

OWOSSO

Planning Commission



Regular Meeting
6:30pm, Monday, October 23, 2017
Owosso City Council Chambers



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: October 20, 2017

TO: Chairman Wascher and the Owosso Planning Commission

FROM: Susan Montenegro, Asst. City Manager / Director of Community Development

RE: Regular Planning Commission Meeting: October 23, 2017

The planning commission shall convene at 6:30 pm on Monday, October 23, 2017 in the city council chambers of city hall.

Monday night's meeting will be a little more relaxed as there are no public hearings or site plan reviews on the agenda. The meeting, however, will be full of information regarding the development of the capital improvements plan (CIP). Additionally, we will be looking ahead at the master plan update and what that entails.

Christopher Germain from the MEDC will be joining us at the meeting to help planning commission understand its role in the development of the CIP. I have also attached information from the Michigan Association of Planning (MAP) on this, too.

On another note, a draft version of the parks and rec plan is available for public comment and review. Please follow the link below and take a look at it.

- [Parks & Recreation Master Plan-2017Draft \(6.89 MB\)](#)

Please **RSVP for the meeting**. Feel free to contact me at 989.725.0544 if you have questions.

Enjoy your weekend!

Sue

AGENDA
Owosso Planning Commission
Regular Meeting
Monday, October 23, 2017 at 6:30 p.m.
Council Chambers – Owosso City Hall
Owosso, MI 48867

CALL MEETING TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OF AGENDA: October 23, 2017

APPROVAL OF MINUTES: September 25, 2017

COMMUNICATIONS:

1. Staff memorandum.
2. PC minutes from September 25, 2017.
3. Capital Improvements Plan Guide – RRC
4. CIP guideline – MAP
5. CIP program – MAP
6. Master plan update guide - RRC

COMMISSIONER/PUBLIC COMMENTS:

PUBLIC HEARING:

1. None.

SITE PLAN REVIEW:

1. None.

BUSINESS ITEMS:

1. Capital Improvements Plan. Understanding the role and responsibility the planning commission in the development of the CIP.

ITEMS OF DISCUSSION:

1. Developing an RRC core group. Who will be part of the process?
2. Draft version of Parks and Rec plan. A draft version of the parks and rec plan is posted on the city website, with hard copies also available at city hall and the Shiawassee District Library, for public comment and review.
3. Master plan update. Looking ahead at what is required and the process.

COMMISSIONER/PUBLIC COMMENTS:

ADJOURNMENT: **Next meeting will be Monday, November 27, 2017**

Commissioners, please call Sue at 725-0544 if you will be unable to attend the meeting on Monday, October 23, 2017.

[The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audiotapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing or calling the following: Amy Kirkland, City Clerk, 301 W. Main St, Owosso, MI 48867 (989) 725-0500]. The City of Owosso website is: www.ci.owosso.mi.us

Affirmative Resolutions
Owosso Planning Commission
Regular Meeting
Monday, October 23, 2017 at 6:30 p.m.
Council Chambers – Owosso City Hall
Owosso, MI 48867

Resolution 171023-01

Motion: _____

Support: _____

The Owosso Planning Commission hereby approves the agenda of October 23, 2017 as presented.

Ayes: _____

Nays: _____

Approved: ____

Denied: ____

Resolution 171023-02

Motion: _____

Support: _____

The Owosso Planning Commission hereby approves the minutes of September 25, 2017 as presented.

Ayes: _____

Nays: _____

Approved: ____

Denied: ____

Resolution 171023-03

Motion: _____

Support: _____

The Owosso Planning Commission hereby adjourns the October 23, 2017 meeting, effective at _____pm.

Ayes: _____

Nays: _____

Approved: ____

Denied: ____

**MINUTES
REGULAR MEETING OF THE OWOSSO PLANNING COMMISSION
COUNCIL CHAMBERS, CITY HALL
MONDAY, SEPTEMBER 25, 2017 – 6:30 P.M.**

CALL TO ORDER: Chairman Wascher called the meeting to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE: Recited.

ROLL CALL: Tanya Buckelew, Recording Secretary.

MEMBERS PRESENT: Chairman Wascher, Vice-Chair Livingston, Secretary Janae Fear, Commissioners Michelle Collison, Tom Cook and Dan Law.

MEMBERS ABSENT: Commissioners Jake Adams and Tom Taylor.

OTHERS PRESENT: Assistant City Manager Susan Montenegro, Justin Horvath - SEDP

APPROVAL OF AGENDA:

MOTION BY COMMISSIONER LIVINGSTON, SUPPORTED BY COMMISSIONER COLLISON TO APPROVE THE AGENDA FOR SEPTEMBER 25, 2017.

YEAS ALL. MOTION CARRIED.

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER LIVINGSTON SUPPORTED BY COMMISSIONER COLLISON TO APPROVE THE MINUTES FOR THE AUGUST 28, 2017 MEETING.

YEAS ALL. MOTION CARRIED.

COMMUNICATIONS:

1. Staff memorandum
2. PC minutes from August 28, 2017.
3. 912 S. Washington rezoning application and notice
4. 1460 N. M-52 site plan application
5. What is Green Infrastructure article

COMMISSIONER/PUBLIC COMMENTS

None.

PUBLIC HEARING: Rezoning of 912 S. Washington. This location has been a day care and playground for approximately 20 years. Kendra Nichols, Director expressed having the zoning changed to B-1 Local Business District. Currently it is zoned R-1 Single Family Residential District, R-2 Multi-Family Residential District and B-1 Local Business District. Being zoned as B-1 Local Business District only, would allow for expansion for the building and meeting the setback requirements. Diane Osmer of 829 S. Washington received the notice and thinks it's an OK thing to do.

**MOTION BY VICE CHAIRMAN LIVINGSTON, SUPPORTED BY COMMISSIONER LAW:
THE OWOSSO PLANNING COMMISSION, FIND THE REQUEST OF THE REZONING PETITION FOR
PARCEL 050-651-039-006-00, ALSO KNOW AS 912 S WASHINGTON STREET FROM R-1 SINGLE**

FAMILY RESIDENTIAL DISTRICT, R-2 MULTI-FAMILY RESIDENTIAL DISTRICT AND B-1 LOCAL BUSINESS DISTRICT ZONING TO THE ENTIRE PARCEL BEING DESIGNATED AS A B-1 LOCAL BUSINESS DISTRICT TO BE IN CONFORMANCE WITH THE CRITERIA FOR A ZONING CHANGE, HEREBY RECOMMENDS APPROVAL TO THE CITY COUNCIL.

ROLL CALL VOTE:

YEAS: COMMISSIONERS COLLISON, COOK, FEAR, LAW, LIVINGSTON AND CHAIRMAN WASCHER.

NAYS: NONE

MOTION PASSED

SITE PLAN REVIEW FOR 1460 N M-52:

Jed Dingens, Architect, presented the site plan to add 32 parking spaces, for a total of 81 including 6 barrier free spaces. Also, the plan included restriping the existing parking spaces to improve the traffic flow and allow for additional spaces. This location is the Greg & Lou's restaurant. Eric Redmond is now the President of Greg & Lou's and spoke about adding to the area behind restaurant. Storm drainage was discussed and Mr. Redmond stated he got approval from Kiwanis Village to use their private drain for additional storm water run-off.

MOTION BY COMMISSIONER COLLISON, SUPPORTED BY COMMISSIONER LIVINGSTON: THE OWOSSO PLANNING COMMISSION HEREBY APPROVES THE APPLICATION FOR SITE PLAN REVIEW FOR 1460 N. M-52, PARCEL # 050-535-000-007-00 AS APPLIED AND ATTACHED HERETO IN PLANS DATED SEPTEMBER 15, 2017.

ROLL CALL VOTE:

YEAS: COMMISSIONERS COLLISON, COOK, FEAR, LAW, LIVINGSTON AND CHAIRMAN WASCHER.

NAYS: NONE

MOTION PASSED

BUSINESS ITEMS:

1. **Citizens Participation Plan.** Ms. Montenegro presented a revision of the plan as far as wording it to make it easier to read. Discussion about low and high controversy.

MOTION BY COMMISSIONER LIVINGSTON SUPPORTED BY COMMISSIONER COOK TO APPROVE THE CITIZEN PARTICIPATION PLAN (SUBJECT TO INPUT FROM THE MEDC) AND HEREBY RECOMMENDS CITY COUNCIL ADOPTION.

ROLL CALL:

YEAS: COMMISSIONERS COLLISON, COOK, FEAR, LAW, LIVINGSTON AND CHAIRMAN WASCHER.

NAYS: NONE

MOTION PASSED

ITEMS OF DISCUSSION:

1. Upcoming Workshop Dates.
Medical Marihuana Facilities Licensing Act Workshops:

Thursday, September 28 – 7-9 pm at city hall
Saturday, October 21 – 10-noon location TBD

Ms. Montenegro will have informational handouts and a PowerPoint presentation at the Medical Marihuana Workshops.

Redevelopment Ready Communities Casual Workshop:
Wednesday, October 4, 2017 p.m. at the Wesener Building

COMMISSIONER/PUBLIC COMMENT: NONE

ADJOURNMENT:

MOTION BY VICE-CHAIR LIVINGSTON, SUPPORTED BY COMMISSIONER LAW TO ADJOURN AT 8:35 P.M. UNTIL THE NEXT MEETING ON OCTOBER 23, 2017.

YEAS ALL, MOTION CARRIED.

Janae L. Fear, Secretary

CAPITAL IMPROVEMENTS PLAN GUIDE



A tool for Michigan communities looking to establish
a capital improvements plan



INTRODUCTION

The Capital Improvements Plan (CIP) guide is a tool for Michigan communities looking to establish a capital improvements plan, a requirement of the Michigan Planning Enabling Act¹ for all cities and villages and some townships. For more information about the benefits of capital improvement planning, please reference the Michigan Association of Planning's article². In addition, Michigan State University Extension has a useful checklist³ for the adoption of a CIP.

The first part of this guide describes a recommended process for drafting a capital improvements plan. Following information on the CIP process, sample language for the content of a CIP is included. Every community has different needs and capacities so the process and document should be tailored to fit your community's requirements. This guide recommends methods that have been successful in other communities; however, as long as the community meets the intent of long term, collaborative, fiscal planning as outlined in the act, this RRC best practice⁴ is being met.

¹ [www.legislature.mi.gov/\(S\(eo2fxv5Sgbt3ldvqvk4f1a2\)\)/documents/mcl/pdf/mcl-33-2008-IV.pdf](http://www.legislature.mi.gov/(S(eo2fxv5Sgbt3ldvqvk4f1a2))/documents/mcl/pdf/mcl-33-2008-IV.pdf)

² www.planningmi.org/downloads/capital_improvements_program.pdf

³ www.lu.msu.edu/pamphlet/bclsam/pamphlet1J%20CIP.pdf

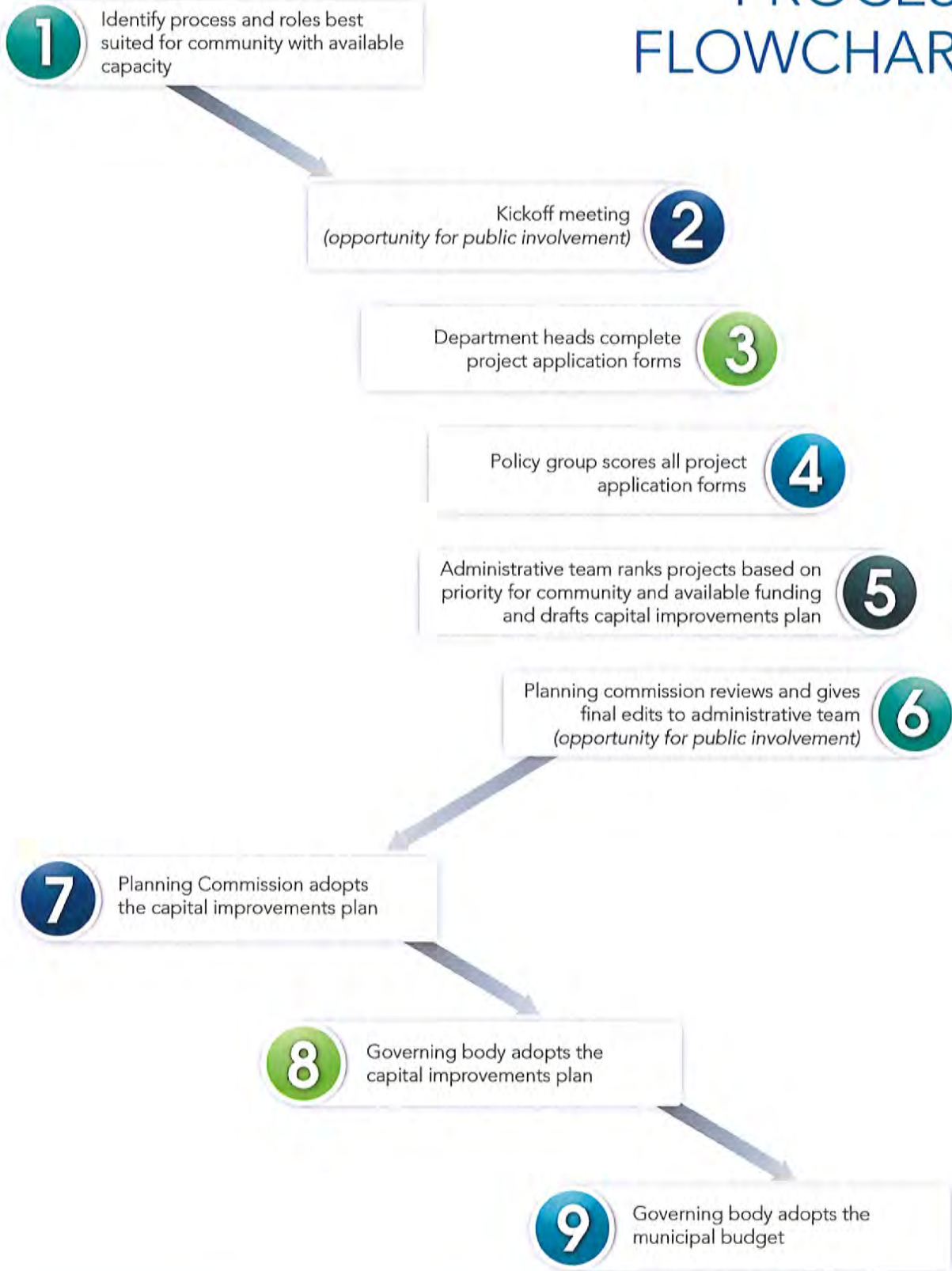
⁴ www.michiganadvantage.org/cm/files/redevelopment_ready_communities/rrc-best-practices.pdf

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PROCESS FLOWCHART



STEP ONE

Identify process and roles

The first step in the creation of the capital improvement plan is to identify the best process for your community. Creating a flowchart of the steps helps participants to visualize the process. The pictured flowchart is an example of a process that has worked in many Michigan communities. Your community may decide to alter the process to fit your needs and time lines.

Next, your community should identify participants. The following are roles to be identified:

- **Project lead**

Although the planning commission is charged with the task of completing the capital improvements plan in the act⁵, one person should be identified as the project lead. This is the person responsible for organizing the different department heads, mediating conflict and organizing the drafting of the capital improvements plan to present to the planning commission. This project lead could be anyone from a planning commissioner, the manager or supervisor, or a consultant but most often falls upon to the planning director. It is important that this task be supported by the manager or supervisor and mayor as the process requires collaboration between most department heads, the planning commission and the governing body.

- **Policy group**

The policy group is made up of department heads relevant to the capital improvements program and other important representatives. At a minimum, the capital improvements of the municipal roads, sewers and parks should be included. Many communities include the capital improvements of police and fire as well. The department heads will fill out a project application form for each requested in their department project that will occur in the next six years. Once all project application forms are completed by all department heads, the policy group will rank all applications using a score sheet. It is recommended that two planning commissioners and one elected official serve as part of this group. The community must involve the planning commission and governing body throughout the process. The following individuals or roles should be represented in the policy group:

- Director of Planning and Development

- Recreation Director

- Municipal Treasurer

- Municipal Clerk

- Director of Public Services

- Director of Finance

- Police Chief (*if police department capital improvements are being included in the CIP*)

- Fire Chief (*if fire department capital improvements are being included in the CIP*)

- Governing Body Representative (*if possible*)

- Planning Commission Representatives (*two if possible*)

⁵ Article IV, Section 65 of Act 33 of 2008

- **Administrative team**

This group is responsible for final scoring of the project requests and crafting the capital improvements plan to present to the planning commission. Most often, the administrative group consists of the manager or supervisor, the director of community and economic development and the director of finance. If all of these positions do not exist in the community, look for a team that fully understands the goals and direction of growth in the community, the priorities for spending in the community and the community's finances.

- **Planning commission**

The planning commission is given responsibility by the act⁶ to adopt the capital improvements plan after the adoption of the master plan unless exempted by charter, thus should be involved throughout the process for seamless adoption. It is recommended that at least two commissioners are involved with the process from start to finish. The planning commission should fully understand the value and process of the capital improvements program. A training session may need to be held before the process begins if a capital improvements program is new to the community. Once the draft is complete, the planning commission should hold a working session open to the public to review the CIP draft and give the project lead and administrative team final edits. After these edits have been incorporated, the planning commission will adopt the CIP in an open meeting.

- **Governing body**

The governing body should use the capital improvements plan to aid in the adoption of the municipal budget. This is most effective when the governing body fully understands the benefits and process of the CIP. It is recommended that one elected official be a part of the CIP process from start to finish. The governing body is expected to adopt the CIP after the planning commission adopts it, but before the budget is adopted. If the planning commission is exempted by charter from preparing and adopting the capital improvements plan, the task falls to the governing body.

⁶ Article IV, Section 65 of Act 33 of 2008



STEP TWO

Kickoff meeting

Once all roles have been identified, the administrative team hosts a kickoff meeting to explain the reasons and benefits of a capital improvements program and everyone's role in the process. The project lead organizes this meeting and both the administrative team and policy group in their entirety should be present. The kickoff meeting may be an opportunity for public involvement by allowing any member of the community to observe. This would allow for the public to understand what the CIP is and how they can become involved.



It is helpful to reference Article IV of the Michigan Planning enabling Act (P.A 33 of 2008) for the legal foundation of the capital improvements plan.

If a six year projection seems daunting to your community as the CIP is developed for the first time, you may decide to draft a CIP that covers two or three years. A shorter time period will allow you to establish an effective and thorough process which will enable your community to add on to the projection the following year. Although beneficial for establishing the process, a capital improvements plan that projects less than six years still does not meet the requirements of the law or RRC best practice.



The enabling act states, "The capital improvements program shall show those public structures and improvements in the general order of their priority, that in the (planning) commission's judgment will be needed or desirable and can be undertaken within the ensuing 6-year period"⁷

⁷ Article IV, Section 65 of Act 33 of 2008

STEP THREE

Complete project application forms

The capital improvements projects will be identified by completing project application forms. Each department head will fill out a project application form for each project to occur in the next six years. Each identified capital improvement should have a separate project application form filled out. For example, if the parks and recreation department is requesting trail improvements in three different parks, three different project application forms need to be filled out. After the completion of all project applications, policy group members receive a copy of all project application forms, then rank them based off of the scoring criteria developed by the project lead. At the end of the kickoff meeting, the department heads should have a thorough understanding and be ready to support the community's chosen CIP process, project application forms and be ready to identify next steps.

It is important that the project lead give the department heads enough time to complete this project as the process can be overwhelming, especially for the first time. It is important that the project application form be filled out in its entirety. This will allow all projects to be evaluated with the same information.



Appendix A contains a sample project application form.

The actual form will look different depending on the capacity of the community. The project lead should develop an ID mechanism to be attached to each project application request. For example, all capital improvements being requested by the police department would begin with "P" (P-001, P-002, etc.). The ID mechanism will be useful when writing the capital improvements plan in referencing specific projects in the project summary section discussed in part two of this guide.

STEP FOUR

Project scoring

After the department heads identify and complete the project application forms for all capital improvements that will occur in the next six years, each member of the policy group receives one copy of every project application form submitted along with the appropriate amount of score sheets.

The three basic questions that should be answered when ranking projects are:

- Is the project legal?
- Is the project a high priority for the community?
- Is the project contained in the master plan or the parks and recreation plan?

Appendix B contains a sample of a more complex score sheet. The length and intensity of the score sheet is dependent on the capacity and goals of the community. Each member for the policy group will score and then rank the projects and submit the score sheets to the administrative team.

STEP FIVE

Rank projects and draft the CIP

The administrative team will ultimately draft the capital improvements plan based on the priority of the projects for the city and available funds. The length of the plan will depend on the amount of projects, the years projected out and the capacity of the community. It is important for the administrative team to work closely with the planning commission and governing body as they will be ultimately adopting it.



The next section of this guide contains sample language to use in the CIP

It is recommended the administrative team presents a draft CIP to the planning commission during a working session. This session allows the planning commission to give input and feedback and hear public comment before it is finally adopted. Once the planning commission adopts the CIP, the plan then goes to the governing body for adoption.

SAMPLE LANGUAGE

This section provides sample CIP language your community may use in the drafting of a capital improvements plan.

SAMPLE INTRODUCTION LANGUAGE

A Capital Improvements Plan (CIP) is a multi-year planning instrument used to identify needs and financing sources for public infrastructure improvements. The purpose of a CIP is to facilitate the orderly planning of infrastructure improvements; to maintain, preserve, and protect the community of Anywhere's existing infrastructure system; and to provide for the acquisition or scheduled replacement of equipment to ensure the efficient delivery of services to the community. The CIP is also utilized to ensure that capital improvements are fiscally sound and consistent with the goals and policies of the governing body and the residents of the community.

A comprehensive CIP is an essential tool for the planning and development of the social, physical, and economic wellbeing of the community. This process is a necessary step in an organized effort to strengthen the quality of public facilities and services; provide a framework for the realization of community goals and objectives; and provide a sound basis on which to build a healthy and vibrant community.

The CIP informs Anywhere residents and stakeholders on how the municipality plans to address significant capital needs over the next six years. The CIP provides visual representations of the community's needs including maps that detail the timing, sequence, and location of capital projects. The CIP can also influence growth because infrastructure can impact development patterns.

Some of the many benefits that the CIP provides for the residents and stakeholders include:

- Optimize the uses of revenue
- Focus attention on community goals, needs, and capabilities
- Guide future growth and development
- Encourage efficient government
- Improve intergovernmental and regional cooperation
- Help maintain a sound and stable financial program
- Enhance opportunities for the participation in federal and/or state grant programs

The projects identified in the CIP represent the community's plan to serve residents and anticipate the needs of a dynamic community. Projects are guided by various development plans and policies established by the planning commission, governing body, and administration.

Plans and policies include:

- Master land use plan
- Redevelopment plan
- Downtown development plan
- Corridor improvement plan
- Recreation plan
- Transportation plan
- Non-motorized transportation plan
- Goals and objectives of council
- Administrative policies



Mission statement

Preparation of the CIP is done under the authority of the Michigan Planning Enabling Act (PA 33 of 2008). The goal of the CIP should be to implement the master plan and to assist in the community's financial planning.

The CIP is dynamic. Each year all projects included within the CIP are reviewed, a call for new projects is made, and adjustments are made to existing projects arising from changes in the amount of funding required, conditions, or time line. A new year of programming is also added each year to replace the year funded in the annual operating budget.

The CIP program should continue to develop over time by adding features to gradually improve quality and sophistication. Greater attention shall be devoted to provide more detailed information about individual project requests, program planning, fiscal analysis, fiscal policies, and developing debt strategy.

CIP and the budget process

The CIP plays a significant role in the implementation of a master plan by providing the link between planning and budgeting for capital projects. The CIP process precedes the budget process and is used to develop the capital project portion of the annual budget. Approval of the CIP by the planning commission does not mean that they grant final approval of all projects contained within the plan. Rather by approving the CIP, the planning commission acknowledges that these projects represent a reasonable interpretation of the upcoming needs for the community and that projects contained in the first year of the plan are suitable for inclusion in the upcoming budget.

Priority rankings do not necessarily correspond to funding sequence. For example, a road-widening project which is ranked lower than a park project may be funded before the park project because the road project has access to a restricted revenue source, whereas a park project may have to compete for funding from other revenue sources. A project's funding depends upon a number of factors— not only its merit, but also its location, cost, funding source, and logistics.

The community of Anywhere should strive to maximize resources by maintaining a balance between operating and capital budgets. A continuous relationship exists between the CIP and the annual budget. A direct link can be seen between the two documents, as there should be in a strategic planning environment. Budget appropriations lapse at the end of the fiscal year as the operating budget is funded with recurring annual revenues such as taxes, licenses, fines, user fees, and interest income.

SAMPLE CIP PROCESS LANGUAGE

Capital Improvements Plan Policy group: reviews the policy, develops the project rating and weighting criteria, rates and weights project applications, reviews funding options, and presents the recommendation to the Administrative Group.

- Director of Planning and Development
- Recreation Director
- Municipal Treasurer
- Municipal Clerk
- Director of Public Services
- Director of Finance
- Police Chief
- Fire Chief
- Governing Body Representative
- Planning Commission Representative (2)

Administrative group: clarifies any issues, finalizes the ratings and brings the CIP draft forward at the planning commission workshop and presents the CIP at the planning commission public hearing.

- Community Manager
- Director of CED
- Director of Finance

Planning commission: works with the policy group during the plan development, conducts workshops (if necessary), reviews the policy group's recommendation, receives public input, conducts public hearings, adopts the plan, and requests the governing body to consider incorporating funding for the first year projects into the budget plan.

Governing body: encouraged to use the CIP as a tool in the adoption of the annual budget process in accordance with the governing body goals and objectives.

Residents: encouraged to participate in plan development by working with various boards and commissions at the planning commission workshops, the planning commission public hearings, and at the governing body's budget workshops and public hearings. As always, communication is open between residents, governing body representatives, planning commission representatives, and staff.

SAMPLE CIP POLICY LANGUAGE

As used in the community of Anywhere Capital Improvements Program, a capital improvements project is defined as a major, nonrecurring expenditure that includes one or more of the following:

1. Any construction of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of such a facility, provided that the cost is \$10,000 or more and that the improvement will have a useful life of three years or more.
2. Any nonrecurring rehabilitation of all or a part of a building, its grounds, a facility, or equipment, provided that the cost is \$10,000 or more and the improvement will have a useful life of three years or more.
3. Any purchase or replacement of major equipment to support community programs provided that the cost is \$10,000 or more and will be coded to a capital asset account.
4. Any planning, feasibility, engineering, or design study related to an individual capital improvements project or to a program that is implemented through individual capital improvements projects provided that the cost is \$10,000 or more and will have a useful life of three years or more.
5. Any planning, feasibility, engineering, or design study costing \$25,000 or more that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects.
6. Any acquisition of land for a public purpose that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects provided that the cost is \$25,000 or more.

SAMPLE LANGUAGE

continued

SAMPLE PROGRAM FUNDING LANGUAGE

Because the capital improvements projects involve the outlay of substantial funds, numerous sources are necessary to provide financing over the life of the project. Most capital funding sources are earmarked for specific purposes and cannot be transferred from one capital program to another. For example, funds raised by the community of Anywhere's park maintenance and repair millage must be used for the purposes that were stated when the voters approved the millage. The CIP has to be prepared with some projections as to the amount of money available. The following is a summary of the funding sources for projects included in the capital improvements program.

Enterprise (reserve) funds

In enterprise financing, funds are accumulated in advance for capital requirements. Enterprise funds not only pay for capital improvements, but also for the day-to-day operations of community services and the debt payment on revenue bonds. The community can set levels for capital projects; however, increases in capital expenditures for water mains, for example, could result in increased rates. Enterprise fund dollars can only be used on projects related to that particular enterprise fund, i.e., only water system funds can only be used on water system funds.

Bonds

When the community of Anywhere sells bonds, purchasers are, in effect, lending the community money. The money is repaid, with interest, from taxes or fees over the years. The logic behind issuing bonds (or “floating a bond issue”) for capital projects is that the citizens who benefit from the capital improvements over a period of time should help the community pay for them. Anywhere issues bonds in two forms

General Obligation (G.O.) bonds

Perhaps the most flexible of all capital funding sources, G.O. bonds can be used for the design or construction of any capital project. These bonds are financed through property taxes. In financing through this method, the taxing power of the community is pledged to pay interest and principal to retire the debt. Voter approval is required if the community wants to increase the taxes that it levies and the amount is included in Anywhere’s state-imposed debt limits. To minimize the need for property tax increases, the community makes every effort to coordinate new bond issues with the retirement of previous bonds. G.O. bonds are authorized by a variety of state statutes

Revenue bonds

Revenue bonds are sold for projects that produce revenues, such as water and sewer system projects. Revenue bonds depend on user charges and other project-related income to cover their costs. Unlike G.O. bonds, revenue bonds are not included in the community state-imposed debt limits because the full faith and credit of the community back them. Revenue bonds are authorized by Public Act of 1933, the Revenue Bond Act.

Weight and gas tax

Based on a formula set by the State of Michigan, the community of Anywhere receives a portion of the tax placed on motor fuel and highway usage in the state. The restrictions placed on the expenditure of these funds insure that they will be spent on transportation-related projects or operations and services. These are commonly called Act 51 funds.

Tax Increment Financing (TIF)

TIF is a municipal financing tool that can be used to renovate or redevelop declining areas while improving their tax base. TIF applies the increase in various state and local taxes that result from a redevelopment project to pay for project-related public improvements. For purposes of financing activities within the community of Anywhere’s downtown district, the Downtown Development Authority adopted a 30-year TIF plan in 1982. Public Act 281 of 1986, the Local Development Finance Authority Act and Public Act 450 of 1980, the Tax Increment Financing Act authorizes TIF.

Millages

The property tax is a millage that is one of the most important sources of community revenue. The property tax rate is stated in mills (one dollar per \$1,000 of valuation). This rate is applied to a property’s net value, following the application of all exemptions and a 50 percent equalization ratio. Millages are voter-approved taxes that are specifically earmarked for a particular purpose. For example, the parks maintenance and repair millage helps support parks and recreation capital projects. The community is authorized to utilize millages under Public Act 279 of 1909, the Home Rule Cities Act.



Federal and state funds

The federal and state governments make funds available to communities through numerous grants and aid programs. Some funds are tied directly to a specific program. The community has discretion (within certain guidelines) over the expenditure of others. For the most part, the community has no direct control over the amount of money received under these programs.

Special assessments

Capital improvements that benefit particular properties, rather than the community as a whole, may be financed more equitably by special assessment, i.e., by those who directly benefit. Local improvements often financed by this method include new street improvements (including pavement, curb and gutter, sidewalks, etc.), sanitary and storm sewers, and water mains.

Developer contributions

Sometimes capital improvements are required to serve new development. Where funding is not available for the community to construct the improvements, developers may agree to voluntarily contribute their share or to install the facilities themselves so the development can go ahead.

PROJECT SUMMARY SECTION

The project summaries can be scaled to address the needs, capacity and circumstances for each community. The project summary section is sub-divided by department, and should include a capital improvement summary for each project and why the project was selected. The following is encouraged to be included for each capital improvement project:

- Description of the project
- CIP ID #
- Time line for completion
- Cost
- Source of funding
- What plan or community goal the project ties to

APPENDIX

The project application form (pages 20–24) and score sheet (page 26) are included for your use. There are also examples of how the form (page 25) and score sheet (page 27) could be filled out.



Section 1A

Project title: _____ Department: _____
Prepared by: _____ Date prepared: _____
CIP ID#: _____ Anticipated start date: _____

Section 1B

Project description: Provide a brief (1–2) paragraph description of the project

Section 1C

Planning context: Is the project part of an adopted program, policy or plan?

NO

YES (must identify): _____

Must list the adopted program or policy, and how this project directly or indirectly meets these objectives:

Section 1D

Planning context: Is the community legally obligated to perform this service?

NO

YES

Please describe the community's legal obligation:

Section 1E

Project time line: Estimated project beginning and ending dates. Be sure to include any work being done in prior years, including studies or other planning:

Section 1F

Coordination: Please identify if this project is dependent upon one or more other CIP projects and please describe what the relationship is:

Section 1G

Project priority: low, medium, high

Priority within department: _____ Priority community-wide: _____

Section 2A

Prior approval: Is this project included in the 2013 adopted or prior year's budget? Has this project been approved by any board, commission or governing body?

- YES: Please check all appropriate box(es)
- Governing body
 - Planning Commission
 - 2013 budget
 - Prior year budget: _____
- NO

Section 2B

Total estimated cost: in 2013 dollars: \$ _____

List all funding options available for this project:

Recommended funding option(s) to be used? (i.e.: operating revenues, fund balance, bond issue, etc.)

Section 2C

Basis of cost estimate: Please check one of the following:

- Cost of comparable facility/equipment
- Cost estimate from engineer/architect
- Rule of thumb indicator/unit cost
- Preliminary estimate
- Ball park "guesstimate"

Section 3A

Equipment: _____ Date prepared: _____

Department: _____

Section 3B

Form of acquisition: Please check one of the following

- Purchase
- Rental/lease

Number of units requested: _____

Estimated service life (years): _____

Section 3C

(Include Return on Investment section if the administration team and department heads have time to complete. Forgoing this section will save time.)

DIRECT COSTS	PER UNIT (\$)	TOTAL COST (\$)
Purchase price or annual rent /lease		
Plus: installation or related charges		
Plus: annual operational costs		
Less: annual operational savings		
Less: trade-in, salvage value, discount		
Net purchase cost/annual rent		

Section 3D

Purpose of expenditure: Please check appropriate box(es)

- Scheduled replacement
- Replace worn-out equipment
- Expanded service life
- Increased safety
- Present equipment obsolete
- Reduce personnel time
- New operation
- Improved service to community, procedures, etc.
- Other: _____

Section 3E

Replaced items(s): Attach a separate sheet if necessary

ITEM	MAKE	AGE	PRIOR YEAR'S MAINTENANCE	PRIOR YEAR'S RENTAL COST
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$

Project application form
pg 5

Date: _____

Project title: _____

CIP ID#: _____

Project construction	Cost before 2011
Preliminary engineering	\$
Right-of-Way services	\$
Land acquisition (ROW)	\$
Geotechnical engineering	\$
Construction	\$
Construction engineering	\$
Other construction costs	\$
Equipment/vehicle purchase	\$
Total project construction	\$

Budget 2011	Budget 2012	Budget 2013	2014	2015	2016	2017	Total	City share	Total city
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$

Future net operating costs/savings	Cost before 2011
Est. staffing impact	\$
Est. operational impact	\$
Est. maintenance impact	\$
Est. other impact	\$
Total operating impact	\$

2011	2012	2013	2014	2015	2016	2017	Total	City share	Total city
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$
\$	\$	\$	\$	\$	\$	\$	\$		\$

Project grand total	\$
----------------------------	-----------

Project grand total	\$
----------------------------	-----------

* Coordinate with:

* Note:

Project application form EXAMPLE

Date: April 26, 2013
 Project title: Sample Project #1
 CIP ID#: CIP-01

Project construction	Cost before 2011	Budget 2011	Budget 2012	Budget 2013	2014	2015	2016	2017	Total	City share	Total city
Preliminary engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$50,000	\$ -	\$ -	\$50,000	100%	\$50,000
Right-of-Way services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Land acquisition (ROW)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Geotechnical engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Construction engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Other construction costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Equipment/vehicle purchase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Total project construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$50,000	\$ -	\$ -	\$50,000		\$50,000

Future net operating costs/savings	Cost before 2011	2011	2012	2013	2014	2015	2016	2017	Total	City share	Total city
Est. staffing impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Est. operational impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Est. maintenance impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Est. other impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100%	\$ -
Total operating impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Project grand total	\$ -	\$ -	\$ -	\$ -	\$ -	\$50,000	\$ -	\$ -	\$50,000		\$50,000

* Coordinate with:

* Note:

2014–2019 CAPITAL IMPROVEMENT NEEDS ASSESSMENT FORM				
Project name:		Project #:		
Department:		Total score:		
Rater name:	Score range	Rater score	Weight	Total points
1. Contributes to health, safety and welfare				
Eliminates a known hazard (accident history)				
Eliminates a potential hazard				
Materially contributes				
Minimally contributes				
No impact				
2. Project needed to comply with local, state or federal law				
Yes				
No				
3. Project conforms to adopted program, policy or plan				
Project is consistent with adopted city council policy or plan				
Project is consistent with administrative policy				
No policy/plan in place				
4. Project remediates an existing or projected deficiency				
Completely remedy problem				
Partially remedy problem				
No				
5. Will project upgrade facilities?				
Rehabilitates/upgrades existing facility				
Replaces existing facility				
New facility				
6. Contributes to long-term needs of community				
More than 30 years				
21–30 years				
11–20 years				
4–10 years				
3 years or less				
7. Service area of project				
Regional				
City-wide				
Several neighborhoods				
One neighborhood or less				
8. Department priority				
High				
Medium				
Low				
9. Project delivers level of service desired by community				
High				
Medium				
Low				

Score sheet EXAMPLE

2014–2019 CAPITAL IMPROVEMENT NEEDS ASSESSMENT FORM				
Project name:		Project #:		
Department:		Total score:		
Rater name:	Score range	Rater score	Weight	Total points
1. Contributes to health, safety and welfare				
Eliminates a known hazard (accident history)	5		5	
Eliminates a potential hazard	4			
Materially contributes	3			
Minimally contributes	1			
No impact	0			
2. Project needed to comply with local, state or federal law				
Yes	5		5	
No	0			
3. Project conforms to adopted program, policy or plan				
Project is consistent with adopted city council policy or plan	5		4	
Project is consistent with administrative policy	3			
No policy/plan in place	0			
4. Project remediates an existing or projected deficiency				
Completely remedy problem	5		3	
Partially remedy problem	3			
No	0			
5. Will project upgrade facilities?				
Rehabilitates/upgrades existing facility	5		3	
Replaces existing facility	3			
New facility	1			
6. Contributes to long-term needs of community				
More than 30 years	5		2	
21–30 years	4			
11–20 years	3			
4–10 years	2			
3 years or less	1			
7. Service area of project				
Regional	5		2	
City-wide	4			
Several neighborhoods	3			
One neighborhood or less	1			
8. Department priority				
High	5		2	
Medium	3			
Low	1			
9. Project delivers level of service desired by community				
High	5		2	
Medium	3			
Low	1			



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Guideline Number

MPEA, 281 of 1975
TPEA, 168 of 1959
COPEA, 282 of 1945

DRAFT
CAPITAL IMPROVEMENT PROGRAM REQUIREMENTS

Background Information

Opportunity to be Addressed: The capacity of the municipal, county or township planning commission to formulate a capital improvement program as a tool to implement the local master or comprehensive plan, for adoption by the local legislative body. A capital improvements program (CIP) is a schedule of public improvements for a 5 to 6 year period that indicates what will be constructed, where, when, at what cost and by what means of financing.

Statutory Citation: Sec. 9 and 10 of the Municipal Planning Act (PA 285, 1931)
Sec. 10 – Township Planning Act (PA 168, 1959)
Sec. 4a and Sec.5 – County Planning Act (PA 282, 1945)

History of the Requirement: The planning commission's responsibility to review public improvements for consistency with the local master or comprehensive plan has been incorporated in all three planning enabling acts since their respective enactment's. The public improvement requirements under MCL 125.39 of the Municipal Planning Act, and the metropolitan county planning commission provisions for programming of capital improvements in the County Planning Act provided the most direct references to CIP authority until the Township Planning Act was amended in December 2001 to give CIP authority to township planning commissions.

Recommended Best Practice

What the statutes say: After a plan has been adopted in a municipality, the Municipal and Township Planning Acts state that no public facility (public street, square, park, open space, public building, or structure) shall be built or authorized until it has been approved by the planning commission. Similarly, under the County Planning Act, the county planning commission is required to review and comment on proposed county expenditures to acquire land or build or improve a facility. The Municipal Planning Act specifically requires the planning commission to prepare and update a six-year public improvement program. The County Planning Act allows a metropolitan county planning commission to develop a program of capital improvements along with financing plans.

HB 4571, the draft Coordinated Planning Act, largely prepared by MAP, and introduced in 2001 by Rep. Patricia Birkholtz, defines a capital improvement program and allocated an entire chapter to CIP mandates for county, municipal or joint municipal plans. It said



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the CIP shall be based upon an annual inventory of capital facilities and forecasts of future needs. It called for a 6 year or longer CIP and projected impacts on future operating budgets. A county CIP would include improvements using county board, road commission, drain commission and other special entity funds. A CIP would be adopted within one year of the plan's adoption. A CIP that meets identified requirements would have a higher priority for state funds than CIPs that don't meet those requirements.

Options: The implication of all three planning enabling acts is that the planning commission should have some reasonable standard for reviewing requests or recommendations for public improvements. Those requests are to have a basis in the master plan. The logical and time-tested means of following through on the master plan recommendations for public improvements is to establish a mechanism for determining the phasing, costs and revenue sources for those improvements (i.e., a capital improvements plan).

In many, if not most cases, townships, as well as counties and municipalities, ignore the requirement of planning commission review of public improvements. In the case of municipalities and townships, this may be attributed to the stipulation in the acts that the planning commission's disapproval of a particular public improvement can be overruled by either 2/3 (municipal planning act) or a majority (township planning act) of the body submitting the improvement for review. This is perceived by some as weakening the planning commission's review and recommendation powers.

The APA ***Growing Smart legislative Guidebook*** recommends the following language for the preparation of a capital improvement program (CIP):

"7-502 Local Capital Improvement Program: Adoption of Local Capital Budget

- (1) In order to carry out proposed projects contained in the program of implementation of a local comprehensive plan, a local government [shall or may] on an annual basis prepare a local capital improvement program (CIP) and adopt a local capital budget. The legislative body shall designate either the local planning agency or another department of the local government to be responsible for formulating and revising the CIP for its consideration."*

Suggested Action: If local jurisdictions (municipalities, townships, counties) were to prepare CIP's based on an analysis of the local land use plan and the requirements for public facilities and services to support the land use plan the CIP becomes a primary means of implementing the land use plan. A CIP that covers a six year time frame and is updated on an annual basis becomes a "living" document that identifies where local jurisdictions will be investing resources on infrastructure improvements for the next six years. This greatly enhances certainty and predictability in community development. It



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also provides a direct link between the land use plan and a local governing body's policy decisions regarding annual and long term budgetary needs.

References:

- Municipal Planning Act (PA 285, 1931)
- County Planning Act (PA 282, 1945)
- Township Planning Act (PA 168, 1959)
- HB 4571 of 2001
- ***APA Legislative Guidebook*** Chapter 7-502

NE & JF



**Michigan Association of Planning
A Chapter of the American Planning Association**

Excerpted from the MSPO Community Planning Handbook

Capital Improvements Program

Description

A capital improvements program (CIP) is the result of the preparation and updating of a plan listing all new major public facilities to be built, substantially remodeled, or purchased in a community within the foreseeable future. "Capital improvements" (also called "public improvements") are all major physical facility projects over and above annual operating expenses. A CIP establishes a schedule, or program, for each capital improvement project according to its priority in the community. The program also includes cost estimates and the sources of financing for each project. A six-year programming period is the most widely utilized, although the CIP must be updated annually to reflect changing priorities and financial resources in the community.

Any municipality may participate in the CIP process. The planning commission is usually responsible for the preparation of capital improvements programs in coordination with the municipal master plan. Often, a special CIP committee, with representation from the planning commission and legislative body as well as the finance and budget departments, is formed to oversee the process. Planning staff generally coordinate the process, reviewing project requests from individual operating departments and preparing the final document.

Projects to be included in the capital improvements program and their prioritization are established using a formal set of criteria developed by the CIP committee. After the planning commission formally adopts the completed program, it is forwarded to the legislative body for adoption and inclusion in the municipal budgetary process. The CIP is the principal tool for a planning commission to ensure consistency of proposed new public improvements with an adopted master plan.

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Planning Considerations

Public investment in capital facilities has a significant impact on the size, location, and timing of future development projects in the community. For this reason, the capital improvements program must be developed with a clear understanding of community objectives regarding growth and land use as outlined in the comprehensive plan. Planning enabling legislation stipulates that in all municipalities (cities, villages, townships, and counties) with an adopted master plan, the planning commission must review all proposed public improvements for consistency with the master plan before construction can begin. This assures that large scale public expenditures are coordinated with long-term planning goals. The CIP bridges the gap that otherwise exists between the comprehensive plan and the actual construction of public facilities. It is the most effective vehicle for approving new public improvements. CIP activities must also be coordinated with similar activities in neighboring and overlapping jurisdictions.

Maximum benefit from the CIP process is achieved when municipalities include a broad range of public facilities. Facilities are eligible for inclusion in the capital improvements program if they are:

- Large in size.
- Proportionally large in cost.
- Fixed in nature.
- Of long life (10-30 years).
- Involve expenditures of a nonrecurring nature.
- Provide governmental facilities for public service.
- Substantially add to the value of the fixed assets of government.

The CIP process varies with the size and structure of the municipality, but generally includes the following six steps:

- Prepare an inventory of all potential projects along with cost estimates and an initial evaluation of their relative priority.
- Review each project in light of the community's comprehensive plan, development policies, and the objectives and goals of the community. Allow proposing agencies the change to present their arguments for why any given project should be included in the program. Objective selection and prioritization criteria should be used during this step.
- Investigate the financial resources of the community for capital expenditures during the programming period (usually six years).
- Develop a project schedule for the entire programming period based on project priority and the availability of the necessary financial resources.
- Select those projects to be started in the coming year. These projects become next year's annual capital budget while the projects to be completed in the remaining five years become the long-term capital improvements program.

- After public hearing and some form of public review, the capital budget and capital improvement program is either adopted, rejected, or amended by the planning commission and then by the legislative body of the municipality.

The capital improvements program must also be updated annually. Each year the planning commission must review the next year's proposed capital projects and advise the sponsoring agency on whether the project still makes sense in light of the community's current planning objectives. The planning commission, generally with staff assistance, also reexamines the entire capital improvements program; adds, deletes, or revises capital projects, their costs, funding sources, and timing; and prepares an updated program with a new sixth year. The governing body should review the updated program and adopt its new first year as the annual capital budget. The governing body has the final authority over what is or is not included in the CIP.

Advantages

- Ensures consistency of new public facilities with the master plan.
- Ensures that plans for capital facilities are indeed implemented.
- Allows proposed improvements to be scrutinized systematically, and tested against funding and land use policies.
- Improves the scheduling of public improvements that take more than a year to construct.
- Provides an opportunity to buy land before costs rise.
- Provides a system for long-range financial planning and management.
- Helps stabilize tax rates by intelligent debt management.
- Helps avoid mismanagement, such as paving a street one year and tearing it up the next year to build a sewer or repair a drain.
- Provides opportunities for citizens and public interest groups to participate in local decision-making.
- Contributes to better overall management of municipal and regional affairs.
- Enhances the opportunities to participate in federal and state grant-in-aid programs.

Disadvantages

- Politicians sometimes object to committing to infrastructure improvements more than one year in advance because it reduces their decision flexibility.

Limitations

- Unless coordinated with adjoining jurisdictions and county and state agencies, the CIP will only affect future infrastructure improvements in the community rather than area-wise.

MASTER PLAN UPDATE GUIDE



A Redevelopment Ready Communities® tool
for Michigan communities looking to establish
or update a master plan



INTRODUCTION

Redevelopment Ready Communities® Best Practice 1.1 evaluates community planning and how a community's development vision is embedded in the master plan and other related plans such as the capital improvements plan, downtown plan and corridor plan. Comprehensive planning documents are a community's guiding framework for growth and investment. The RRC program, based on state legislation and best practices, requires that the master plan is up to date and reflects a community's desired direction for the future. Michigan law requires that an adopted plan be reviewed at least every five years. This guide was prepared to help communities determine whether a comprehensive plan needs to be updated based on MPEA and RRC requirements and how to review the plan for potential updates. In addition, the RRC best practices require an annual review to keep implementation moving forward. This review could include a report to the local legislative body on implementation progress and future goals and offers a chance to refresh officials and inform new members about the plan and its components.

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UPDATE GUIDE

RRC Master Plan

Redevelopment Ready Communities® (RRC) supplements Michigan legislation in this guide with recommendations on the master plan review and update to help streamline the process, create better plans, and support better implementation of plans. The Michigan Planning Enabling Act (MPEA) outlines requirements while the RRC program provides recommendations. Meeting the RRC best practice criteria is required in order for a community to become RRC certified. Contact the RRC team or your municipal attorney should there be any confusion on what is required by law and what is required to meet the RRC best practices. Beyond meeting state requirements, updating your community master plan is important for maintaining a community vision that municipal staff and officials can reference during decision-making. Taking a regular look at the master plan can keep staff, officials, and the community on-track for implementation.

ANNUAL REVIEW AND REPORT

- Annual review
- Annual report
- Report to elected body
- Joint meeting

MPEA

The Michigan Planning Enabling Act (Act 33 of 2008; MPEA) provides the legal basis for the master plan. The act outlines requirements for the preparation, content, public review, adoption and regular review of the plan. Key objectives of a plan as outlined in the act include:

- Create a plan that guides development that is coordinated, adjusted, harmonious, efficient, and economical and that best promotes public health, safety and general welfare;
- Make careful and comprehensive studies of present conditions and future growth with due regard for its relation to neighboring jurisdictions;
- Consult and cooperate with representatives of adjacent local units of government, departments of state and federal governments;
- Address land use and infrastructure issues and make recommendations for physical development;
- At least every five years, review the plan to determine whether to amend or readopt the current plan or adopt a new master plan;

The act also outlines requirements for the process of amending an adopted plan or adopting a new plan.

RRC

An updated master plan is essential to articulating the types of development the community desires and the specific areas where the community will concentrate resources. RRC evaluates a plan based on the following:

- The governing body has adopted (or re-adopted) a master plan in the past five years.
- It reflects the community's desired direction for the future.
- It identifies strategies for priority redevelopment areas.
- It addresses land use and infrastructure, including complete streets elements.
- It includes a zoning plan.
- It incorporates recommendations for implementation, including goals, actions, timelines and responsible parties.
- Progress on the master plan is annually reported to the governing body.
- It is accessible online.



UPDATE GUIDE

RRC Master Plan

Annual review and report

Communities should *review* their plan annually to ensure staff and elected and appointed officials have an understanding of their planning documents. This background information can help orient new officials and lead to more consistent and supported decision-making. While the planning act requires review at least every five years, communities should annually consider discussion about the plan, conducting a review of progress made, implementation made the previous year, and priorities for the upcoming year. Also if there is an annual update to the capital improvement plan (CIP), relevant master plan recommendations should be reviewed and promoted to the CIP preparers.

The following should be reviewed by staff and the planning commission:

- ✓ Review goals and major recommendations.
 - Accomplished*
 - Still relevant*
 - High priority of the year*

Create a chart to assist in the review of goals and recommendations:
GOAL : PROGRESS : PRIORITY

- ✓ Review action table and progress toward completing this year's priorities. Some actions may need to be broken down into more manageable subtasks, or next steps, with responsibilities assigned to different staff or departments.
 - Accomplished*
 - Still relevant*
 - Task for upcoming year*
 - Task for future year*

Does your plan have an action table? If not, create one using any actions provided for each goal and recommendation. Make sure to provide the department or person responsible for completing the task.

Next steps _____

Responsibility _____

- ✓ Review prior year's rezonings and development decisions. Discuss if there are any trends that need to be addressed.
 - Examples: 1. Map rezonings to see if they are located in similar areas and follow the plan's future land use; 2. Discuss any development proposals where the plan did not provide enough direction to assist in a decision or if the plan did not provide enough flexibility to welcome an opportunity.*
- ✓ Identify any potential plan amendments to work on for the upcoming year that can be prepared and adopted then incorporated at a later date when the master plan is updated. This could include:
 - Subarea plans, studies prepared that need to be incorporated in the plan, or planning topics that need to be added or refreshed such as complete streets or placemaking.*
- ✓ Identify any zoning ordinance updates to undertake in the coming year.
- ✓ Review the update checklist at the end of this guide to decide whether the plan needs to be "opened up" and officially updated.



UPDATE GUIDE

RRC Master Plan

Annual review and report *continued*

This review could be documented as part of the annual report that is required by the MPEA Section 125.3819 so that once the five-year period is over, the interim years' activities can be summarized when deciding whether the plan needs to be amended. This annual report is intended to be presented to the legislative body and should include the following:

- ✓ Membership
- ✓ Number of planning commission meetings
- ✓ Master plan implementation
- ✓ Zoning ordinance map and text amendments
- ✓ Major development reviews (including a brief description, whether it was approved and date of action)
- ✓ Priorities for upcoming year

Communities have found success in having an *annual joint meeting* of the governing body and planning commission to summarize the year's accomplishments and set priorities for the next year. Some communities also include their DDA, ZBA, and other applicable boards and committees. Topics of discussion may include:

- ✓ Refresh officials on what a master plan is and what the adopted plan entails.
- ✓ Recap development, projects and progress made in the previous year.
- ✓ Summarize actions that were completed in the past year and the upcoming year's action priorities.
- ✓ Incorporate a presentation on a hot topic (complete streets, RRC, form-based code).



UPDATE REVIEW TABLE

RRC Master Plan

Use the table below to help consider whether your plan needs an overhaul, a refresh, or to add or replace sections of the plan. A refresh is for those that just require minor changes throughout the plan. Section additions or replacements may include new chapters, subareas, the future land use map and/or text, implementation steps, and/or RRC components. The first section of the checklist can be used as a checklist for the annual review and report as described above.

Annual	5-year	CRITERIA	Yes	No	COMMENTS/DOCUMENTATION/LINKS
✓	✓	Have development patterns changed significantly since the plan was written and adopted?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Does the adopted zoning ordinance align with the goals of the plan?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Have there been any major changes, such as utility lines, major road improvements, large development approvals, etc?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Have there been instances when the planning commission or elected body has departed from the plan?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Are the goals and priorities of the plan in sync with the goals and priorities of appointed and elected officials?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Does the plan address the location and types of land uses frequently requested?	<input type="checkbox"/>	<input type="checkbox"/>	
✓	✓	Have there been other studies completed that change the relevancy of the plan?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Have community goals or vision changed since the plan was written?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Are recent best practices integrated? (i.e. Complete Streets, Placemaking, Sustainability, Missing Middle Housing, Local Food)	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Is the background data relevant and reference the most recent decennial census data and up-to-date local data?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Is it user-friendly with clear organization and graphics?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Does it reference goals and objectives for a downtown area?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Is there an implementation plan including a CIP plan?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Are a zoning plan and zoning objectives included?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Is a redevelopment strategy provided?	<input type="checkbox"/>	<input type="checkbox"/>	



UPDATE REVIEW TABLE

RRC Master Plan

Annual	5-year	CRITERIA	Yes	No	COMMENTS/DOCUMENTATION/LINKS
	✓	Are priority sites for redevelopment and a strategy for implementation included?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Have there been changes along the community borders?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Is there upcoming major (re)development (corridor, transportation, university/hospital, utility, vacated sites, or industrial)?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Do policy and recommendations support a safe, efficient multi-modal transportation system?	<input type="checkbox"/>	<input type="checkbox"/>	
	✓	Do permitted uses support the job market and reflect the local talent pool?	<input type="checkbox"/>	<input type="checkbox"/>	



REVIEW AND UPDATE PROCESS

Five-year Master Plan

One provision of the MPEA requires the planning commission to review its current plan at least every five years. At that review, it should be determined whether any amendments are needed or whether the process for a new plan should be started. The act does not require that the entire “coordinated planning” process be followed simply for a review of the plan. No notifications need be made to conduct the review. Instead, the planning commission need only conduct the review and document that fact through the minutes of the review meeting.

Although the five-year review requirement may be considered perfunctory, a necessary “fill in the blank” action, communities should take advantage of this opportunity to thoroughly review the plan and make sure it is still relevant to today’s conditions. A table is provided below to assist in the decision of whether to proceed with an amendment or a complete overhaul. Generally, the goals, objectives and future land use plan should be carefully reviewed to contrast with current development trends as well as any major changes or diversions from the plan that have taken place in order to consider whether the plan needs to be updated.

If, after the review is conducted it is decided that changes are indeed necessary—the process outlined by the planning act must be carefully followed. It may be a good idea to have a joint meeting, public or stakeholder workshops to review the current plan and discuss the level of change needed. If the plan needs an “overhaul,” the process will require a 63-day review period. An update, or “refresh,” requires a 42-day review period. An update is appropriate if most of the plan assumptions and recommendations are still valid and only minor updates or additions are required. Once the plan is updated and adopted, it should be posted on the internet to make it accessible to all online.

CONSIDERATIONS WHEN UPDATING YOUR PLAN

- A plan is a balance between technical evaluation and public preferences; between fiscal realities and bold ideas.
- Does your plan consider and integrate the current attitudes of the residents and business interests?
- For more information on how best to include public participation as part of your plan update, see the RRC’s public participation guide.
- Keep in mind how the plan will influence the zoning ordinance and other regulations.
- Who has jurisdiction over capital improvements? RRC encourages collaboration across departments in preparing the CIP so make sure to fully engage the engineering or public works department in the planning process.
- Updating census data alone is not reason to open up your plan for an amendment. When updating your plan, think about what data will be most important in influencing planning decisions. Only include data that are applicable to understanding the planning context and recommendations.