebic County		Ironwood, MI	
	Number	Percent	Number	Percent
Agriculture & Mining	209	3.7%	21	1.0%
Construction	429	7.6%	144	7.0%
Manufacturing	711	12.6%	400	19.5%
Wholesale Trade	73	1.3%	50	2.4%
Retail Trade	824	14.6%	297	14.5%
Transportation & Utilities	265	4.7%	49	2.4%
Information	79	1.4%	24	1.2%
Finance, Insurance, & Real Estate.	367	6.5%	90	4.4%
Professional Services	333	5.9%	148	7.2%
Education & Healthcare	1179	20.9%	434	21.2%
Arts & Entertainment	542	9.6%	136	6.6%
Other Services	276	4.9%	109	5.3%
Public Administration	355	6.3%	145	7.1%
Total	5,641	100.0%	2,047	100.0%

Source: U.S. Census Bureau

Residential Construction Activity

As a relatively rural area in Michigan's Upper Peninsula with only modest employment growth over the past ten years, residential construction activity (as evidenced through building permit authorizations) within both the City of Ironwood and Gogebic County has been minimal over the past ten years.

However, mirroring recent employment trends, the area has seen a recent uptick in activity. Specifically, after authorizing a total of only nine new residential units (all within the Single Family sector) from 2014 through 2021, Gogebic County saw 11 new homes constructed in 2022 and 27 new homes developed in 2023. Continuing this trend, we see that through September of 2024, a total of 26 new homes have been authorized, reflecting a moderate increase from the same period one year earlier, during which 24 new units were permitted.

It is likely that this increase can be attributed, at least partially, to the rapid increase in home values in Vilas and Oneida County, Wisconsin to the south, as moderate income households spill over into Gogebic County searching for less expensive housing options.

Within the City of Ironwood, there was no new residential construction activity recorded from 2014 through 2021. However, while still minimal, Ironwood did see the construction of three new homes in both 2022 and 2023 with another four new authorizations recorded through September of this year, as indicated in the following table.

Gogebic County & Ironwood, MI Annual Housing Start Statistics 2014-2023				
Year	Gogebic County		Ironwood, MI	
	Total	Single Family	Total	Single Family
2014	0	0	0	0
2015	0	0	0	0
2016	3	3	0	0
2017	1	1	0	0
2018	1	1	0	0
2019	2	2	0	0
2020	1	1	0	0
2021	1	1	0	0
2022	11	11	3	3
2023	27	27	3	3
Total	47	47	6	6
Average	5	5	1	1
2023 September	24	24	2	2
2024-September	26	26	4	4

The most recent statistics available (through September of 2024) indicate a continuation of the trend noted over the past two years. In Gogebic County, 26 new single family homes have been authorized thus far in 2024, which compares favorably to the 24 units recorded over the same time frame in 2023. In the City of Ironwood, the four new homes permitted in 2024 also reflects a year over year increase as through June of 2023, only two new home permits were recorded.

Based upon a continuation of these construction trends, we estimate that new housing construction activity (based upon building permit authorizations) will average between 25 and 50 new units yearly in Gogebic County over the next several years.

Demographic Factors

Within Gogebic County, the most recent (2022) census estimates placed the total **household** count at 7,302 units in 2010, declining to 6,741 households in 2015. A reversal in the declining trend was witnessed in 2020 as the household base expanded to 6,896, and further to 6,937 in 2022. This modest expansion is expected to continue over the next five years, with an estimated 88 household formations anticipated, bringing the total to 7,025 in 2027.

In the City of Ironwood, a similar and more positive trend is evident, with the household base expected to grow from 2,636 in 2022 to 2,775 in 2027, an increase of 139 households.

Gogebic County & Ironwood, MI Population & Household Trends 2010-2027*					
	2010 Households	2015 Households	2020 Households	2022 Households	2027* Households
Gogebic County	7,302	6,741	6,896	6,937	7,025
Net Change	NA	-561	155	41	88
Net Change/Year	NA	-112	31	21	18
Average HH Size	2.26	2.35	2.13	2.10	2.06
Ironwood, MI	2,691	2,490	2,589	2,636	2,775
Net Change	NA	-201	99	47	139
Net Change/Year	NA	-40	20	24	28
Average HH Size	2.04	2.07	1.90	1.93	1.99
	2010 Population	2015 Population	2020 Population	2022 Population	2027* Population
Gogebic County	16,471	15,824	14,715	14,597	14,500
Net Change	NA	-647	-1,109	-118	-97
Net Change/Year	NA	-129	-222	-59	-19
Ironwood, MI	5,490	5,153	4,925	5,088	5,525
Net Change	NA	-337	-228	163	437
Net Change/Year	NA	-67	-46	82	87
Source: US Census Bureau					
*Forecast estimate					

As detailed above, over the next five years the **population** of Gogebic County is forecast to decline but at a slower pace than seen in previous years, while in the City of Ironwood, population trends will be more in line with household formations and will increase by 427 persons over that timeframe.

The median annual household income within Gogebic County currently (2022) stands at \$48,199 per year. As a point of reference, for the entire Upper Peninsula the median income stands at \$51,950, while for the State of Michigan as a whole, a median annual income of \$63,202 is noted.

By component income category, the bulk of households in Gogebic County are earning between \$25,000 and \$49,999 annually, with 1,824 households in this range, accounting for 26.3% of the total. Conversely, we note that 25.1% of all households are earning less than \$25,000 annually, with only 20.0% of the households earning \$100,000 or more.

In the City of Ironwood, the 2022 median annual income for a resident household stood at only \$35,722 per year, a figure 25.8% lower than that noted for Gogebic County. Incomes are somewhat concentrated in the \$15,000 to \$34,999 range, in which the 1,002 households represent 38.0% of the total. Furthermore, we find that in the City of Ironwood, only 17.0% of households earn in excess of \$100,000, as seen below.

Gogebic County & Ironwood, MI 2022 Income Distribution

Annual Income	Gogebic County			Ironwood, MI		
	Number	Percent	Cumulative	Number	Percent	Cumulative
< \$14,999	839	12.1%	12.1%	301	11.4%	11.4%
\$15,000-\$24,999	902	13.0%	25.1%	472	17.9%	29.3%
\$25,000-\$34,999	957	13.8%	38.9%	530	20.1%	49.4%
\$35,000-\$49,999	867	12.5%	51.4%	303	11.5%	60.9%
\$50,000-\$74,999	1,263	18.2%	69.6%	385	14.6%	75.5%
\$75,000-\$99,999	721	10.4%	80.0%	198	7.5%	83.0%
\$100,000-\$149,999	819	11.8%	91.8%	293	11.1%	94.1%
\$150,000-\$199,999	305	4.4%	96.2%	95	3.6%	97.7%
\$200,000 >	264	3.8%	100.0%	61	2.3%	100.0%
Total Households	6,937	100.0%		2,636	100.0%	
Median Household Income	\$48,199			\$35,722		
Mean Household Income	\$68,140			\$59,185		

Source: US Census Bureau

Looking at incomes by home ownership status we see that in the City of Ironwood, among householders that **own** their home (76.6% of all households), the median income stands at \$45,348, while among **renter** households (23.4%), the median income is only \$22,613 per year.

Furthermore, among renter households, fully 83.9% earn less than \$50,000 annually as detailed in the following table. Based upon this fact, it will be important to understand that any new rental apartment development in the City of Ironwood must be designed and priced to remain within the affordability limits of the bulk of the renter household base.

Ironwood, Michigan
2022 Income Distribution by Ownership Status

Annual Income	Owner Occupied			Renter Occupied		
	Number	Percent	Cumulative	Number	Percent	Cumulative
< \$14,999	149	7.4%	7.4%	153	24.8%	24.8%
\$15,000-\$24,999	269	13.3%	20.7%	204	33.1%	58.0%
\$25,000-\$34,999	412	20.4%	41.1%	118	19.2%	77.1%
\$35,000-\$49,999	261	12.9%	54.0%	42	6.8%	83.9%
\$50,000-\$74,999	332	16.4%	70.4%	52	8.4%	92.4%
\$75,000-\$99,999	185	9.2%	79.6%	12	1.9%	94.3%
\$100,000-\$149,999	267	13.2%	92.8%	25	4.1%	98.4%
\$150,000 >	145	7.2%	100.0%	10	1.6%	100.0%
Total Households	2,020	100.0%		616	100.0%	
Median Household	\$45,348			\$22,613		

It is generally accepted that in order to remain “affordable”, housing costs should account for less than 30.0% of a household’s total income.

In Gogebic County, among **owner-occupied** households we find that only 16.5% are paying more than 30.0% of their annual income for housing, with 69.2% paying less than 20.0%. Conversely, among **renter** households, 48.5% are contributing more than 30.0% of their income for housing, while only 35.4% are paying less than 20.0%.

These relatively low ratios, especially among homeowners, is more a function of low housing costs rather than elevated incomes.

In the City of Ironwood, an identical 16.5% of owner-occupied households are paying 30.0% or more of their income for housing, while among renter households, we find that 40.0% are dedicating 30.0% or more of their income to housing costs, with relatively low housing costs/prices again being the operative factor. This is detailed further in the table below.

Gogebic County & Ironwood, MI 2022 Housing Costs as a Percentage of Household Income												
Household Income Range	Gogebic County, Michigan						City of Ironwood, Michigan					
	Owner Occupied		Renter Occupied		All Households		Owner Occupied		Renter Occupied		All Households	
	Households	Percent	Households	Percent	Households	Percent	Households	Percent	Households	Percent	Households	Percent
All Households	5,897	100.0%	1,040	100.0%	6,937	100.0%	2,098	100.0%	538	100.0%	2,636	100.0%
Under 20%	4,079	69.2%	368	35.4%	4,447	64.1%	1,423	67.8%	222	41.3%	1,646	62.4%
20% to 29%	844	14.3%	167	16.1%	1,011	14.6%	329	15.7%	101	18.7%	430	16.3%
Over 30%	974	16.5%	505	48.5%	1,479	21.3%	345	16.5%	215	40.0%	560	21.3%
Less than \$20,000	648	100.0%	480	100.0%	1,128	100.0%	322	100.0%	232	100.0%	554	100.0%
Under 20%	53	8.2%	19	4.0%	72	6.4%	24	7.5%	9	3.9%	33	6.0%
20% to 29%	146	22.5%	74	15.4%	220	19.5%	88	27.3%	51	22.0%	139	25.1%
Over 30%	449	69.3%	387	80.6%	836	74.1%	210	65.2%	172	74.1%	382	69.0%
\$20,000 to \$34,999	1,080	100.0%	243	100.0%	1,323	100.0%	469	100.0%	155	100.0%	624	100.0%
Under 20%	584	54.1%	100	41.2%	684	51.7%	304	64.8%	89	57.4%	393	63.0%
20% to 29%	197	18.2%	58	23.9%	255	19.3%	89	19.0%	35	22.6%	124	19.9%
Over 30%	299	27.7%	85	35.0%	384	29.0%	76	16.2%	31	20.0%	107	17.1%
\$35,000 to \$49,999	712	100.0%	118	100.0%	830	100.0%	261	100.0%	22	100.0%	283	100.0%
Under 20%	420	59.0%	85	72.0%	505	60.8%	139	53.3%	13	59.1%	152	53.7%
20% to 29%	163	22.9%	23	19.5%	186	22.4%	97	37.2%	9	40.9%	106	37.5%
Over 30%	129	18.1%	10	8.5%	139	16.7%	25	9.6%	0	0.0%	25	8.8%
\$50,000 to \$74,999	1,176	100.0%	83	100.0%	1,259	100.0%	332	100.0%	52	100.0%	384	100.0%
Under 20%	1,001	85.1%	77	92.8%	1,078	85.6%	321	96.7%	52	100.0%	373	97.1%
20% to 29%	150	12.8%	5	6.0%	155	12.3%	11	3.3%	0	0.0%	11	2.9%
Over 30%	25	2.1%	1	1.2%	26	2.1%	0	0.0%	0	0.0%	0	0.0%
\$75,000 or More	2,025	100.0%	71	100.0%	2,096	100.0%	597	100.0%	47	100.0%	644	100.0%
Under 20%	1,844	91.1%	71	100.0%	1,915	91.4%	556	93.1%	47	100.0%	603	93.6%
20% to 29%	151	7.5%	0	0.0%	151	7.2%	26	4.4%	0	0.0%	26	4.0%
Over 30%	30	1.5%	0	0.0%	30	1.4%	15	2.5%	0	0.0%	15	2.3%

Looking at households by both age of primary householder and income, we find that in Gogebic County the median income for a household headed by a person 25 years or younger, the median income stands at \$31,447 per year. For households headed by a person 35 to 44, the median is \$48,608, increasing to \$66,607 for 45 to 64 year old households, then declining to \$48,199 for households headed by a person 65 or older.

In the City of Ironwood, a similar trend is evident with the Under 25 median at \$36,896, the median for 25 to 44 year olds at \$37,812, a median of \$55,512 for 45 to 64 year olds, and \$35,722 for households headed by a person 65 or older. Further details can be found in the following table.

**Gogebic County, MI
2022 Households by Age & Income**

Income Range	Age of Householder									
	Under 25		25 to 44		45 to 64		65 & Older		All Households	
	Households	Percent	Households	Percent	Households	Percent	Households	Percent	Households	Percent
Under \$15,000	25	20.0%	170	10.6%	317	12.4%	325	12.3%	837	12.1%
\$15,000-\$24,999	13	10.4%	273	17.0%	223	8.7%	390	14.7%	899	13.0%
\$25,000-\$34,999	38	30.4%	139	8.7%	229	9.0%	556	21.0%	962	13.9%
\$35,000-\$49,999	8	6.4%	243	15.1%	265	10.4%	348	13.1%	864	12.5%
\$50,000-\$74,999	14	11.2%	292	18.2%	366	14.3%	598	22.5%	1,270	18.3%
\$75,000-\$99,999	27	21.6%	194	12.1%	295	11.5%	203	7.7%	719	10.4%
\$100,000-\$149,999	0	0.0%	182	11.3%	492	19.3%	143	5.4%	817	11.8%
\$150,000-\$199,999	0	0.0%	41	2.6%	219	8.6%	43	1.6%	303	4.4%
\$200,000 & Over	0	0.0%	71	4.4%	149	5.8%	46	1.7%	266	3.8%
Total	125	100.0%	1,605	100.0%	2,555	100.0%	2,652	100.0%	6,937	100.0%
Median Income	\$31,447		\$48,608		\$66,607		\$37,290		\$48,199	

**Ironwood, MI
2022 Households by Age & Income**

Income Range	Age of Householder									
	Under 25		25 to 44		45 to 64		65 & Older		All Households	
	Households	Percent	Households	Percent	Households	Percent	Households	Percent	Households	Percent
Under \$15,000	2	4.3%	57	8.0%	134	14.5%	111	11.6%	304	11.5%
\$15,000-\$24,999	9	19.6%	208	29.3%	60	6.5%	204	21.3%	481	18.2%
\$25,000-\$34,999	11	23.9%	69	9.7%	154	16.7%	288	30.1%	522	19.8%
\$35,000-\$49,999	8	17.4%	114	16.0%	88	9.5%	101	10.6%	311	11.8%
\$50,000-\$74,999	6	13.0%	128	18.0%	117	12.7%	140	14.6%	391	14.8%
\$75,000-\$99,999	5	10.9%	33	4.6%	100	10.8%	37	3.9%	175	6.6%
\$100,000-\$149,999	4	8.7%	81	11.4%	157	17.0%	54	5.6%	296	11.2%
\$150,000-\$199,999	1	2.2%	9	1.3%	76	8.2%	10	1.0%	96	3.6%
\$200,000 & Over	0	0.0%	12	1.7%	37	4.0%	11	1.2%	60	2.3%
Total	46	100.0%	711	100.0%	923	100.0%	956	100.0%	2,636	100.0%
Median Income	\$36,896		\$37,812		\$55,512		\$30,608		\$35,722	

Source: US Census Bureau

Based upon an analysis of household income and associated housing affordability (using an income/value factor of 2X) we find that in Gogebic County that there is currently an excess of affordable housing options for households in the lower income ranges, and a significant shortage of affordable housing for those households with incomes exceeding \$50,000 per year.

Specifically, we note a current excess supply of 911 homes at values under \$100,000, and a corresponding shortage of 911 homes at prices over \$100,000. In other words, the current housing inventory in Gogebic County is somewhat out of balance as it relates to household incomes and associated affordability.

In the City of Ironwood, a similar situation is evident with an excess of 767 homes at prices \$100,000 or lower, and a corresponding shortage of housing inventory at prices over \$100,000. Further details are provided in the table below.

**HOUSING SUPPLY/INVENTORY BY INCOME
GOGEBIC COUNTY & IRONWOOD, MI**

Gogebic County

Income Range	Households	Owner Occupied		Renter Occupied		Total Units	Excess/Shortage	
		Affordable Value	Households	Affordable Rent			Units	Percent
\$0 - \$24,999	1,741	\$0 - \$49,999	1,362	\$0 - \$499	1,175	2,537	796	45.7%
\$25,000 - \$49,999	1,824	\$50,000 - \$99,999	1,562	\$500 - \$999	377	1,939	115	6.3%
\$50,000 - \$74,999	1,263	\$100,000 - \$149,999	748	\$1,000 - \$1,499	0	748	-515	-40.8%
\$75,000 - \$99,999	721	\$150,000 - \$199,999	773	\$1,000 - \$1,499	0	773	52	7.1%
\$100,000 - \$149,999	819	\$200,000 - \$299,999	450	\$1,500 - \$1,999	0	450	-369	-45.0%
\$150,000+	569	\$300,000+	490	\$2,000+	0	490	-79	-13.9%
	6,937		5,385		1,552	6,937		

City of Ironwood

Income Range	Households	Owner Occupied		Renter Occupied		Total Units	Excess/Shortage	
		Affordable Value	Households	Affordable Rent			Units	Percent
\$0 - \$24,999	772	\$0 - \$49,999	839	\$0 - \$499	693	1,533	761	98.5%
\$25,000 - \$49,999	833	\$50,000 - \$99,999	628	\$500 - \$999	211	839	6	0.7%
\$50,000 - \$74,999	385	\$100,000 - \$149,999	134	\$1,000 - \$1,499	0	134	-251	-65.2%
\$75,000 - \$99,999	198	\$150,000 - \$199,999	74	\$1,000 - \$1,499	0	74	-124	-62.6%
\$100,000 - \$149,999	293	\$200,000 - \$299,999	45	\$1,500 - \$1,999	0	45	-248	-84.6%
\$150,000+	156	\$300,000+	11	\$2,000+	0	11	-145	-92.9%
	2,636		1,731		904	2,635		

Capture Rate-For Sale Alternatives

Another analytical tool that is useful for estimating housing demand for residential development is the capture rate. The capture rate can be defined as the percentage of age, and income qualified renter or buyer households in a market area that a property must capture to achieve a stabilized level of occupancy. The capture rate is calculated by multiplying a reasonable capture rate percentage by the total number of age, and income qualified renter or buyer households in the market area, in this instance, defined as Gogebic County.

For the purposes of this analysis, we expect that almost all future demand for rental housing alternatives will originate from households headed by persons aged from 25 to 64, with annual incomes between \$15,000 and \$49,999. At incomes above \$50,000, it is more likely that households will lean towards home ownership, while at incomes below \$15,000, affordability issues will likely prevent them from leasing at a newer development with associated higher rents.

To assess the number of income and age qualified households in Gogebic County we focused on households headed by persons between 25 and 64 years of age, with incomes exceeding \$50,000 per year. It is believed that this group will compose the majority of potential Gogebic County purchasers. Using this methodology we find that the annual potential for new for-sale housing stands at 88 units, as outlined below.

Gogebic County Capture Rate Analysis - For Sale Housing			
Annual Income	25-64	Percent	Project
< \$14,999	487	11.7%	-
\$15,000-\$24,999	496	11.9%	-
\$25,000-\$34,999	368	8.8%	-
\$35,000-\$49,999	508	12.2%	-
\$50,000-\$74,999	658	15.8%	658
\$75,000-\$99,999	489	11.8%	489
\$100,000-\$149,999	674	16.2%	674
\$150,000-\$199,999	260	6.3%	260
\$200,000 >	220	5.3%	220
Total Households	4,160	100.0%	2,301
Assumed Homeowner Percent			76.6%
Income Qualified Households			1,763
Capture Rate			5.0%
Potential For Sale Units			88

Capture Rate-Rental Alternatives

As displayed in the following table, within Gogebic County, there are 1,372 households headed by someone between the ages of 25 and 64, with annual incomes between \$15,000 and \$49,999. However, as only 23.4% of households in the county are currently renters, this must be factored into the final calculation.

Gogebic County Capture Rate Analysis - Renter Housing			
Annual Income	25-64	Percent	Project
< \$14,999	487	11.7%	-
\$15,000-\$24,999	496	11.9%	496
\$25,000-\$34,999	368	8.8%	368
\$35,000-\$49,999	508	12.2%	508
\$50,000-\$74,999	658	15.8%	-
\$75,000-\$99,999	489	11.8%	-
\$100,000-\$149,999	674	16.2%	-
\$150,000-\$199,999	260	6.3%	-
\$200,000 >	220	5.3%	-
Total Households	4,160	100.0%	1,372
Assumed Homeowner Percent			23.4%
Income Qualified Households			321
Capture Rate			10.0%
Potential Rental Units			32

As revealed above, we find 321 income and age eligible households in Gogebic County assuming a 23.4% renter likelihood. By applying a capture rate of 10.0%, we can extrapolate that the maximum number of rental units (within one development) that can be absorbed by the market is approximately 32.

Housing Demand Forecast

In the preceding paragraphs, we estimated future housing demand based upon a number of different but still interconnected factors.

Specifically, we note that based upon recent **employment** trends, annual housing demand in Gogebic County is expected to average **85 units annually** over the next five years.

Looking solely at recent **residential construction trends** yields anticipated housing demand of 25 to 50 units yearly.

A housing demand estimate of 88 units is forecast based upon expected organic household formations, and using capture rate calculations, we expect that housing demand in Gogebic County will average 120 units annually from 2024 through 2029.

Furthermore, outside of the occurrence of a catalytic event, such as the relocation of a significant employer into the area, it is likely that employment growth, and by extension, demand for new housing that would be required to accommodate an influx of new residents will remain modest over the next five to ten years, though this will be mitigated to some degree by continued spillover from the higher priced Wisconsin counties to the south.

Based upon a synthesis of the above factors, we would expect that in Gogebic County, overall demand for new housing will average between 75 and 90 units yearly over the next five years.

Given the relatively low levels of county-wide annual housing demand, estimating the level of new housing that can be captured by the City of Ironwood can be difficult to assess. However, it is not unreasonable to predict that Ironwood can capture at least 50% of this demand provided that the new housing product is properly designed, priced and marketed and more importantly, enters the market prior to the development of similar housing in other Gogebic County communities.

In other words, the timing of the development will be of significant importance, as it is highly likely that the earliest entrants into the market will benefit from the initial surge of local buyers/renters who are looking for new housing alternatives. Furthermore, once the initial demand base is tapped, later developments will be competing for a declining number of potential customers.

THE RESIDENTIAL ENVIRONMENT

Introduction

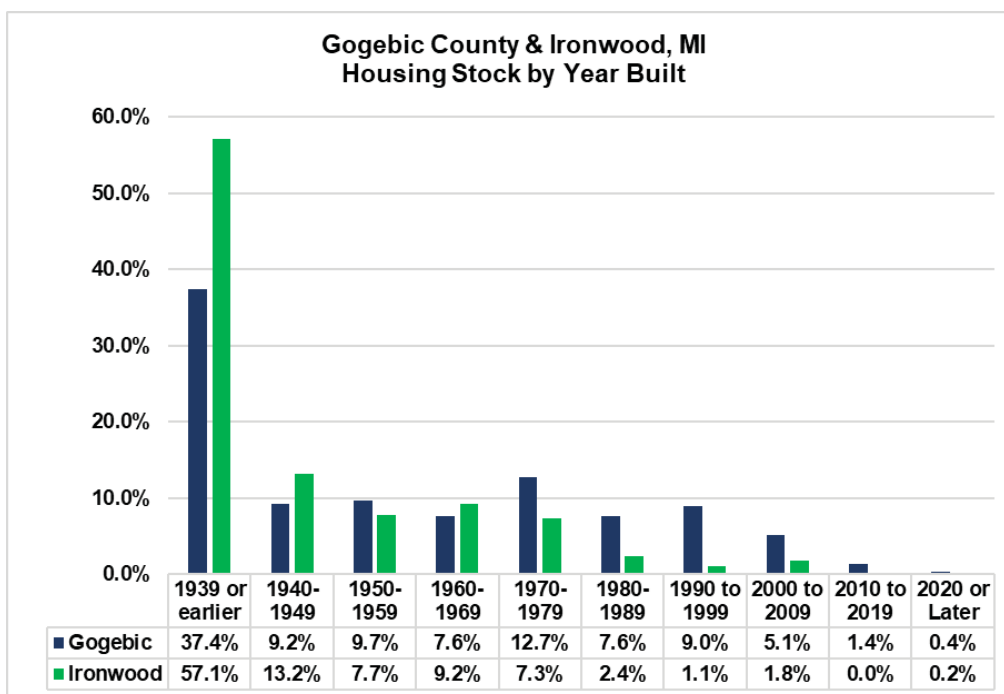
To assess the potential for new residential development in the City of Ironwood, MI, we examined a number of relevant housing market statistics and have detailed them in this section of the analysis.

General Housing Statistics

As it relates to the existing housing stock, we find an aging inventory with little recent construction activity in either the Gogebic County or the City of Ironwood as was discussed in the preceding section of this analysis.

Specifically, the median year built for a home in Gogebic County is 1954, with only 6.9% of the housing stock having been constructed since 2000. We also find that 56.3% of all housing units within the County were constructed prior to 1960.

Within the City of Ironwood we find an even older housing inventory, as the median year built for residential units is 1934, with only 2.0% of the inventory constructed in year 2000 or later. Conversely, 78.0% of the housing stock was built in 1959 or earlier, as seen in the following chart.



Given the age of the majority of housing units in both Gogebic County and the City of Ironwood coupled with the rural nature of the area, it should not be surprising that housing values generally trend towards the lower end of the pricing spectrum.

Within the City of Ironwood, we note a current median home value of only \$67,700. While relatively low, this does reflect an increase of 12.8% from the figure of \$60,000 recorded one year earlier. Furthermore, after declining consistently from 2010 through 2019, prices have reversed the trend and have shown annual increases in 2020, 2021 and 2022.

Similarly, Gogebic County has seen home value increases over the past three years, rising from \$67,100 in 2019, to \$87,800 in 2022, an increase of 30.8% as seen in the table which follows.

**Gogebic County & Ironwood, MI
Median Home Values 2010-2022**

Year	City of Ironwood			Gogebic County		
	Median Value	Percent Change	Cumulative Percent	Median Value	Percent Change	Cumulative Percent
2010	\$60,600	NA	0.0%	\$69,200	NA	0.0%
2011	\$59,400	-2.0%	-2.0%	\$67,900	-1.9%	-1.9%
2012	\$54,900	-7.6%	-9.6%	\$67,500	-0.6%	-2.5%
2013	\$52,300	-4.7%	-14.3%	\$66,800	-1.0%	-3.5%
2014	\$49,000	-6.3%	-20.6%	\$66,900	0.1%	-3.4%
2015	\$53,100	8.4%	-12.2%	\$68,800	2.8%	-0.5%
2016	\$54,100	1.9%	-10.4%	\$69,800	1.5%	0.9%
2017	\$49,900	-7.8%	-18.1%	\$70,100	0.4%	1.4%
2018	\$49,500	-0.8%	-18.9%	\$69,900	-0.3%	1.1%
2019	\$47,000	-5.1%	-24.0%	\$67,100	-4.0%	-2.9%
2020	\$52,800	12.3%	-11.6%	\$73,500	9.5%	6.6%
2021	\$60,000	13.6%	2.0%	\$76,400	3.9%	10.6%
2022	\$67,700	12.8%	14.8%	\$87,800	14.9%	25.5%

As presented above, the median value of a home within Gogebic County stands at a relatively low \$87,800. By price range, we find that 70.9% of all homes are valued under \$150,000 and only 9.4% support values exceeding \$300,000. In the City of Ironwood, the median home value is 22.9% lower at only \$67,700. Within the City, 88.2% of residences are valued at under \$150,000, and only 1.2% carry values over \$300,000, as indicated below.

Gogebic County & Ironwood, MI 2022 Housing Values

Value	Gogebic County		Ironwood, MI	
	Total	Percent	Total	Percent
Less than \$50,000	1,583	27.6%	675	33.4%
\$50,000 to \$99,999	1,597	27.9%	819	40.5%
\$100,000 to \$149,999	881	15.4%	289	14.3%
\$150,000 to \$199,999	637	11.1%	130	6.4%
\$200,000 to \$299,999	497	8.7%	83	4.1%
\$300,000 to \$499,999	371	6.5%	24	1.2%
\$500,000 to \$999,999	141	2.5%	0	0.0%
\$1,000,000 or more	25	0.4%	0	0.0%
Owner-Occupied Units	5,732	100%	2,020	100%

Median Home Value	\$87,800	\$67,700
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Source: US Census Bureau

According to statistics provided by Realtor.com, the most recent figures available point to a continuation of the recent increase in home values. Specifically, in July of 2024, the median value of a home in Gogebic County stood at \$119,776 reflecting an increase of 1.0% from the preceding month. Furthermore, over the past year, we have seen the median home value improve by a strong 8.1%, as indicated in the table below.

Gogebic County, MI Median Home Values June 2022 - July 2024			
Month	Median Value	Percent Change	Cumulative Percent
Aug-23	\$111,064	0.5%	0.5%
Sep-23	\$111,598	0.5%	1.0%
Oct-23	\$112,324	0.7%	1.6%
Nov-23	\$113,242	0.8%	2.4%
Dec-23	\$113,322	0.1%	2.5%
Jan-24	\$113,282	0.0%	2.5%
Feb-24	\$113,392	0.1%	2.6%
Mar-24	\$114,689	1.1%	3.7%
Apr-24	\$116,066	1.2%	4.9%
May-24	\$117,257	1.0%	6.0%
Jun-24	\$118,564	1.1%	7.1%
Jul-24	\$119,776	1.0%	8.1%

Within Gogebic County, among the 10,405 housing units identified in 2022, we note that 9,183 units, or 88.3% of the housing stock consists of single family homes. Conversely, we see that only 793 units, or 7.6% of the total, are found in structures including five units or more.

In the City of Ironwood, single family representation is slightly lower, with 81.7% (2,463 units) of the 3,015 housing units found within this sector. Like Gogebic County, Ironwood supports very little high-density development, with only 12.0% of the housing stock in structures containing five units or more. The following table provides details for both Gogebic County and the City of Ironwood.

Gogebic County & Ironwood, MI Housing Units by Structure Type				
	Gogebic County		Ironwood, MI	
	Units	Percent	Units	Percent
Single Family	9,183	88.3%	2,463	81.7%
2 Units	185	1.8%	70	2.3%
3 or 4 Units	244	2.3%	121	4.0%
5 to 9 Units	193	1.9%	154	5.1%
10 to 19 Units	102	1.0%	68	2.3%
20 Units or More	254	2.4%	139	4.6%
Mobile Home	244	2.3%	0	0.0%
Total households	10,405	100.0%	3,015	100.0%

Source: US Census Bureau

As indicated in the following table, 43.1% of all homes in Gogebic County include three bedrooms, 30.2% include two bedrooms, and 12.1% offer four bedrooms. In the City of Ironwood, a similar distribution is noted, with 42.5% of all homes supporting three bedrooms, 27.5% including two bedrooms and 14.2% providing four bedrooms.

**Gogebic County & Ironwood, MI
2022 Housing Units by Bedroom Count**

	Gogebic County		Ironwood	
	Number	Percent	Number	Percent
Studio	182	1.7%	34	1.1%
One Bedroom	1,101	10.6%	361	12.0%
Two Bedrooms	3,146	30.2%	829	27.5%
Three Bedrooms	4,483	43.1%	1,281	42.5%
Four Bedrooms	1,261	12.1%	427	14.2%
Five Bedrooms or more	230	2.2%	83	2.8%
Total	10,405	100.0%	3,015	100.0%
Median	3.17		3.22	

Source: U.S. Census Bureau

The Single-Family Home Sector

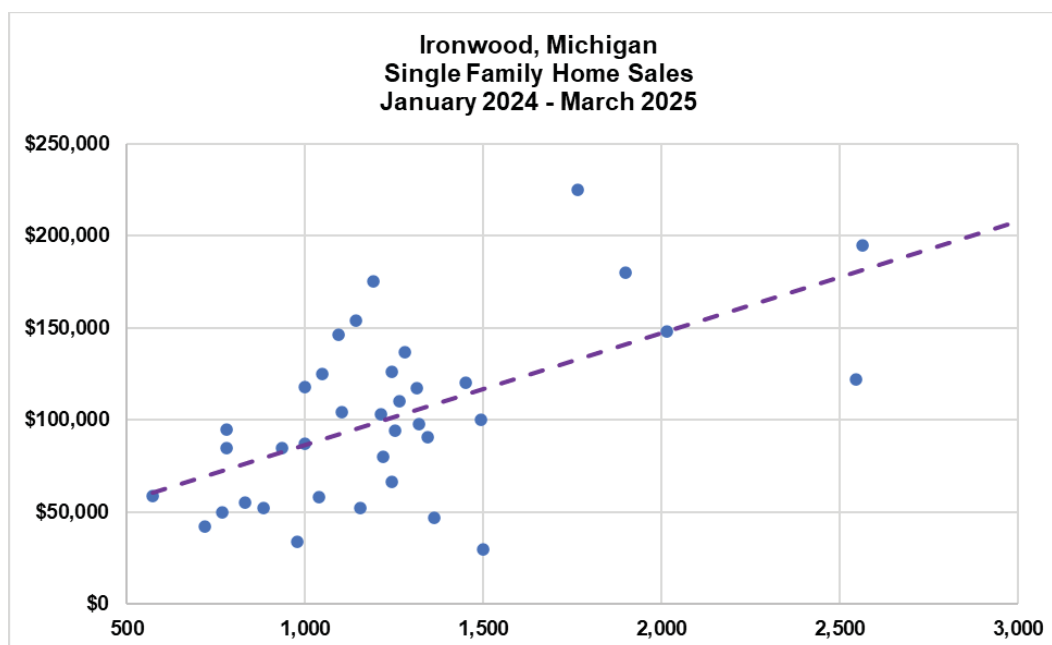
As outlined in the table which follows, a total of 46 single family homes have been sold through the local Multiple Listing Service (“MLS”) in the City of Ironwood over the past fifteen months. The average price among these sales was \$112,463 for a home including 1,320 square feet of living area. This yields a value ratio of \$85.21 per square foot. The average home also provided 2.9 bedrooms and 1.5 bathrooms.

**Ironwood, Michigan
Single Family Home Sales
January 2024 - March 2025**

Property/Address	Sale Date	Bedrooms	Baths	Home Size (Sq. Ft.)	Sales Price	Price/ Sq. Ft.
166 Midland Avenue E	3/18/2025	3	1	1,000	\$87,000	\$87.00
402 E Bonnie Street	2/21/2025	3	1	1,344	\$90,500	\$67.34
202 W Arch Street	2/3/2025	3	1.5	978	\$34,000	\$34.76
240 Ash Street E	1/30/2025	3	1	1,144	\$154,000	\$134.62
755 Van Buskirk Road	1/15/2025	3	2	1,450	\$120,000	\$82.76
453 Oak Street E	12/23/2024	3	1.5	1,213	\$102,900	\$84.83
1303 N Hemlock Street	12/10/2024	2	1	780	\$85,000	\$108.97
423 E Bonnie Street	12/4/2024	2	1.5	1,280	\$137,000	\$107.03
122 Coolidge Avenue E	12/2/2024	2	1	936	\$85,000	\$90.81
129 Norris Street W	11/20/2024	3	1	831	\$55,100	\$66.31
219 Lake Street N	11/12/2024	3	2	1,218	\$79,900	\$65.60
608 Sutherland Street	11/8/2024	3	1	1,155	\$52,000	\$45.02
824 Florence Street	10/31/2024	4	2	1,243	\$126,000	\$101.37
1314 Lowell Street	10/31/2024	3	1.5	1,049	\$124,900	\$119.07
1313 Lawrence Street N	10/28/2024	3	2	1,765	\$225,000	\$127.48
213 Clemens Street	10/17/2024	3	1	1,265	\$110,000	\$86.96
928 Ayer Street E	10/2/2024	2	1	1,321	\$97,500	\$73.81
1219 Douglas Blvd	9/25/2024	3	1.5	2,016	\$147,900	\$73.36
729 Pabst Street E	8/9/2024	3	1	1,251	\$94,000	\$75.14
410 Norrie Street W	8/1/2024	2	1	768	\$50,000	\$65.10
117 E Michigan Avenue	7/25/2024	3	1	1,000	\$118,000	\$118.00
140 Pewabic Street	7/23/2024	5	2	1,362	\$47,000	\$34.51
310 Suffolk Street	7/19/2024	4	2	2,564	\$194,900	\$76.01
503 Pine Street E	7/16/2024	3	1	1,312	\$117,500	\$89.56
433 Lake Avenue	6/20/2024	5	3	3,068	\$210,500	\$68.61
424 Midland Avenue W	6/17/2024	3	1	1,104	\$104,000	\$94.20
141 Pewabic Street	6/10/2024	4	1	882	\$52,500	\$59.52
100 Coolidge Avenue E	6/7/2024	3	2	1,244	\$66,200	\$53.22
1160 Leonard Street	6/5/2024	3	2	1,192	\$175,000	\$146.81
N10474 Lake Road	5/30/2024	3	1	1,095	\$146,000	\$133.33
169 Coolidge Avenue E	2/22/2024	3	1.5	2,545	\$122,000	\$47.94
E5114 John Street	2/16/2024	3	3	1,900	\$180,000	\$94.74
129 Coolidge Avenue W	2/15/2024	1	1	572	\$59,000	\$103.15
204 W Larch Street	2/15/2024	3	2.5	1,500	\$30,000	\$20.00
640 Florence Street	2/14/2024	2	1	720	\$42,000	\$58.33
200 S Range Road	1/12/2024	4	1	1,493	\$100,000	\$66.98
N11830 Lake Road	1/12/2024	2	1.5	780	\$95,000	\$121.79
207 Kennedy Street	1/9/2024	2	1	1,038	\$58,000	\$55.88
Average		2.9	1.5	1,320	\$112,463	\$85.21

Source: Realtor.com

The chart below provides a graphic delineation of all 46 single family sales recorded in the City of Ironwood since January 2024.



Straight-line regression analysis reveals that “market” or average single-family home prices in the City of Ironwood extend from \$73,103 for a 500-square foot home to \$164,303 for a home with 2,400 square feet while moving at an incremental rate of \$48 per square foot, as outlined in the following chart.



The Townhome/Condominium Sector

Within the City of Ironwood, the market for townhome/condominiums is minimal. Over the past eight months, only two units have been sold, both within Jackson Creek Summit at Snowriver Resort (formerly Indianhead Mountain).

In March of 2024, a one bedroom, one bath unit including 644 square feet sold for \$125,500 (\$194.88/sf), while in February of this year, a two bedroom, two bath condo with 922 square feet sold for \$185,000 or for \$200.65/sf.

Given the location of these sales, it is highly likely that both condominiums were purchased by recreational/second home users.

The Rental Apartment Sector

Within both Gogebic County and the City of Ironwood, we find no larger scale apartment communities, and no rental housing of any type developed since at least the year 2000. The rental units that do exist include either older single family homes, rental units atop older commercial buildings, or only available as short-term, seasonal rentals available through online avenues like Air BnB or Vrbo.

Among these limited options, and based upon US Census figures from 2022, the median rent for rental unit in Gogebic County (not including short-term seasonal rentals) stands at \$503 per month with 84.2% of the 1,040 renter households paying less than \$1,000 per month. Within the City of Ironwood, the 2022 median rent was only \$491 per month, a figure 2.3% lower than Gogebic County. In Ironwood, 97.8% of the 538 renter households are paying less than \$1,000 per month in rent.

Please refer to the following table and chart for details regarding monthly rents in Gogebic County and the City of Ironwood.

Gogebic County & Ironwood, MI 2022 Rent Characteristics				
Monthly Rent	Gogebic County		Ironwood, MI	
	Number	Percent	Number	Percent
Less than \$500	311	29.9%	290	53.9%
\$500-\$749	182	17.5%	130	24.2%
\$750-\$999	383	36.8%	106	19.7%
\$1,000-\$1,249	42	4.0%	6	1.2%
\$1,250-\$1,499	40	3.8%	5	1.0%
\$1,500 & Over	83	8.0%	0	0.0%
Total	1,040	100.0%	538	100.0%
Median Rent	\$503		\$491	

Source: U.S. Census Bureau

Ironwood, MI Rental Property Summary								
Property	Year Built	Unit Count	Bed/ Bath	Average Adj. Rent	Average Unit Size	Rent/ Sq. Ft.	Vacant Units	Vacancy Rate
Ahonen Apartments	1975	12	2/1	\$750	700	\$1.07	0	0.0%
Mill Trace Apartments (Section 8)	1983	48	1/1	\$1	1	\$1.00	0	0.0%
Wildwood Manor (Senior 62+, Section 8)	1985	24	1/1	\$1	580	\$0.00	0	0.0%
Grose Apartments	1930	5	2/1	\$1	700	\$0.00	0	0.0%
Pioneer Park (Section 8)	1979	55	1/1	\$1	1	\$1.00	0	0.0%
Pioneer Park (Section 8)	1979	55	2/1	\$1	1	\$1.00	0	0.0%
Total/Average		199		\$108	283	\$0.38	0	0.0%

Short-Term/Vacation Rentals

Adding to the housing supply issues has been the proliferation of short term rentals through web-based entities such as Airbnb and Vrbo. While Ironwood is not considered to be a major tourism destination, like Minocqua, Hurley/Cable and Eagle River to the south, there is a material number of short-term units available.

In August of 2024, we identified 41 such rentals in the downtown Ironwood area. Single family homes represent the majority of the inventory, with 25 units available. The remaining 16 units were segmented among townhome/condominium, apartment and individual room options.

Among all units, the average rental rate stands at \$104.45 per night. Single family homes represent the most expensive option with an average of \$145 per night, followed by Townhome/Condominiums at \$130 per night, as detailed in the table below.

Ironwood, Michigan Short Term Rental Summary		
Housing Type	Total	Average Cost/Night
Single Family	25	\$ 145
Townhome/Condo	5	\$ 130
Apartment	6	\$ 99
Room	5	\$ 82
Total/Average	41	\$ 104.45

Low Income Housing Tax Credits

Given current Gogebic County demographics, household incomes, current market rents and construction costs, it is highly likely that any future rental apartment development in the City of Ironwood will need to utilize IRS Section 42 Low Income Housing Tax Credits (“LIHTC”) as allocated by the Michigan State Housing Development Authority (“MSHDA”), or another similar program.

Tax credits are allocated in exchange for a mandate to keep rents “affordable”, and only leasing to households with annual incomes that are below a certain percentage of county-wide medians.

Furthermore, the State of Michigan (unlike many other states) bases maximum allowable rent

The following table provides details for maximum household income, and maximum allowable rents based upon bedroom counts over several AMI income categories in Gogebic County for 2024.

Gogebic County, MI MSHDA Income and Rent Limits - 2024								
Income Category	Household Size							
	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
30% of AMI	\$16,740	\$19,110	\$21,510	\$23,880	\$25,800	\$27,720	\$29,640	\$31,530
50% of AMI	\$27,900	\$31,850	\$35,850	\$39,800	\$43,000	\$46,200	\$49,400	\$52,550
60% of AMI	\$33,480	\$38,220	\$43,020	\$47,760	\$51,600	\$55,440	\$59,280	\$63,080
80% of AMI	\$44,640	\$50,960	\$67,360	\$63,680	\$68,800	\$73,920	\$79,040	\$84,080
Income Category	Rent by Bedroom Count							Eight Person
	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Seven Person	
30% of AMI	\$418	\$448	\$537	\$621	\$693	\$764		
50% of AMI	\$697	\$746	\$896	\$1,035	\$1,155	\$1,274		
60% of AMI	\$837	\$896	\$1,075	\$1,242	\$1,386	\$1,529		
80% of AMI	\$1,116	\$1,195	\$1,434	\$1,656	\$1,848	\$2,039		
Income Category	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
30% of AMI	\$418	\$477	\$537	\$597	\$645	\$693	\$741	\$788
50% of AMI	\$697	\$796	\$896	\$995	\$1,075	\$1,155	\$1,235	\$1,313
60% of AMI	\$837	\$955	\$1,075	\$1,194	\$1,290	\$1,386	\$1,482	\$1,576
80% of AMI	\$1,116	\$1,274	\$1,434	\$1,592	\$1,720	\$1,848	\$1,976	\$2,102

Source: MSHDA

Future Development

DISCLAIMER

This report may have forward-looking projections about the future growth of various markets. These projections are subject to risk and uncertainty. Actual results may differ due to a variety of factors including, but not limited to; competition, regulatory changes, and general economic conditions. All other factors should be considered carefully, and the Client shall not place undue reliance on these forward-looking projections.

LIMITATION OF LIABILITY

All information collected by The Windward Group for this report has been collected by analyzing the pricing and availability trends for residential and/or commercial/retail projects. This analysis relies on information from a variety of secondary sources and while the information contained herein is believed to be accurate, The Windward Group cannot guarantee the complete accuracy of the information in this study that has been obtained from secondary sources. The liability of The Windward Group, and its employees, to the Client, for the production of this study shall not exceed the amount of fees paid by the Client. No claim may be brought against The Windward Group and its employees more than one year after the services were completed

The author of this analysis, Scott A. Meitus, is the Managing Partner of The Windward Group (www.windwardinvest.com), a Wisconsin based company which provides expert financial and market analysis services to real estate developers, investors, family offices and municipalities. He can be reached at (608) 335-2212, or via e-mail at Smeitus@windwardinvest.com.



IRONWOOD

MICHIGAN | *Find Your North*



HOUSING ACTION PLAN

**CITY OF IRONWOOD
RESOLUTION #025-019**

SUPERIOR STREET AND NORTH CURRY STREET SMALL URBAN PROJECT 2025

At a Regular meeting of the City Commission of the City of Ironwood held on the 9th day of June 2025, in the Commission Chambers of the Memorial Building in the City of Ironwood, Michigan, the following Resolution was offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, the Michigan Department of Transportation (MDOT) is planning a four part project to include (PART A) Hot mix asphalt removal and paving along Superior Street from US-2 to north city limits; including earthwork, subbase and aggregate base, aggregate shoulders, drainage, concrete sidewalk, curb and gutter, curb ramps and permanent pavement markings; and all together with necessary related work, (PART B) Water main construction along the limits as described in PART A; and all together with necessary related work; (PART C) Hot mix asphalt paving and pavement markings along North Curry Street from Ayer Street to Hill Street; and all together with necessary related work, and (PART D) Hot mix asphalt cold milling along the limits as described in PART C and transportation of millings off-site; and all together with necessary related work.; and

WHEREAS, the Federal Surface Transportation Funds shall be applied to the eligible items the PROJECT COST for each PART as described below:

PART A: up to the lesser of: (1) \$259,180, or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract for the "Project" improvements. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the City of Ironwood.

PART B: The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the City of Ironwood.

PART C: up to the lesser of: (1) \$41,000, or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract for the "Project" improvements. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the City of Ironwood.

PART D: the PART D portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the City of Ironwood.

NOW THEREFORE, BE IT RESOLVED that the City of Ironwood enters into an agreement with the MICHIGAN DEPARTMENT OF TRANSPORTATION (MOOT) for the work along Superior Street and North Curry Street; and the following City Official, City Manager/Engineer Paul Anderson, is authorized to sign said Contract No. 25-5269.

Upon roll call vote the following voted:

YEAS:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

Kim Corcoran, Mayor

I, Jennifer Jacobson, the duly appointed City Clerk of the City of Ironwood, Michigan, do hereby certify that the foregoing is a true copy of a Resolution adopted by the City Commission of the City of Ironwood at its Regular Meeting on June 9, 2025.

Jennifer Jacobson, City Clerk

STP

DA

Control Section	STUL 27000
Job Number	215057CON; 221118CON
Project	25A0611; 25A0612
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	25-5269

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF IRONWOOD, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in Ironwood, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated May 12, 2025, attached hereto and made a part hereof:

PART A – JOB #215057CON; FEDERAL PARTICIPATION

Hot mix asphalt removal and paving along Superior Street from US-2 to north city limits; including earthwork, subbase and aggregate base, aggregate shoulders, drainage, concrete sidewalk, curb and gutter, curb ramps and permanent pavement markings; and all together with necessary related work.

PART B – JOB #215057CON; NO FEDERAL PARTICIPATION

Water main construction along the limits as described in PART A; and all together with necessary related work.

PART C – JOB #221118CON; FEDERAL PARTICIPATION

Hot mix asphalt paving and pavement markings along North Curry Street from Ayer Street to Hill Street; and all together with necessary related work.

PART D – JOB #221118CON; NO FEDERAL PARTICIPATION

Hot mix asphalt cold milling along the limits as described in PART C and transportation of millings off-site; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

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WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT, at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

SURFACE TRANSPORTATION PROGRAM

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

The Michigan Department of Environment, Great Lakes, and Energy has informed the DEPARTMENT that it adopted new administrative rules (R 325.10101, et. seq.) which prohibit any governmental agency from connecting and/or reconnecting lead and/or galvanized service lines to existing and/or new water main. Questions regarding these administrative rules should be directed to Michigan Department of Environment, Great Lakes, and Energy. The cost associated with replacement of any lead and/or galvanized service lines, including but not limited to contractor claims, will be the sole responsibility of the REQUESTING PARTY.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT, including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:
 - A. Design or cause to be designed the plans for the PROJECT.
 - B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
 - C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in accordance with the following:

PART A

Federal Surface Transportation Funds shall be applied to the eligible items of the PART A portion of the PROJECT COST up to the lesser of: (1) \$259,180 or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, for the PART A portion of the PROJECT is not exceeded at the time of the award of the construction contract. The balance of the PART A portion of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART B

The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART C

Federal Surface Transportation Funds shall be applied to the eligible items of the PART C portion of the PROJECT COST up to the lesser of: (1) \$41,000 or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, for the PART C portion of the PROJECT is not exceeded at the time of the award of the construction contract. The balance of the PART C portion of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART D

The PART D portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

7. At such time as traffic volumes and safety requirements warrant, the REQUESTING PARTY will cause to be enacted and enforced such ordinances as may be necessary to prohibit parking in the traveled roadway throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail.

Buy America Requirements (23 CFR 635.410) shall apply to the PROJECT and will be adhered to, as applicable, by the parties hereto.

9. The REQUESTING PARTY certifies that it is not aware if and has no reason to believe that the property on which the work is to be performed under this agreement is a facility, as defined by the Michigan Natural Resources and Environmental Protection Act [(NREPA), PA 451, 1994, as amended 2012]; MCL 324.20101(1)(s). The REQUESTING PARTY also certifies that it is not a liable party pursuant to either Part 201 or Part 213 of NREPA, MCL 324.20126 et seq. and MCL 324.21323a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will acquire property for the use of either a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release of any hazardous materials at or on the property. The REQUESTING PARTY is not a person who is liable for response activity costs, pursuant to MCL 324.20101 (vv) and (ww).

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation

pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Michigan Department of Environment, Great Lakes, and Energy, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Michigan Department of Environment, Great Lakes, and Energy and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

Upon completion of the PROJECT, the REQUESTING PARTY shall accept the facilities constructed as built to specifications within the contract documents. It is understood that the REQUESTING PARTY shall own the facilities and shall operate and maintain the facilities in 09/06/90 STPLS.FOR 5/13/25

accordance with all applicable Federal and State laws and regulations, including, but not limited to, Title II of the Americans with Disabilities Act (ADA), 42 USC 12131 et seq., and its associated regulations and standards, and DEPARTMENT Road and Bridge Standard Plans and the Standard Specifications for Construction.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the

REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.

- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF IRONWOOD

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
for Department Director MDOT

By _____
Title:



May 12, 2025

EXHIBIT I

CONTROL SECTION STUL 27000
JOB NUMBER 215057CON; 221118CON
PROJECT 25A0611; 25A0612

ESTIMATED COST

CONTRACTED WORK

	<u>PART A</u>	<u>PART B</u>	<u>PART C</u>	<u>PART D</u>	<u>TOTAL</u>
Estimated Cost	\$415,240	\$160,220	\$ 40,200	\$ 9,090	\$624,750

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$415,240	\$160,220	\$ 40,200	\$ 9,090	\$624,750
Less Federal Funds*	<u>\$259,180</u>	<u>\$ 0</u>	<u>\$ 32,903</u>	<u>\$ 0</u>	<u>\$292,083</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$156,060	\$160,220	\$ 7,297	\$ 9,090	\$332,667

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

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DOT

TYPE B
BUREAU OF HIGHWAYS
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
3. Modification Or Construction Of Railroad Facilities
- a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
 - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
- 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
 - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
 - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

- F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than \$100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.
- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

- a. Agencies expending a total of \$500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

The Reporting Package
The Data Collection Form
The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than \$500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Education
Accounting Service Center
Hannah Building
608 Allegan Street
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.
3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than \$1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number _____", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.
5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than \$1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.
2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).
5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

- A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

- a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

- b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

- c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

- d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

- B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.
- C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.
- C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A

PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX B TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
 - a. Withholding payments to the contractor until the contractor complies; and/or
 - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:**

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:**

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.