

2022

FINANCIAL OVERVIEW

Kent County, Michigan



Al Vanderberg

County Administrator/Controller

Jeff Dood

Fiscal Services Director

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Deputy Fiscal Services Director



ADMINISTRATOR'S OFFICE

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April 1, 2022

The Honorable Board of Commissioners
Kent County Administration Building
300 Monroe Avenue NW
Grand Rapids, MI 49503-2221

RE: 2022 Kent County Financial Overview

The following document presents a "Financial Overview" for Kent County. The information contained herein summarizes significant economic, demographic and financial information. It will provide the reader with a comprehensive report demonstrating the financial strength and sustainability of Kent County's governmental organization.

The document is intended to serve the information needs of individuals and organizations with a financial interest in Kent County including:

Retail Bond Holders/Institutional Investors/Rating Agencies;
County Elected Officials;
The Citizens of Kent County; and
Businesses doing business or considering locating new business in Kent County.

This is an annual publication, the preparation of which is a cooperative effort of the County Treasurer, Human Resources and Fiscal Services staff. This document continues to demonstrate the County's adherence to conservative fiscal principles and strong management oversight.

Respectfully submitted,

A handwritten signature in black ink that reads "Alan G. Vanderberg".

Alan G. Vanderberg
County Administrator/Controller



County Administration Building/Calder Plaza



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Board of Commissioners

Ben Greene <i>District 1</i>	Lindsey Thiel <i>District 11</i>
Tom Antor <i>District 2</i>	Monica Sparks <i>District 12</i>
Roger Morgan <i>District 3</i>	Michelle McCloud <i>District 13</i>
Diane Jones <i>District 4</i>	Carol Hennessy <i>District 14</i>
Mandy Bolter <i>District 5</i>	Melissa LaGrand <i>District 15</i>
Stan Stek <i>Chair</i> <i>District 6</i>	David Bulkowski <i>District 16</i>
Stan Ponstein <i>District 7</i>	Robert Womack <i>District 17</i>
Dan Burrill <i>District 8</i>	Stephen Wooden <i>Minority Party Vice-Chair</i> <i>District 18</i>
Matt Kallman <i>District 9</i>	Phil Skaggs <i>District 19</i>
Emily Brieve <i>Vice-Chair</i> <i>District 10</i>	



Elected Officers

Lisa Posthumus Lyons
Clerk/Register of Deeds

Ken Yonker
Drain Commissioner

Chris Becker
Prosecuting Attorney

Peter MacGregor
Treasurer

Michelle LaJoye-Young
Sheriff

Executive Staff

Al Vanderberg
Administrator/Controller

Jeff Dood
Fiscal Services Director

Marvin Van Nortwick
Deputy Fiscal Services Director

Linda Howell
Corporate Counsel

Professional Services

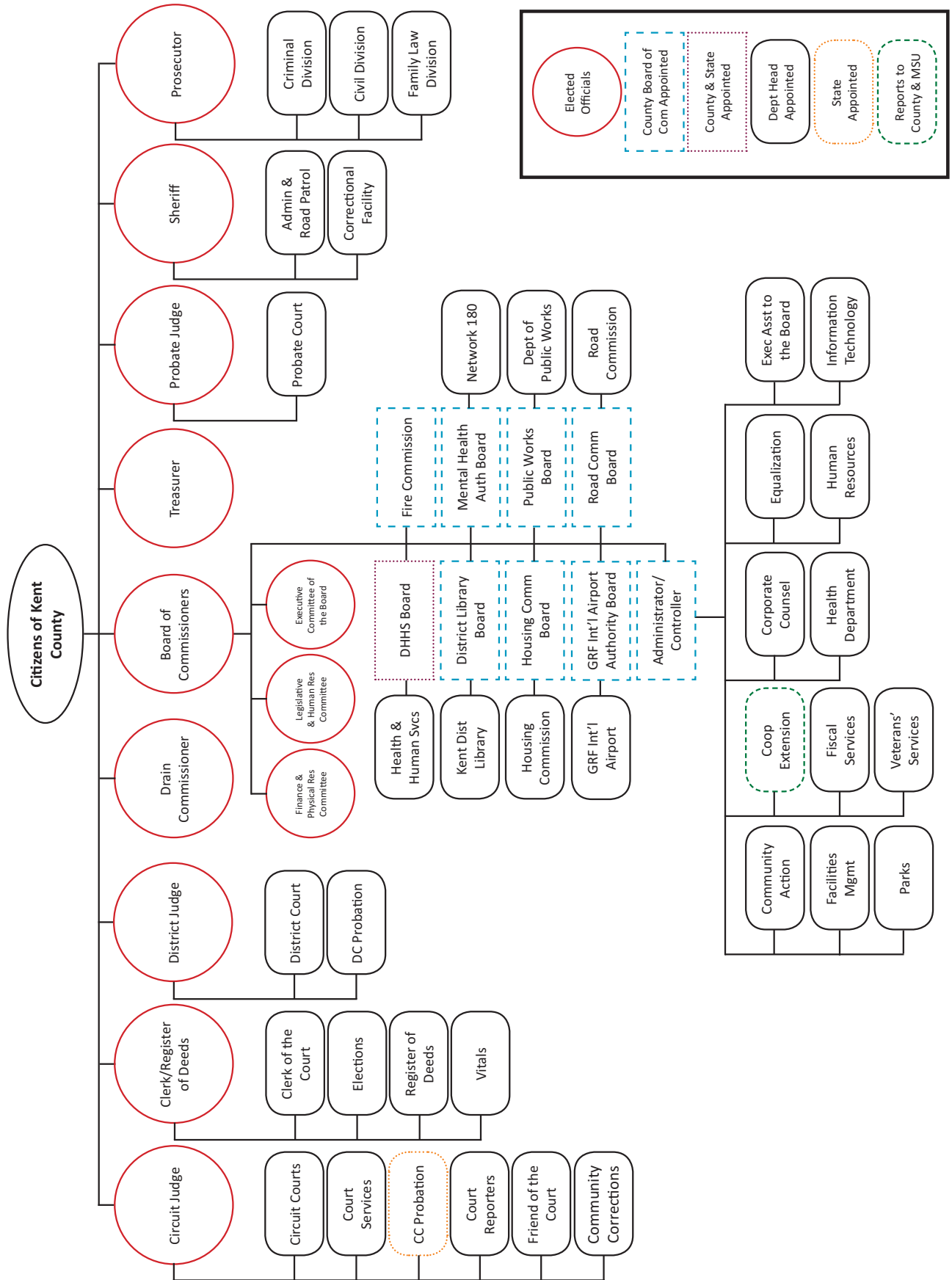
Auditor:

Rehmann Robson & Company
Grand Rapids, Michigan

Note Counsel:

Dickinson Wright PLLC
Detroit and Grand Rapids, Michigan

Organization Chart



Commercial/Industrial Base

The Grand Rapids-Wyoming Metropolitan Statistical Area (MSA), of which Kent County is the hub, has been one of the fastest growing regions of the United States. Numerous expansions, renovations, constructions, modernizations and developments have been completed, are in the process of being completed or are in the planning stages. Among the factors which have encouraged major projects and have attracted numerous firms from outside the area are: a strong but highly diversified base of industries, an excellent work force, educational opportunities, excellent employer/employee relations, good location and transportation facilities, utilities and, possibly the most important, quality of life.

Convention Facilities

The Grand Rapids-Kent County Convention/Arena Authority owns and operates the DeVos Place Convention Center and the Van Andel Arena. The Convention Center features a 162,000 sqft exhibit hall, 40,000 sqft ballroom and 26 individual meeting rooms. In addition, DeVos Place features a 2,543 seat performing theater, home to the Grand Rapids Symphony, Grand Rapids Ballet Company, Opera Grand Rapids and Broadway Grand Rapids. DeVos Place is part of a vibrant downtown entertainment district featuring over 50 dining establishments, nightclubs, museums and the 12,000 seat Van Andel Arena, all within walking distance.

Regional Government Coordination

The Grand Valley Metropolitan Council is a Council of Governments dedicated to the advancing the current and future well-being of our metropolitan area by bringing together public and private sectors to cooperatively advocate, plan for, and coordinate the provision of services and investments which have environmental, economic and social impact. It is understood that the well-being of the metropolitan community relies on good government and springs from a shared vision that encompasses many elements, including, but not limited to, the following: preparing now for the challenges of the future; planning for orderly growth and development; preserving and enhancing the natural, social, and physical environments; promoting economic vitality and employment opportunities; equitably sharing responsibility for community needs; recognizing the strengths and benefits of diversity; promoting quality lifelong educational opportunities; promoting quality cultural and recreational institutions and facilities; effectively utilizing and enhancing existing infrastructure; eliminating unnecessary duplication of services; and promoting a high quality of life now and for future generations.

Medical Services

The residents of the County are served by a number of hospitals. This is a great place to be a patient (if you must). That's because clinical care is a top priority in West Michigan, one of the nation's top-ranked medical centers of excellence. With three fast-growing major hospitals and hundreds of physicians in every specialty imaginable, employers and employees alike can count on accessible, high-quality patient care and wellness programs. The public and nonprofit hospitals in the County have approximately 2,200 licensed beds.

In 2000, the Van Andel Institute (VAI) opened, with the stated mission “. . . to become one of the world's preeminent private medical research institutions within the next decade” which has become a reality. The Van Andel Institute has three component parts: the Van Andel Research Institute (VARI), the Van Andel Education Institute (VAEI) and the Van Andel Institute (VAI). The VARI is an independent medical research organization dedicated to preserving, enhancing and expanding the frontiers of medical science. The VAEI is an independent education institute whose mission is to conduct the Van Andel Educational Technology School, and to achieve excellence by embracing and strengthening the fundamental issues of education. The research being conducted at the VARI has served as a growth pole, anchoring and propelling growth of a newly developing bioscience industry cluster. This has and will draw outside business and related sectors into the region to take advantage of economic opportunities created by the Institute. VARI has constructed a 240,000 square foot eight story building expansion that opened in December 2009. This expansion nearly triples the Institute's laboratory space, allowing for growth of current laboratories and expanded research into neurological diseases.

Transportation Infrastructure *(provided by The Right Place, Inc.)*

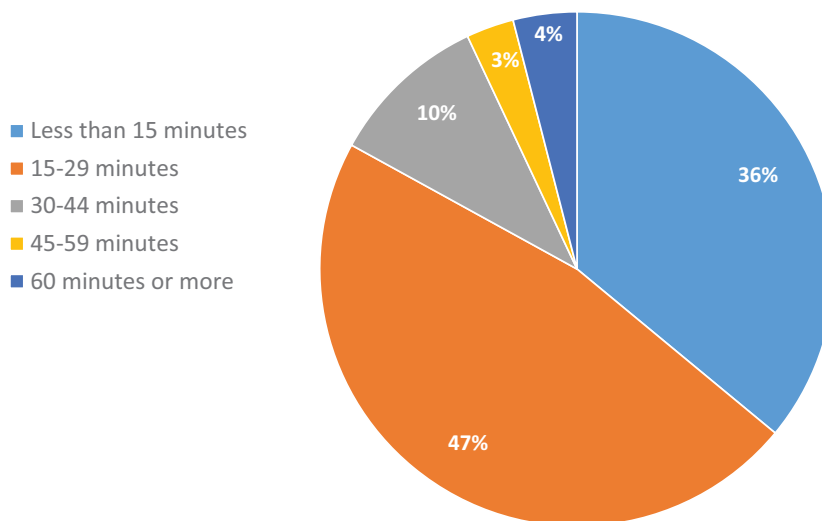


Air Travel

- 7 passenger airlines
 - Allegiant Airlines
 - American Airlines
 - Delta Airlines
 - Frontier Airlines
 - Midwest Express
 - Southwest Airlines
 - United Airlines
- 140 daily scheduled nonstop flights to and from 30 major destinations
- An estimated 9,000 travelers pass through GRR each day
- 3.3M passengers traveled through GRR in 2018
- 79th busiest commercial airport in nation
- 2nd busiest commercial airport in MI
- 249,435 lbs of air cargo pass through GRR each day
- 91 million lbs of air cargo in 2016
- 1,800 people work at the airport (most employed by airlines)
- \$3.1 billion annual economic activity generated by GRR



Travel Time To Work



Data Source: GEOSTAT

Major Destinations

Atlanta	Austin
Baltimore	Boston
Charlotte	Chicago
Dallas	Denver
Destin	Detroit
Ft. Lauderdale	Fort Myers
Jacksonville	Las Vegas
Los Angeles	Miami
Minneapolis	Nashville
New Orleans	Newark
Orlando	Philadelphia
Phoenix	Punta Gorda
Sarasota	Savannah
St. Petersburg	Tampa
Washington DC	



RAILROADS

Passenger: Amtrak

Freight: CSX, Grand Elk RR, Grand Rapids Eastern, Marquette Rail, Michigan Shore RR, Mid-Michigan

Data Source:
Economic Modeling Specialist Int'l (EMSI)

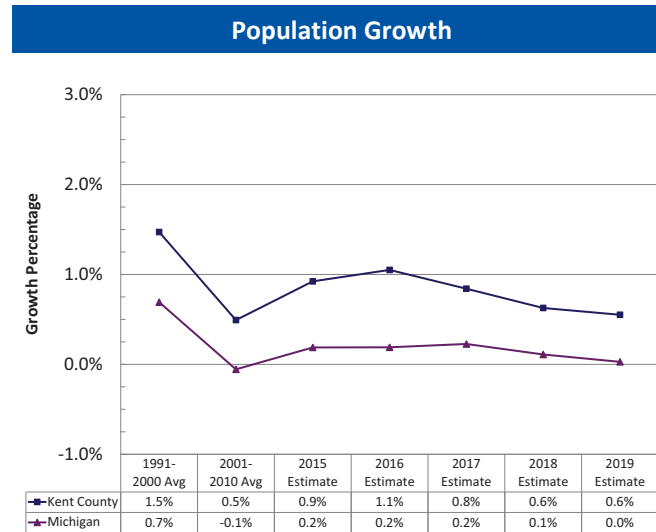
Population Statistics

In terms of population, Kent County is the fourth largest county in the State of Michigan, and growing. According to the 2019 Census estimate, the County grew by 4.1% over the five years. The growth for the State of Michigan over the same period was 0.6%. The combination of diverse employment opportunities, cost of living, and a high quality of life has Kent County growing at a faster rate.

Per the 2019 U.S. Census, the County population was spread out with 6.6% under the age of 5, 13.3% from 5 to 14, 13.4% from 15 to 24, 15.9% from 25 to 34, 12.8% from 35 to 44, 11.6% from 45 to 54, 12.4% from 55 to 64, and 14.2% were 65 years of age or older. The median age was 35.5 years.

Year	Kent County	State of Michigan
1990 Census	500,631	9,295,287
2000 Census	574,335	9,938,444
2010 Census	602,622	9,883,640
2014 Estimate	631,334	9,913,065
2015 Estimate	637,164	9,931,715
2016 Estimate	643,858	9,950,571
2017 Estimate	649,278	9,973,114
2018 Estimate	653,350	9,984,072
2019 Estimate	656,955	9,986,857

Source: U.S. Census

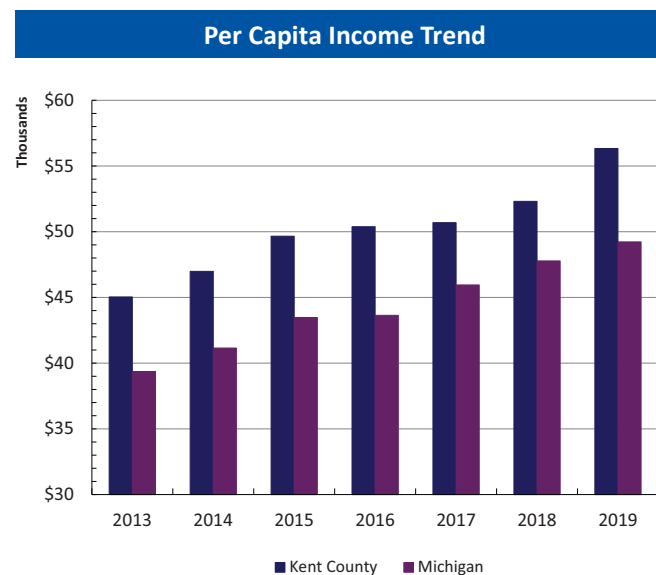


Per Capita Income Growth

Kent County's Per Capita Income grew 68.3% from 2000 to 2019 to \$53,664. The growth for the State of Michigan over the same period was 61.9% to \$49,228.

Year	Kent County	State of Michigan
2000	\$ 31,965	\$ 30,391
2013	45,038	39,364
2014	46,985	41,150
2015	49,660	43,477
2016	50,381	44,637
2017	50,689	45,948
2018	52,313	47,777
2019	56,334	49,228
Change 2000-19	68.3%	61.9%

Source: Bureau of Economic Analysis

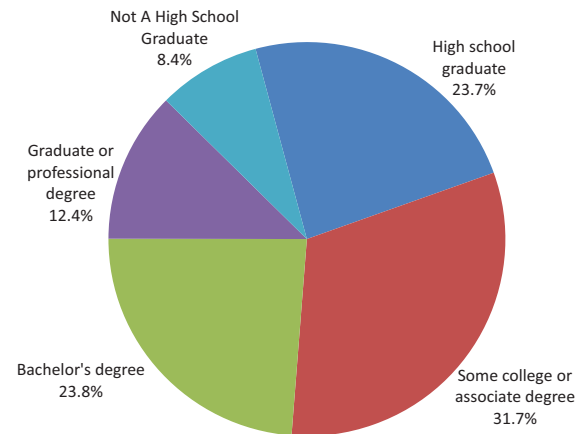


Education

There are 26 school districts and five intermediate school districts located, in whole or in part, in the County. There are numerous non-public schools serving diversified religious denominations and 17 charter schools in the County. Aquinas College, Calvin College, Central Michigan University, Cooley Law School, Cornerstone University, Davenport University, Ferris State University, Grace Bible College, Grand Valley State University, Grand Rapids Community College, Kuyper College, Michigan State University College of Human Medicine, Kendall College of Art and Design, the University of Phoenix and Western Michigan University have campuses located within the County. The main campuses of Ferris State University, Grand Valley State University, Hope College, Michigan State University, and Western Michigan University are located within commuting distance of the County.

- 91.6% of people 25 years and over had at least graduated from high school.
- 36.3% of Kent County residents, 25 years and over, had a bachelor's degree or higher.
- Among people 25 years and over, 8.4% were not high school graduates.

Educational Attainment Persons 25 years & Over

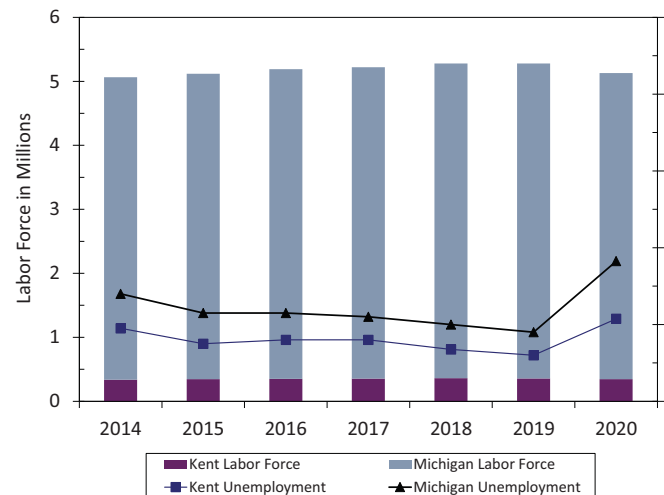


Source: U.S. Census Bureau, American Community Survey

Employment

Major industries that are located within the boundaries of Kent County, or in close proximity, include manufacturers of office equipment and furniture, heating controls, automotive parts, financial institutions, education, health care, retail food/merchandise and leisure and hospitality. This diversified employment base adds to the strength of the local economy. The unemployment rate in Kent County has ranged from 2.1% in April 1998 to 21.3%, as a result of the pandemic, in April 2020. The preliminary unemployment rate as of December 2020, for Kent County, was 4.3% and is expected to continue to improve as the economy recovers from the pandemic.

Unemployment 2014-2020



Source: Michigan Department of Energy, Labor & Economic Growth

Labor Force Distribution - By Industry

The following table provides a comparative analysis of the Grand Rapids-Wyoming MSA workforce distribution based on average employment in calendar years 2016-2020. Examination of the statistics highlight the stable job market in West Michigan, the labor force is down 5.5% since 2016 due to the pandemic in 2020. Jobs in manufacturing; leisure & hospitality; education & health services; and government have seen the biggest decline, while mining, logging, & construction have continued to grow. Much of the decline in 2020 was temporary and began to recover in 2021.

Industry	2016	2017	2018	2019	2020	2016-20 Change	
						#	%
Manufacturing	113,600	116,200	119,200	118,100	105,500	(8,100)	-7.1%
Trade, Transportation & Utilities	97,900	97,800	98,300	98,700	95,100	(2,800)	-2.9%
Educational & Health Services	89,900	93,900	94,400	94,200	90,200	300	0.3%
Professional & Business Services	79,500	79,400	77,200	72,600	71,300	(8,200)	-10.3%
Leisure & Hospitality	48,400	48,800	50,100	51,400	47,100	(1,300)	-2.7%
Government	47,000	48,200	51,000	51,300	31,700	(15,300)	-32.6%
Financial Activities	25,900	26,200	26,600	26,700	26,800	900	3.5%
Natural Res, Mining, & Construction	22,200	23,400	25,200	24,700	27,100	4,900	22.1%
Other Services	22,100	22,300	22,300	22,400	21,300	(800)	-3.6%
Information	5,800	6,200	6,400	6,500	6,000	200	3.4%
Total Nonfarm Employment	552,300	562,400	570,700	566,600	522,100	(30,200)	-5.5%

Source: MI DTMB LMISI Current Employment Statistics

Largest Employers

The diversity of the largest Kent County employers is highlighted below by industry and the approximate number of employees.

Top Kent County Employers		
Spectrum Health	General Medical and Surgical Hospitals	25,000
Meijer	Supermarket Retail & Distribution	10,340
Mercy Health	General Medical and Surgical Hospitals	8,500
Gordon Food Service	Grocery and Related Products Merchant Wholesalers	5,000
Amway Corporation	Health, Beauty, Home Product Manufacturing	3,791
Steelcase Inc.	Office Furniture Manufacturing	3,500
Farmers Insurance Group	Direct Property and Casualty Insurance Carrier	3,500
Lacks Enterprises	Plastic Manufacturing for Automobile Industry	3,000
Grand Rapids Public Schools	Elementary and Secondary Schools	2,800
Hope Network	Healthcare	2,162
Metro Health Hospital	General Medical and Surgical Hospitals	2,100
Roskam Baking Company	Food Manufacturing	2,090
Fifth Third Bank	Commercial Banking	2,062
Spartan Nash	Supermarket Retail & Distribution	2,000
Challenge Manufacturing	Fabricated Metal Manufacturing	1,700
Wolverine Worldwide	Leather Manufacturing	1,500

Source: The Right Place Inc - Top Employers (2020)

Property Tax Rates

Prior to 1982 the County’s tax rate was determined by a County-wide Allocation Board. In 1982, the County electorate voted a fixed millage allocation of 15 mills for operating purposes of the County and certain other taxing units within the County, as authorized by the State Constitution. Prior to 1995 the millage allocation was equal to \$15.00 per \$1,000 of the State Equalized Valuation (“SEV”) of taxable property in the County and since 1995 has been equal to \$15.00 per \$1,000 of Taxable Value (defined below). The 15 mills allocation was voted for an indefinite period of time, although State statute permits a maximum levy of 18 mills. Of the 15 voted mills, 4.8 mills were authorized as the maximum levy for the County’s operating purposes, including the payment of debt service. The remaining 10.2 mills were allocated among the other taxing units within the County. The allocation of the millage is fixed until such time as the electorate votes to change the allocation or the total authorized millage. The County electorate must approve additional millages of any amount for any general or specific purpose within statutory and constitutional limitations. In addition, the electorate may, at any time in the future, vote to (i) increase the 15 mills limit to 18 mills or (ii) re-establish the Allocation Board, and the County allocation of the total authorized 15 mills tax levy would thereafter be determined by the Allocation Board. The County’s operating and additional voted millage for the past five years is shown in the following table. Tax levies are as of December 1st and July 1st of each year shown, are levied against each \$1,000 of Taxable Value and exclude taxes levied by underlying taxing units.

Millage Rates

Millages	2017		2018		2019		2020		2021	
	Jul 1	Dec 1	Jul 1	Dec 1	Jul 1	Dec 1	Jul 1	Dec 1	Jul 1	Dec 1
County Operating	4.2803	-	4.2803	-	4.2571	-	4.2243	-	4.1850	-
Correction Facility *	-	0.7859	-	0.7828	-	0.7777	-	0.7717	-	0.7645
Senior Services *	-	0.4978	-	0.4958	-	0.4926	-	0.4888	-	0.4842
Veterans Services *	-	0.0497	-	0.0495	-	0.0491	-	0.0487	-	0.0482
Zoo & Museum *	-	0.4381	-	0.4363	-	0.4335	-	0.4301	-	0.4261
Ready by Five *	-	-	-	0.2500	-	0.2484	-	0.2464	-	0.2441
Total Levy	4.2803	1.7715	4.2803	2.0144	4.2571	2.0013	4.2243	1.9857	4.1850	1.9671

* Voter approved millage

Property Tax Rate History

In addition to the County taxes, property owners in the County are required to pay ad valorem taxes to other taxing units such as cities, townships, school districts, community colleges, and other units within the County. The total tax rate per \$1,000 of Taxable Value varies widely depending upon which municipality and school district the property is located. The highest tax rate on property within the County for 2021 was 69.0259 mills (51.0259 mills on homestead property) per \$1,000 of Taxable Value for the residents of the City of Wyoming in the Godfrey-Lee School District; the lowest tax rate was 38.7506 mills (20.7506 mills on homestead property) for the residents of Solon Township in the Grant School District.

In addition to the allocated millage, the County electorate from time to time may approve additional millages of any amount for any general or specific purpose within State constitutional and statutory limitations.

Property Tax Rate Limitations

In 1978, the electorate of the State passed an amendment to the State Constitution (the “Amendment”) which placed certain limitations on increases of taxes by the State and political subdivisions from currently authorized levels of taxation. The Amendment and the enabling legislation, Act 35, Public Acts of Michigan, 1979, as amended, may have the effect of reducing the maximum authorized tax rate which may be levied by a local taxing unit. Under the Amendment’s millage reduction provisions, should the value of taxable property, exclusive of new construction, increase at a percentage greater than the percentage increase in the Consumer Price Index, as published by the United States Department of Labor, then the maximum authorized tax rate

would be reduced by a factor which would result in the same maximum potential tax revenues to the local taxing unit as if the valuation of taxable property (less new construction) had grown only at the national inflation rate instead of the higher actual growth rate. Thus, should taxable property values rise faster than consumer prices, the maximum authorized tax rate would be reduced accordingly. However, should consumer prices subsequently rise faster than taxable property values, the maximum authorized tax rate would not increase over the prior year tax rate, but remain the same. The Amendment does not limit taxes for the payment of principal and interest on bonds or other evidences of indebtedness outstanding at the time the Amendment became effective or which have been approved by the electors of the local taxing unit.

Taxable Valuation of Property

Article IX, Section 3, of the State Constitution provides that the proportion of true cash value at which property shall be assessed shall not exceed 50% of true market value. The State Legislature by statute has provided that property shall be assessed at 50% of its true cash value. The State Legislature or the electorate may at some future time reduce the percentage below 50% of true cash value.

In 1994, the electors of the State approved an amendment to the State Constitution (the “1994 Amendment”) permitting the State Legislature to authorize ad valorem taxes on a non-uniform basis. The legislation implementing the 1994 Amendment added a new measure of property value known as “Taxable Value.” Since 1995, taxable property has two valuations – State Equalized Value (“SEV”) and Taxable Value. Property taxes are levied on Taxable Value. Generally, Taxable Value of property is the lesser of (a) the Taxable Value of the property in the immediately preceding year, adjusted for losses, multiplied by the lesser of the inflation rate, or 5%, plus additions, or (b) the property’s current SEV. Under certain circumstances, therefore, the Taxable Value of property may be different from the same property’s SEV.

The 1994 Amendment and the implementing legislation based the Taxable Value of existing property for the year 1995 on the SEV of that property in 1994 and for the years 1996 and thereafter on the Taxable Value of the property in the preceding year. Beginning with the taxes levied in 1995, an increase, if any, in Taxable Value of existing property is limited to the lesser of 5% or the inflation rate. When property is sold or transferred, Taxable Value is adjusted to the SEV, which under existing law is 50% of the current true cash value. The Taxable Value of new construction is equal to current SEV. Taxable Value and SEV of existing property are also adjusted annually for additions and losses.

Responsibility for assessing taxable property rests with the local assessing officer of each township and city. Any property owner may appeal the assessment to the local assessor, to the local board of review and, ultimately, to the State Tax Tribunal.

The State Constitution also mandates a system of equalization for assessments. Although the assessors for each local unit of government within a county are responsible for actually assessing at 50% of true cash value, adjusted for Taxable Value purposes, the final SEV and Taxable Value are arrived at through several steps. Assessments are established initially by the local assessor. Assessments are then equalized to the 50% levels as determined by the County’s department of equalization. Thereafter, the State equalizes the various counties in relation to each other. SEV is important, aside from its use in determining Taxable Value for the purpose of levying ad valorem property taxes, because of its role in the spreading of taxes between overlapping jurisdictions, the distribution of various State aid programs, State revenue sharing and in the calculation of debt limits. Ad valorem Taxable Value does not include any value of tax-exempt property (e.g., governmental facilities, churches, public schools, etc.) or property granted tax abatement under Act 198, Public Acts of Michigan 1974, as amended (“Act 198”) and Act 146, Public Acts of Michigan 2000, as amended (“Act 146”). Property granted tax abatements under Act 198 and Act 146, is recorded on separate tax rolls while subject to tax abatement.

Property taxpayers may appeal their assessments to the State Tax Tribunal. Unless otherwise ordered by the Tax Tribunal, before the Tax Tribunal renders a decision on an assessment appeal, the taxpayer must have paid

the tax bill. County taxpayers have a number of tax appeals pending before the Tax Tribunal, none of which will have a significant impact on the County's SEV, Taxable Value or the resulting taxes.

State Equalized and Taxable Valuation

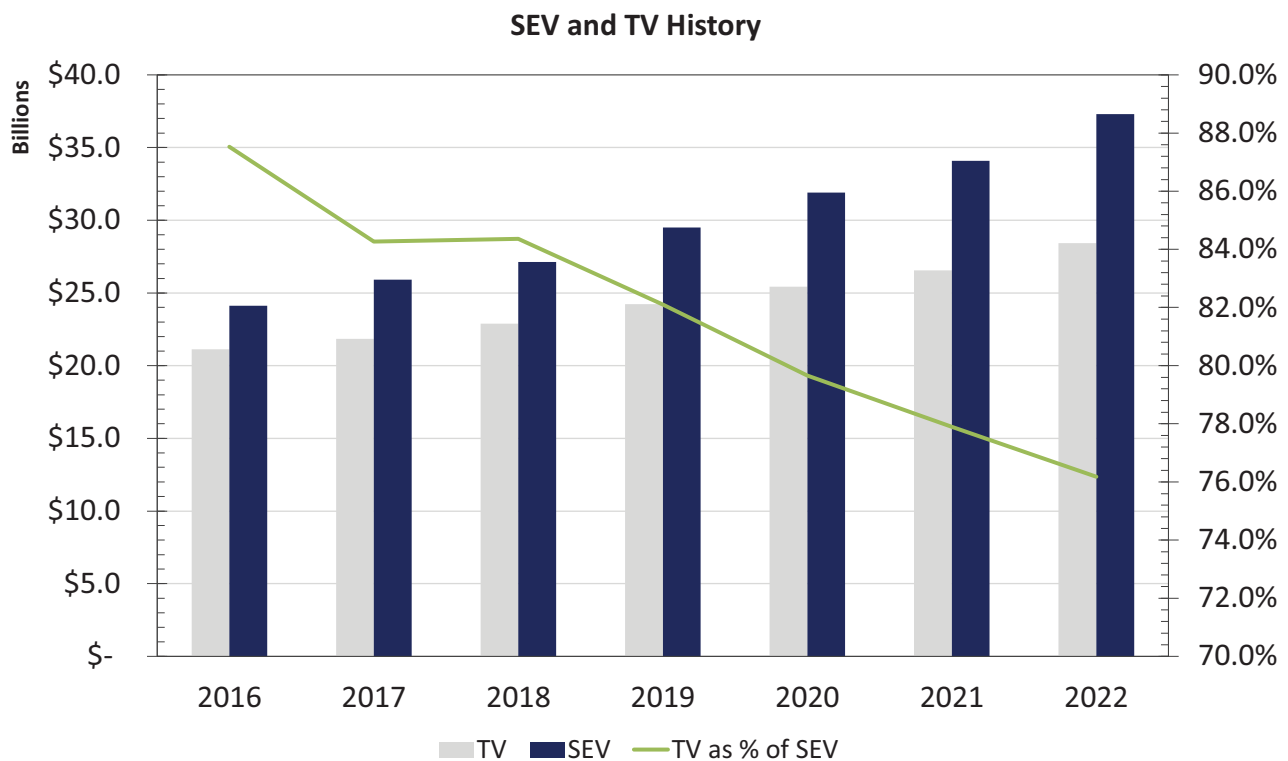
The County's total SEV has increased \$9,964,194,795 or 41.30% between 2016 and 2021 and the Taxable Value has increased \$5,437,422,640 or 25.75% between 2016 and 2021. Per capita 2021 SEV is \$51,333 and the per capita 2021 TV is \$39,986, both of which are based on the 2021 estimated Census population of 664,165.

Ad valorem Taxable Value does not include any value of tax-exempt property (e.g., governmental facilities, churches, public schools, etc.) or property granted tax abatement under Act 198 or Act 146. The taxable value of the abatements granted under Act 198 and Act 146 for 2021 is estimated at \$408.5 million. (See "County Taxation and Limitations -- Property Tax Abatement" herein).

SEV and Taxable Value History

Year of Valuation	State Equalized Valuation	Taxable Valuation	SEV Change from Prior Year	TV Change from Prior Year
2016	24,129,416,055	21,119,691,880	4.7%	0.5%
2017	25,914,411,675	21,838,346,564	7.4%	3.4%
2018	27,131,963,621	22,889,416,524	4.7%	4.8%
2019	29,502,080,572	24,219,497,487	8.7%	5.8%
2020	31,909,061,889	25,416,817,753	8.2%	4.9%
2021	34,093,610,850	26,557,114,520	6.8%	4.5%
2022*	37,305,105,935	28,418,785,125	9.4%	7.0%

* Pending State Equalization.



Current Equalized Taxable Valuation Components

By Use:		By Class:		By Municipality:	
Residential	24.0%	Real Property	93.7%	Cities	51.0%
Commercial	5.7%	Personal Property	6.3%	Townships	49.0%
Industrial	67.2%				
Utility	2.2%				
Agricultural	0.9%				
Total	100.0%		100.0%		100.0%

Property Tax Abatement

The SEV and Taxable Values do not include valuation of certain facilities which have temporarily been removed from the ad valorem tax roll pursuant to Act 198. Act 198 was designed to provide a stimulus in the form of significant tax incentives to industrial enterprises to renovate and expand aging facilities (“Rehab Properties”) and to build new facilities (“New Properties”). Except as indicated below, under the provisions of Act 198, a local governmental unit (i.e., a city, village or township) may establish plant rehabilitation districts and industrial development districts and offer industrial firms certain property tax incentives or abatements to encourage restoration or replacement of obsolete facilities and to attract new facilities to the area.

An industrial facilities exemption certificate granted under Act 198 entitles an eligible facility to exemption from ad valorem taxes for a period of up to 12 years. In lieu of ad valorem taxes, the eligible facility will pay an industrial facilities tax (the “IFT Tax”). For properties granted tax abatement under Act 198, there exists a separate tax roll referred to as the industrial facilities tax roll (the “IFT Tax Roll”). The IFT Tax for an obsolete facility which is being restored or replaced is determined in exactly the same manner as the ad valorem tax; the important difference being that the value of the property remains at the Taxable Value level prior to the improvements even though the restoration or replacement substantially increases the value of the facility. For a new facility, the IFT Tax is also determined the same as the ad valorem tax but instead of using the total mills levied as ad valorem taxes, a lower millage rate is applied. For abatements granted prior to 1994, this millage rate equals 1/2 of all tax rates levied by other than the State and local school district for operating purposes plus 1/2 of the 1993 rate levied by the local school district for operating purposes. For abatements granted after 1993, this millage rate equals 1/2 of all tax rates levied by other than the State plus 0%, 50% or 100% of the State Education Tax (as determined by the State Treasurer).

The County’s ad valorem Taxable Value also does not include the value of certain facilities which have been temporarily removed from the ad valorem tax roll pursuant to Act 146. Act 146 was designed to provide a stimulus in the form of significant tax incentives to renovate certain blighted, environmentally contaminated or functionally obsolete commercial property or commercial housing property (“OPRA Properties”). Except as indicated below, under the provisions of Act 146, a local governmental unit (i.e. a city, village or township) may establish obsolete property rehabilitation districts and offer tax incentives or abatements to encourage rehabilitation of OPRA Properties.

An obsolete property rehabilitation certificate granted under Act 146 entitles an eligible facility to an exemption from ad valorem taxes on the building only for a period of up to 12 years. A separate tax roll exists for OPRA Properties abated under Act 146 called the “Obsolete Properties Tax Roll.” An “Obsolete Properties Tax” is calculated using current year ad valorem millages times the taxable value of the obsolete building for the tax year immediately prior to the effective date of the obsolete property rehabilitation certificate except for the annual school operating and State Education Tax millages which are charged at the ad valorem tax rate on the current taxable value of the building.

The local units in the County have established goals, objectives and procedures to provide the opportunity for industrial and commercial development and expansion. Since 1974, local units in the County have approved

a number of applications for local property tax relief for industrial firms. The SEV of properties have been granted tax abatement under Act 198 and Act 146, removed from the ad valorem tax roll and placed on the IFT Tax Roll. Upon expiration of the industrial facilities exemption and obsolete property rehabilitation certificates, the current equalized valuation of the abated properties will return to the ad valorem tax roll as Taxable Value.

As an additional measure to stimulate private investment, several local units in the County also created Renaissance Zones (the “Zones”) pursuant to the provisions of Act 376 of the Public Acts of Michigan of 1996, as amended (“Act 376”). Under Act 376 individuals living in and local businesses that conduct business and own qualified property located within the Zones are entitled to, among other things, an exemption from ad valorem taxes on the qualified property. For the fiscal year ended December 31, 2021, the Taxable Value of property qualified for the benefits of the Zone program totaled \$87.4 million.

Largest Businesses Based On Tax Roll Valuation

Top County Taxpayers	Parcels	Taxable Value
Consumers Energy	576	405,033,367
Amway Corp/Alticor	111	158,974,831
DTE Energy	89	160,990,336
Meijer / Goodwill	67	125,049,500
PR Woodland	10	78,403,350
Holland Home	26	53,311,086
TEG	17	53,105,583
Steelcase, Inc.	20	49,561,868
Rivertown Crossings	4	48,565,900
Spectrum Health Hospitals	54	36,802,355
Comcast	68	34,150,056
Centerpoint Owner LLC	6	31,944,404
Total Top Taxpayers	1,048	1,235,892,636
Total County		26,557,114,520
Top Taxpayers/County		4.65%

Source: County of Kent - 2021 Apportionment Report

Tax Increment Authorities. Act 450 of the Public Acts of Michigan of 1980, as amended (the “TIFA Act”), Act 197 of the Public Acts of Michigan of 1975, as amended (the “DDA Act”), Act 281 of the Public Acts of Michigan of 1986, as amended (the “LDFA Act”), Act 530 of the Public Acts of Michigan of 2004, as amended (The “Historic Neighborhood Act”), Act 280 of the Public Acts of Michigan of 2005, as amended (The “CIA Act”) Act 61 of the Public Acts of Michigan 2007, as amended and Act 381 of the Public Acts of Michigan of 1996, as amended (the “Brownfield Act”) (together the “TIF Acts”) authorize the designation of specific districts known as Tax Increment Finance Authority (“TIFA”) Districts, Downtown Development Authority (“DDA”) Districts, Local Development Finance Authority (“LDFA”) Districts, Historic Neighborhood Finance Authority (“HNFA”) Districts, Corridor Improvement Authority (“CIA”) Districts, Neighborhood Improvement Authority (“NIA”) Districts or Brownfield Redevelopment Authority (“BRDA”) Districts, authorized to formulate tax increment financing plans for public improvements, economic development, neighborhood revitalization, historic preservation and environmental cleanup within the districts.

Tax increment financing permits the TIFA, DDA, LDFA, HNFA, CIA, NIA or BRDA to capture tax revenues attributable to increases in value (“TIF Captured Value”) of real and personal property located within an approved development area while any tax increment financing plans by an established district are in place. These captured revenues are used by the tax increment finance authorities and are not passed on to the local taxing jurisdictions.

Personal Property Tax Exemptions and Property Tax Proposals. Act 328, Public Acts of Michigan 1998, as amended, allows certain eligible communities to designate specific existing areas as “eligible distressed areas” in which “new personal property” of “eligible businesses” would be exempt from ad valorem property taxation. The eligible communities could, with the approval of the State Tax Commission, designate one or more areas as eligible distressed areas.

Property Tax Collections

The County’s fiscal year is the calendar year. County taxes were historically due and payable on December 1 of each prior year, at which time a lien on taxable property is created. Beginning in 2005 the County, as required by the State, began a shift of its operating millage from December 1 to July 1. Currently all of the operating

millage is now billed on July 1. Property taxes billed on December 1 are payable without penalty until February 14. Property taxes billed on July 1 are payable without penalty on various dates, based on the billing cycles of city and township treasurers, but not later than September 14. Unpaid real property taxes become delinquent on the following March 1 and are thereafter collected by the County Treasurer with penalties and interest. Real property returned to the County Treasurer for delinquent taxes is subject to forfeiture, foreclosure and sale as provided in Act 206, Public Acts of Michigan 1893, as amended. In recent years, the County has paid to the respective municipalities within the County, including the County, from the Delinquent Tax Revolving Fund (the "Fund"), the delinquent real property taxes of such municipalities; collections of delinquent real property taxes otherwise would be paid to such municipalities by the County Treasurer on a monthly basis following collection. Funding by the County of delinquent real property taxes is dependent upon the ability of the County, annually, to sell its notes for that purpose. There is no assurance the Fund will be continued in future years. Delinquent personal property taxes are less than 1% of the County's total levy. Suit may be brought to collect personal property taxes or personal property may be seized and sold to satisfy the tax lien thereon.

Property Tax Collection History

Year of Levy	Levy as of December 1 ⁽¹⁾	Collections to March 1 of the Year Following Levy		Collections to March 1, 2022	
2015	117,005,336	109,543,141	93.62%	117,004,055	100.00%
2016	127,153,181	118,842,367	93.46%	127,150,685	100.00%
2017	131,664,667	123,510,169	93.81%	131,661,120	100.00%
2018	143,744,229	134,267,071	93.41%	143,735,298	99.99%
2019	150,915,274	140,644,952	93.19%	150,857,743	99.96%
2020	156,505,188	145,555,517	93.00%	156,201,291	99.81%
2021	162,803,831	151,340,957	92.96%	151,340,957	92.96%

(1) The County's fiscal year begins January 1st. Taxes are billed on July 1st and December 1st and recorded as delinquent the following March 1st.

State Revenue Sharing

The County receives revenue sharing payments from the State of Michigan under the State Revenue Sharing Act of 1971, as amended (the “Revenue Sharing Act”). Under the Revenue Sharing Act the County receives its pro rata share of State revenue sharing distributions on a per capita basis. The County’s receipts could vary depending on the population of the County compared to the population of the State as a whole. In addition to payments of revenue sharing moneys, the State pays the County to support judges’ salaries, as well as other miscellaneous State grants.

The State continues the distribution of 80% of county revenue sharing payments pursuant to the Revenue Sharing Act, but distributes 20% of county revenue sharing payments through an incentive-based program. The program is known as the County Incentive Program (“CIP”), under which eligible counties must meet all of the requirements of Accountability and Transparency in order to receive the full CIP payment. For purposes of accountability and transparency, each eligible county shall certify by December 1,

or the first day of a payment month, that it has produced a citizen’s guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections.

The County has met the requirements for all clauses in the past and anticipates meeting the requirements going forward.



Michigan State Capitol

General Fund Revenue from the State of Michigan

	December 31,				
Category	2018	2019	2020	2021 ⁽¹⁾	2022 ⁽²⁾
State Revenue Sharing ⁽³⁾	\$12,306,846	\$12,419,280	\$ 9,649,403	\$12,673,201	\$12,913,121
Local Community Stabilization Share	1,633,749	3,167,879	3,246,923	3,503,967	3,200,000
Court Equity Funding	3,083,430	2,895,442	2,568,734	2,583,671	2,600,000
Liquor Tax	3,378,810	3,461,891	3,494,675	3,559,297	3,295,522
Grants and Other	1,573,447	1,469,703	1,446,791	1,635,294	1,800,500
Total	\$21,976,283	\$23,414,195	\$20,406,526	\$23,955,429	\$23,809,143

(1) Preliminary, subject to audit

(2) Budget as adopted by the County Board of Commissioners

(3) 2020 was reduced by the State and offset by a replacement revenue outside the General Fund.

Constitutional Debt Limitation

Article VII, Section 6 of the State Constitution states “No county shall incur any indebtedness which shall increase its total debt beyond 10%, of its assessed valuation.” The Notes pending are not included within this debt limitation.

Statement of Legal Debt

2021 State Equalized Value (SEV)	\$ 34,093,610,850
Legal Debt Limit (10% of SEV)	3,409,361,085
Debt Outstanding	388,920,086
Margin of Additional Debt That Can Be Legally Incurred	\$ 3,020,440,999
Debt Outstanding as a percentage of SEV	1.14%

Debt Statement

The following table reflects a breakdown of the County’s direct and overlapping debt as of December 31, 2021. Bonds or notes designated LTGO, are limited tax pledge bonds or notes.

Debt Type	Gross	Self-supporting or Portion Paid Directly By Benefited Municipalities	Net	Net Debt	
				Per Capita ⁽¹⁾	% of SEV ⁽²⁾
Direct Debt					
General Obligation Limited Tax Notes	\$ 19,900,000	\$ 19,900,000	\$ -		
Airport Bonds (L.T.G.O.)	215,580,000	215,580,000	-		
County Building Authority (L.T.G.O.)	18,610,000	-	18,610,000		
County/City Building Authority Bonds (L.T.G.O.)	24,468,856	-	24,468,856		
Capital Improvement Bonds (L.T.G.O.)	70,345,000	29,286,870	41,058,130		
Capital Leases/Contracts Payable	3,114,230	-	3,114,230		
Road Commission MTF Bonds (L.T.G.O.)	18,325,000	18,325,000	-		
Refuse and Solid Waste Bonds (L.T.G.O.)	5,500,000	5,500,000	-		
Drain Bonds (L.T.G.O.)	13,077,000	13,077,000	-		
Total Direct Debt	\$ 388,920,086	\$ 301,668,870	\$ 87,251,216	\$ 131.37	0.3%
Overlapping Debt ⁽³⁾					
Cities, Villages and Townships			\$ 223,877,484		
School Districts			1,615,898,011		
Community Colleges and Intermediate School Districts			26,852,544		
Total Overlapping Debt			\$ 1,866,628,039	2,810.49	5.5%
Total Direct and Overlapping			\$ 1,953,879,255	\$ 2,941.86	5.7%

(1) Based on 2021 US Census population estimate of 664,165.

(2) Based on 2021 State Equalized Value (SEV) of \$34,093,610,850 pending State Equalization.

(3) Overlapping debt is the portion of other public debt for which a County taxpayer is liable in addition to the Direct Debt of the County.

Source: Municipal Advisory Council of Michigan and County of Kent

Debt Amortization Schedule as of December 31, 2021

Year	Tax Notes ⁽¹⁾⁽²⁾	Refuse & Solid Waste Bonds	Airport Bonds	Road Commission MTF Bonds	Drain Bonds	City/County Building Authority Bonds	County Building Authority Bonds	Capital Improvement Bonds	Capital Leases	Total
2022	15,400,000	585,000	8,795,000	1,605,000	694,000	3,129,531	3,410,000	5,435,000	1,038,077	40,091,608
2023	4,500,000	610,000	9,295,000	1,540,000	720,000	3,101,469	3,500,000	5,680,000	1,038,077	29,984,546
2024	-	635,000	9,635,000	1,615,000	740,000	2,433,499	3,700,000	5,935,000	1,038,077	25,731,576
2025	-	670,000	9,980,000	1,695,000	760,000	2,385,378	3,900,000	5,660,000	-	25,050,378
2026	-	700,000	9,175,000	1,780,000	785,000	2,344,096	4,100,000	5,925,000	-	24,809,096
2027	-	735,000	9,510,000	1,870,000	809,000	2,298,194	-	6,195,000	-	21,417,194
2028	-	765,000	9,870,000	1,905,000	840,000	2,257,832	-	6,500,000	-	22,137,832
2029	-	800,000	7,430,000	2,000,000	865,000	2,211,380	-	5,945,000	-	19,251,380
2030	-	-	7,800,000	2,105,000	899,000	2,172,718	-	4,455,000	-	17,431,718
2031	-	-	8,185,000	2,210,000	935,000	2,134,758	-	2,500,000	-	15,964,758
2032	-	-	8,580,000	-	970,000	-	-	2,630,000	-	12,180,000
2033	-	-	8,935,000	-	1,000,000	-	-	2,760,000	-	12,695,000
2034	-	-	9,305,000	-	1,040,000	-	-	2,890,000	-	13,235,000
2035	-	-	9,710,000	-	770,000	-	-	3,020,000	-	13,500,000
2036	-	-	8,970,000	-	800,000	-	-	3,165,000	-	12,935,000
2037	-	-	9,420,000	-	90,000	-	-	1,650,000	-	11,160,000
2038	-	-	3,620,000	-	90,000	-	-	-	-	3,710,000
2039	-	-	3,800,000	-	90,000	-	-	-	-	3,890,000
2040	-	-	3,995,000	-	90,000	-	-	-	-	4,085,000
2041	-	-	4,195,000	-	90,000	-	-	-	-	4,285,000
2042	-	-	4,405,000	-	-	-	-	-	-	4,405,000
2043	-	-	4,625,000	-	-	-	-	-	-	4,625,000
2044	-	-	4,855,000	-	-	-	-	-	-	4,855,000
2045	-	-	5,095,000	-	-	-	-	-	-	5,095,000
2046	-	-	5,350,000	-	-	-	-	-	-	5,350,000
2047	-	-	5,620,000	-	-	-	-	-	-	5,620,000
2048	-	-	5,900,000	-	-	-	-	-	-	5,900,000
2049	-	-	6,195,000	-	-	-	-	-	-	6,195,000
2050	-	-	6,505,000	-	-	-	-	-	-	6,505,000
2051	-	-	6,825,000	-	-	-	-	-	-	6,825,000
Total	\$19,900,000	\$5,500,000	\$215,580,000	\$ 18,325,000	\$13,077,000	\$24,468,856	\$18,610,000	\$70,345,000	\$3,114,230	\$388,920,086

(1) Does not include pending notes to be issued in April 2022.

(2) \$15,400,000 principal payment made on April 1, 2022.

Debt History

There is no record of default on any obligation of the County.

Short-Term Financing

The County does not issue short-term obligations for cash flow purposes. The County has in the years 1974 through 2021 issued short-term notes in order to establish a Delinquent Tax Revolving Fund. Notes issued in each of these years have been in a face amount, which has been less than the actual real property tax delinquency. The primary security for these notes is the collection of the delinquent taxes pledged to the payment of principal of and interest on the notes issued. The County has pledged its full faith and credit and limited taxing power to the payment of the principal and interest on notes issued. The County may or may not issue notes to fund the Delinquent Tax Revolving Fund in future years. The amount of notes issued in 2013 through 2021 and their outstanding balance as of March 31, 2022, are as follows:

Outstanding Notes

Tax Year	Year		Amount
	Issued	Notes Issued	Outstanding ⁽¹⁾
2013	2014	20,400,000	-
2014	2015	19,200,000	-
2015	2016	18,100,000	-
2016	2017	17,100,000	-
2017	2018	15,800,000	
2018	2019	16,200,000	
2019	2020	16,200,000	4,100,000 ⁽²⁾
2020	2021	15,800,000	15,800,000 ⁽³⁾

⁽¹⁾ Does not include the pending notes.

⁽²⁾ \$4,100,000 principal payment made on April 1, 2022.

⁽³⁾ \$11,300,000 principal payment made on April 1, 2022.

Future Financing

The Department of Public Works is exploring a few projects that they may need to issue revenue bonds for over the next 12 to 48 months. Projects under consideration include the development of a Sustainable Business Park, improvements at the North Kent Transfer Station, and possibly adding a third combustion train to the Waste to Energy facility. Specific amounts and the exact timing are yet to be determined.

The Kent County Drain Commission is considering issuing approximately \$6.0 million in Knapps Corner Drainage District Bonds to finance drain improvements. The principal and interest on the bonds will be payable primarily from the City of Grand Rapids and from collections on special assessments assessed against public corporations and property in the Drainage District.

Vacation and Sick Leave Liabilities

As of December 31, 2021, the County had an unfunded vacation liability of \$3,257,315 and no unfunded sick leave liabilities.

Pension Benefits

The County sponsors and administers the Kent County Employees' Retirement Plan (the "Plan"), a single employer, defined benefit pension plan, which covers all employees of Kent County, except employees of the Road Commission, Land Bank Authority, and Airport Authority. The Plan was established by the Kent County Board of Commissioners and is administered by a seven member Board called the Kent County Employees' Retirement Plan Pension Board (referred to herein as the "Board of Trustees"). The Board is comprised of the Chairperson of the Finance Committee of the Commissioners, one other Commissioner appointed by the Board of Commissioners, three employees covered by the Plan, and two residents of the County that are independent of the County and the Plan. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the Kent County Board of Commissioners. The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. It is accounted for as a separate pension trust fund. Stand-alone financial reports are issued that include financial statements and required supplementary information for the Plan, which may be obtained from the County of Kent Human Resources Department, 300 Monroe Ave. N.W., Grand Rapids, MI 49503-2222.

Plan members hired through December 31, 2010 are eligible to receive pension benefits upon retirement at age 60 with 5 years of service or at any age with 25 years of service. Members hired on or after January 1, 2011 (January 1, 2012 for the Teamsters-Parks, Circuit Court Referees, and Teamsters-Public Health Nurses) are eligible at age 62 with 5 years of service or at age 60 (55 for captains and lieutenants) with 25 years of service. Members of the KCDSA bargaining unit hired on or after January 1, 2013 are eligible to receive this benefit at age 60 with 5 years of service or age 50 with 25 years of service. An early retirement option is offered for retirement at age 55 with 15 or more years of service. Members of the FOP bargaining unit hired on or after January 1, 2015 are eligible to receive this benefit at age 60 with 5 or more years of service or age 50 with 25 years of service.

Cost-of-living adjustments (COLAs) vary based on bargaining unit and hire date and range from 1%-3%.

Benefits Provided. Employees who retire with minimum age and years of service requirements are entitled to annual retirement benefits, payable in monthly installments for life, in an amount equal to a percentage of their final average compensation times years of credited service.

Employees Covered by Benefit Terms. At December 31, 2020, plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	1,560
Terminated employees entitled to but not yet receiving benefits	235
Vested and non-vested active participants	<u>1,585</u>
Total membership	3,380

Contributions. The contribution requirements of Plan members are established and may be amended by the Board of Commissioners in accordance with County policies, collective bargaining agreements, and Plan provisions. After meeting eligibility requirements, active Plan members are required to contribute to the Plan based on their bargaining unit or management group contribution rate. The variable rate was 8.85% for the year ended December 31, 2020. The additional amounts paid for COLAs by the members of the three unions covering public safety officers are a fixed amount added to the variable rate and ranged from 1.75%-3.50%. The County is required to contribute at actuarially determined rates that are expressed as a percentage of covered payroll and are designed to accumulate sufficient assets to pay benefits when due. The County's contribution rate for the year ended December 31, 2020 was 11.30% of projected valuation payroll. The normal cost and amortization payment were determined using an entry age actuarial funding method. Unfunded actuarial accrued liabilities are being amortized as a level percent of payroll over a closed period of 20 years.

Investment Policy. The plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the Board deems appropriate. The Plan’s asset allocation policy is detailed below.

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.97%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Concentrations. Information on the Plan’s concentration of credit risk policy and compliance with that policy at December 31, 2020 is disclosed in Note 3 to the separately issued financial statements.

Net Pension Liability (Asset). The components of the net pension liability (asset) of the Plan at December 31, 2020, were as follows:

Total pension liability	\$ 974,453,867
Plan fiduciary net position	<u>1,031,217,515</u>
County’s net pension liability (asset)	<u>\$ (56,763,648)</u>
Plan fiduciary net position as percentage of total pension liability	105.83%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2019 (rolled forward to December 31, 2020), using the following actuarial assumptions, applied to all periods included in the measurement: assistance of a valuation service.

Inflation	3.5% (price inflation of 2.5%)
Salary increases	3.5%-10.5%, including inflation
Investment rate of return	6.75%

Mortality rates were based on the RP-2014 Combined Healthy Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study dated November 8, 2018.

Long-term Expected Rate of Return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of December 31, 2020 (see the discussion of the pension plan’s investment policy in Note 2) are summarized in the following table:

Asset Class	Target Allocation	Long-term	Expected
		Expected Real Rate of Return	Money-weighted Rate of Return
Core bonds	18.00%	2.59%	0.47%
Multi-sector fixed income	10.00%	3.42%	0.34%
Absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.14%	2.14%
U.S. small cap equity	10.00%	8.45%	0.85%
International developed equity	15.00%	7.95%	1.19%
Emerging market equity	5.00%	9.10%	0.46%
Core real estate	5.00%	6.68%	0.33%
Infrastructure	2.00%	9.68%	0.19%
	100.00%		6.13%
Inflation			2.50%
Risk adjustment			-1.88%
Investment rate of return			6.75%

Discount Rate. The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset). The components of the change in the net pension liability (asset) are summarized as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at December 31, 2019	\$ 941,501,528	\$ 951,910,145	\$ (10,408,617)
Changes for the year:			
Service cost	19,484,646	-	19,484,646
Interest on total pension liability	62,655,769	-	62,655,769
Differences between expected and actual experience	(3,167,615)	-	(3,167,615)
Employer contributions	-	12,005,262	(12,005,262)
Employee contributions	-	10,603,354	(10,603,354)
Net investment income	-	103,391,931	(103,391,931)
Benefit payments	(45,596,530)	(45,596,530)	-
Administrative expenses	-	(672,716)	672,716
Refunds of contributions	(423,931)	(423,931)	-
Net changes	32,952,339	79,307,370	(46,355,031)
Balances at December 31, 2020	\$ 974,453,867	\$1,031,217,515	\$ (56,763,648)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of the Plan, calculated using the discount rate of 6.75%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentagepoint lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

	One Percent Decrease (5.75%)	Current Discount Rate (6.75%)	One Percent Increase (7.75%)
County's net pension liability (asset)	\$ 75,430,719	\$ (56,763,648)	\$ (165,579,980)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the combining statements of fiduciary net position and changes in fiduciary net position in the supplementary information section of this report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended December 31, 2020, the County recognized pension expense of \$(10,821,440). The pension liability attributable to the governmental activities will be liquidated by the General Fund and substantially all the special revenue funds. At December 31, 2020, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 5,524,597	\$ 3,234,107	\$ 2,290,490
Changes in assumptions	55,683	-	55,683
Net difference between projected and actual earnings on pension plan investments	-	62,420,759	(62,420,759)
Changes in proportion and share of contributions	560,791	560,791	-
Total	\$ 6,141,071	\$ 66,215,657	\$ (60,074,586)

Amounts reported as pension-related deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2021	\$ (19,555,771)
2022	(4,286,486)
2023	(27,795,104)
2024	(8,437,225)
Total	\$ (60,074,586)

Payable to the Pension Plan. At December 31, 2020, the County reported a payable of \$640,522 to the pension plan.

Other Post-retirement Employee Benefits (OPEB)

Plan Description. The County administers a single-employer defined benefit healthcare plan (the “Plan”) accounted for in the VEBA Trust Fund. In addition to the retirement benefits described in Note 13, the Plan provides health benefits to certain retirees, which are advance funded on an actuarial basis. Stand-alone financial reports are issued that include financial statements and required supplementary information for the Plan, which may be obtained from the County of Kent Fiscal Services Department, 300 Monroe Ave. N.W., Grand Rapids, MI 49503-2221.

Benefits Provided. The County provides a fixed monthly dollar subsidy of up to \$400 (\$350 for retirees before December 31, 2018) to be used by retirees toward health insurance premiums in a County-sponsored insurance plan. In addition, the County provides an implicit subsidy due to having one premium based on a blended rate that treats current employees, retirees, eligible beneficiaries and dependents as one homogeneous group. The implicit subsidy is factored into the actuarial computation of the OPEB liability. Effective 2016, the Collective Bargaining groups have begun to place retirees into separate groups for premium rating purposes for employees who were hired on or after January 1, 2016 (January 1, 2015 for Circuit Court Referees, FOP and Teamsters Parks; and July 1, 2016 for TPOAM and KCDSA).

Membership of the Plan consisted of the following at December 31, 2020:

Retirees and beneficiaries receiving benefits	720
Active plan members	1,586
Total membership	2,306

Contributions. The contribution requirements of the Plan members and the County are established and may be amended by the County Board of Commissioners, in accordance with County policies, collective bargaining agreements, and Plan provisions. The Plan covers the Management Pay Plan, both exempt and non-exempt, elected officials, including judges, and ten collective bargaining units. Retirees and their beneficiaries are eligible for postemployment healthcare benefits if they are receiving a pension from the Kent County Employees’ Retirement Plan. The County’s funding policy provides for periodic employer contributions at actuarially determined rates that are expressed as percentages of annual covered payroll, and are designed to accumulate sufficient assets to pay benefits when due. The County’s required cash contribution rate for the year ended December 31, 2020 was 3.34% of projected valuation payroll. For the year ended December 31, 2020, the County contributed \$6,909,780, including cash contributions of \$5,429,793 and an implicit rate subsidy (which did not require cash) of \$1,479,987. Cash payments included \$1,845,545 for current premiums and an additional \$3,584,248 to prefund benefits.

Retirees are responsible for reimbursing the County for the cost of premiums for the selected level of coverage in excess of the subsidy. The retiree’s share of premiums can be deducted automatically from their monthly pension distribution, or paid directly to the County Treasurer. Since retirees must participate in one of the County’s health insurance plans in order to receive the benefit, the entire cost of retiree health care premiums is accounted for in the County’s health insurance internal service fund. Retiree reimbursements are reported as operating revenue in the internal service fund. On a quarterly basis, the total amount of retiree subsidies for the previous period is billed to the VEBA. This portion of premium costs, which includes the County subsidy only, comprises

Investment Policy. The Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the Board deems appropriate.

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 15.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Concentrations. Information on the Plan's concentration of credit risk policy and compliance with that policy at December 31, 2020 is disclosed in Note 3 to the separately issued financial statements.

Net OPEB Liability. The components of the net OPEB liability of the Plan at December 31, 2020, were as follows:

Total OPEB liability	\$ 61,571,283
Plan fiduciary net position	<u>41,296,891</u>
County's net OPEB liability	20,274,392
Plan fiduciary net position as percentage of total OPEB liability	67.07%

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	21 years
Asset valuation method	Market value of assets
Price inflation	2.50%
Salary increases	3.5% to 10.5%, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to the January 1, 2013 – December 31, 2017 Experience Study for the Retirement Plan and Trust.
Mortality	The RP-2014 Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales. These tables were first used for the December 31, 2018 valuation.
Health care trend rates	Non-Medicare trend starting at 8.5% gradually decreasing to an ultimate trend rate of 4.5%. Medicare trend starting at 7.0% gradually decreasing to an ultimate trend rate of 4.5%.
Aging factors	The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.

Long-term Expected Rate of Return. The long-term expected rate of return on VEBA plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of VEBA plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the VEBA plan's target asset allocation as of December 31, 2020 (see the discussion of the VEBA plan's investment policy in Note 2) are summarized in the following table:

Asset Class	Target Allocation	Long-term	Expected
		Expected Real Rate of Return	Money-weighted Rate of Return
Core bonds	15.00%	2.59%	0.39%
Multi-sector fixed income	15.00%	3.42%	0.51%
Liquid absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.14%	2.14%
U.S. small cap equity	10.00%	8.45%	0.85%
Non U.S. equity	20.00%	8.16%	1.63%
Core real estate	5.00%	6.68%	0.33%
	100.00%		6.01%
Inflation			2.50%
Risk adjustment			-1.76%
Investment rate of return			6.75%

Discount Rate. The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the VEBA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on VEBA plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability. The components of the change in the net OPEB liability are summarized as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at December 31, 2019	\$ 61,232,861	\$ 32,734,859	\$ 28,498,002
Changes for the year:			
Service cost	1,321,125	-	1,321,125
Interest on total pension liability	4,065,569	-	4,065,569
Differences between expected and actual experience	(1,722,740)	-	(1,722,740)
Employer contributions	-	6,909,780	(6,909,780)
Net investment income	-	5,037,638	(5,037,638)
Benefit payments, including refunds	(3,325,532)	(3,325,532)	-
Administrative expenses	-	(59,854)	59,854
Net changes	338,422	8,562,032	(8,223,610)
Balances at December 31, 2020	\$ 61,571,283	\$ 41,296,891	\$ 20,274,392

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the County, calculated using the discount rate of 6.75%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current rate:

	One Percent Decrease (5.75%)	Current Discount Rate (6.75%)	One Percent Increase (7.75%)
County's net pension liability (asset)	\$ 26,874,460	\$ 20,274,392	\$ 14,598,731

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate Assumption. The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (7.50% decreasing to 3.50%) or 1% higher (9.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (7.50% decreasing to 3.50%)	Healthcare Cost Trend Rates (8.50% decreasing to 4.50%)	1% Increase (9.50% decreasing to 5.50%)
County's net pension liability (asset)	\$ 17,384,221	\$ 20,274,392	\$ 23,624,911

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the combining statements of fiduciary net position and changes in fiduciary net position in the supplementary information section of this report.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefit Obligations. For the year ended December 31, 2020, the County recognized OPEB expense of \$1,817,741. The OPEB liability attributable to the governmental activities will be liquidated by the General Fund and substantially all the special revenue funds. At December 31, 2020, the County reported OPEB-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 1,307,748	\$ 4,641,551	\$ (3,333,803)
Changes in assumptions	1,473,021	-	1,473,021
Net difference between projected and actual earnings on pension plan investments	-	3,386,907	(3,386,907)
Changes in proportion and share of contributions	1,589,573	1,589,573	-
Total	\$ 4,370,342	\$ 9,618,031	\$ (5,247,689)

Amounts reported as OPEB-related deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ended December 31,	Amount
2021	\$ (1,300,254)
2022	(905,970)
2023	(1,760,625)
2024	(1,050,083)
2025	11,309
Thereafter	(242,066)
Total	\$ (5,247,689)

Payable to the OPEB Plan. At December 31, 2020, the County reported a payable of \$389,112 to the VEBA plan.

Cash Balances and Net Change in Balances

Fund	December 31,		
	2020	2021	Net Change Inc/(Dec)
101 County General	\$ 100,917,298	\$ 99,719,615	\$ (1,197,684)
201 County Roads	23,838,555	42,899,227	19,060,673
215 Friend of the Court	(447,336)	(923,849)	(476,513)
221 Public Health	2,808,099	3,086,415	278,317
229 Hotel/Motel Tax	3,743,691	6,761,289	3,017,598
253 Early Childhood Millage	8,735,213	9,448,833	713,620
254 Correction and Detention Facility	15,317,003	11,675,639	(3,641,364)
256 Register of Deeds	667,547	787,703	120,156
257 Zoo and Museum Millage	1,523,689	914,712	(608,977)
259 Senior Millage	3,138,708	3,746,254	607,546
274 Coronavirus Relief Fund	12,720,119	67,075,759	54,355,641
445 Public Improvement	33,313,951	45,926,976	12,613,025
516 100% Tax Payment Funds	18,760,154	23,086,446	4,326,292
517 DPW Waste-to-Energy	21,827,476	23,080,487	1,253,011
677 Risk Management	12,873,161	12,584,838	(288,322)
751 Convention & Arena Auth	22,263,095	24,460,734	2,197,639
751 Other Trust and Agency	44,274,269	50,386,280	6,112,011
800 Drains and Lake Level	6,428,730	8,891,388	2,462,658
Various Other Funds	15,483,283	17,266,120	1,782,837
Total	\$ 416,871,399	\$ 521,782,003	\$ 104,910,604

Cash Activity Summary and Analysis

Cash Equity

	<u>2020</u>	<u>December 31, 2021</u>
Cash balance - January 1	\$ 386,510,178	\$ 416,871,399
Receipts	1,320,658,546	2,484,184,478
Less: Disbursements	1,290,297,325	2,379,273,874
Cash balance - December 31	\$ 416,871,399	\$ 521,782,003

Analysis of Cash Balances

	<u>2020</u>	<u>December 31, 2021</u>
Pooled investments	\$ 408,694,340	\$ 513,893,641
Demand deposits	2,411,867	1,832,451
Imprest cash	10,097,812	8,678,965
Accrued interest on pooled investments	60,155	60,155
Less: Outstanding disbursement checks	4,392,775	2,683,209
Cash balance - December 31	\$ 416,871,399	\$ 521,782,003

Pooled Investments Summary of Investments

December 31, 2021

Broker Name	Money Market / GIC	Government Agency	US Treasury	Certificates of Deposit	Total
Brokered Securities:					
UBS Paine Webber	\$ -	\$ 17,925,277	8,025,330	\$ -	\$ 25,950,607
Wells Fargo	-	25,511,995	6,066,228	-	31,578,223
Suntrust	-	6,501,254	-	-	6,501,254
Cantella Co	-	16,699,159	1,964,645	-	18,663,804
Truist Securities	-	10,494,943	-	-	10,494,943
U.S. Treasury Strips Subtotal	-	77,132,627	16,056,203	-	93,188,830
Certificates of Deposit (CD):					
Huntington Bank	3,043,466	-	-	-	3,043,466
Macatawa Bank	12,502,288	-	-	8,404,838	20,907,126
MBIA Class	7,698,570	-	-	-	7,698,570
Michigan Liquid Asset Fund (MILAF)	7,703,475	-	-	-	7,703,475
PNC NOW	-	-	-	-	-
Bank of America	77,472,814	-	-	14,000,000	91,472,814
Canadian Imperial Bank of Commerce	-	-	-	35,941,749	35,941,749
Chemical Bank West	-	-	-	-	-
Choice One Bank	-	-	-	11,266,763	11,266,763
Comerica Bank Detroit	-	-	-	54,342,731	54,342,731
Consumers Credit Union	-	-	-	539,283	539,283
Commerce Bank	-	-	-	19,075,267	19,075,267
Fifth Third Bank	-	-	-	20,747,323	20,747,323
First Community Bank	-	-	-	731,338	731,338
First National Bank of America	-	-	-	1,096,368	1,096,368
First National Bank of Michigan	-	-	-	1,659,962	1,659,962
Flagstar Bank	-	-	-	37,252,054	37,252,054
Grand River Bank	-	-	-	514,296	514,296
Horizon Bank	-	-	-	11,715,163	11,715,163
Independent Bank	-	-	-	10,062,880	10,062,880
Level One Bank	-	-	-	10,625,597	10,625,597
Mercantile Bank of W MI	-	-	-	17,409,042	17,409,042
Old National Bank	-	-	-	25,422,513	25,422,513
TCF Bank	-	-	-	21,937,529	21,937,529
Union Bank	-	-	-	1,556,122	1,556,122
United Bank of Michigan	-	-	-	3,520,670	3,520,670
West Michigan Comm Bank	-	-	-	4,462,709	4,462,709
CD Subtotal	108,420,613	-	-	312,284,197	420,704,810
Total	\$ 108,420,613	\$ 77,132,627	\$ 16,056,203	\$ 312,284,197	\$ 513,893,641

Pooled Investment Fund ⁽¹⁾

December 31, 2021

Investments By Type	Par Value	Book Value	Percent
Certificates of Deposit	\$ 312,284,197	\$ 312,284,197	60.8%
Passbook & Money Market	108,420,613	108,420,613	21.1%
Federal Home Loan Banks	34,900,000	35,017,382	6.8%
Federal National Mortgage Assoc.	2,000,000	2,097,098	0.4%
Federal Home Loan Mortgage Cor.	20,000,000	20,002,690	3.9%
Federal Farm Credit Bank	20,000,000	20,015,458	3.9%
US Treasury	16,000,000	16,056,203	3.1%
Total	\$ 513,604,810	\$ 513,893,641	100.0%

December 31, 2021

Investment Yield	Book Value	Percent
0.00% to 0.25%	\$ 224,787,702	43.7%
0.25% to 0.50%	77,223,681	15.0%
0.50% to 0.75%	37,202,564	7.2%
0.75% to 1.00%	34,223,346	6.7%
1.00% to 1.25%	20,869,874	4.1%
1.25% to 1.50%	8,674,900	1.7%
1.50% to 1.75%	4,661,385	0.9%
1.75% to 2.00%	80,988,212	15.8%
2.00% to 2.25%	3,098,701	0.6%
2.25% to 2.50%	20,766,909	4.0%
2.50% to 2.75%	300,000	0.1%
2.75% to 3.00%	-	0.0%
3.00% to 3.25%	1,096,368	0.2%
Total	\$ 513,893,641	100.0%

December 31, 2021

Investment Maturity	Date Range	Book Value	Percent
0 to 1 Month	01/01/22 - 01/31/22	\$ 119,681,435	23.3%
1 to 2 Months	02/01/22 - 02/28/22	20,773,795	4.0%
2 to 3 Months	03/01/22 - 03/31/22	21,160,023	4.1%
3 to 6 Months	04/01/22 - 06/30/22	73,664,260	14.3%
6 to 12 Months	07/01/22 - 12/31/22	75,036,976	14.6%
12 to 18 Months	01/01/23 - 06/30/23	40,346,653	7.9%
18 to 24 Months	07/01/23 - 12/31/23	35,562,092	6.9%
24 to 36 Months	01/01/24 - 12/31/24	62,197,058	12.1%
36 to 48 Months	01/01/25 - 12/31/25	21,944,191	4.3%
48 to 60 Months	01/01/26 - 12/31/26	43,527,158	8.5%
Total		\$ 513,893,641	100.0%

Pooled Investments Earnings Performance

December 31,

Month	2020			2021		
	Average Daily Balance	Interest Earned Accrual Basis	Earned Interest Yield	Average Daily Balance	Interest Earned Accrual Basis	Earned Interest Yield
Jan	\$ 392,289,440	\$ 688,007	2.067	\$ 407,374,828	\$ 258,879	0.738
Feb	395,297,064	621,264	1.962	405,374,641	194,737	0.618
Mar	369,190,315	584,786	1.746	406,932,142	189,170	0.540
Apr	434,587,475	477,778	1.568	389,824,907	171,842	0.529
May	484,033,988	488,025	1.178	407,305,774	135,140	0.479
Jun	468,547,822	424,146	1.077	458,682,659	628,237	0.450
Jul	459,859,951	398,219	1.002	439,560,883	156,783	0.470
Aug	489,983,179	370,167	0.907	459,800,108	306,345	0.720
Sep	512,682,403	323,027	0.760	503,309,038	167,872	0.720
Oct	467,507,174	304,495	0.693	547,943,821	216,708	0.650
Nov	431,576,275	275,667	0.728	536,993,671	168,767	0.580
Dec	408,694,340	269,851	0.750	516,497,687	109,628	0.360
Annual	\$ 442,854,119	\$ 5,225,432		\$ 456,633,347	\$ 2,704,109	

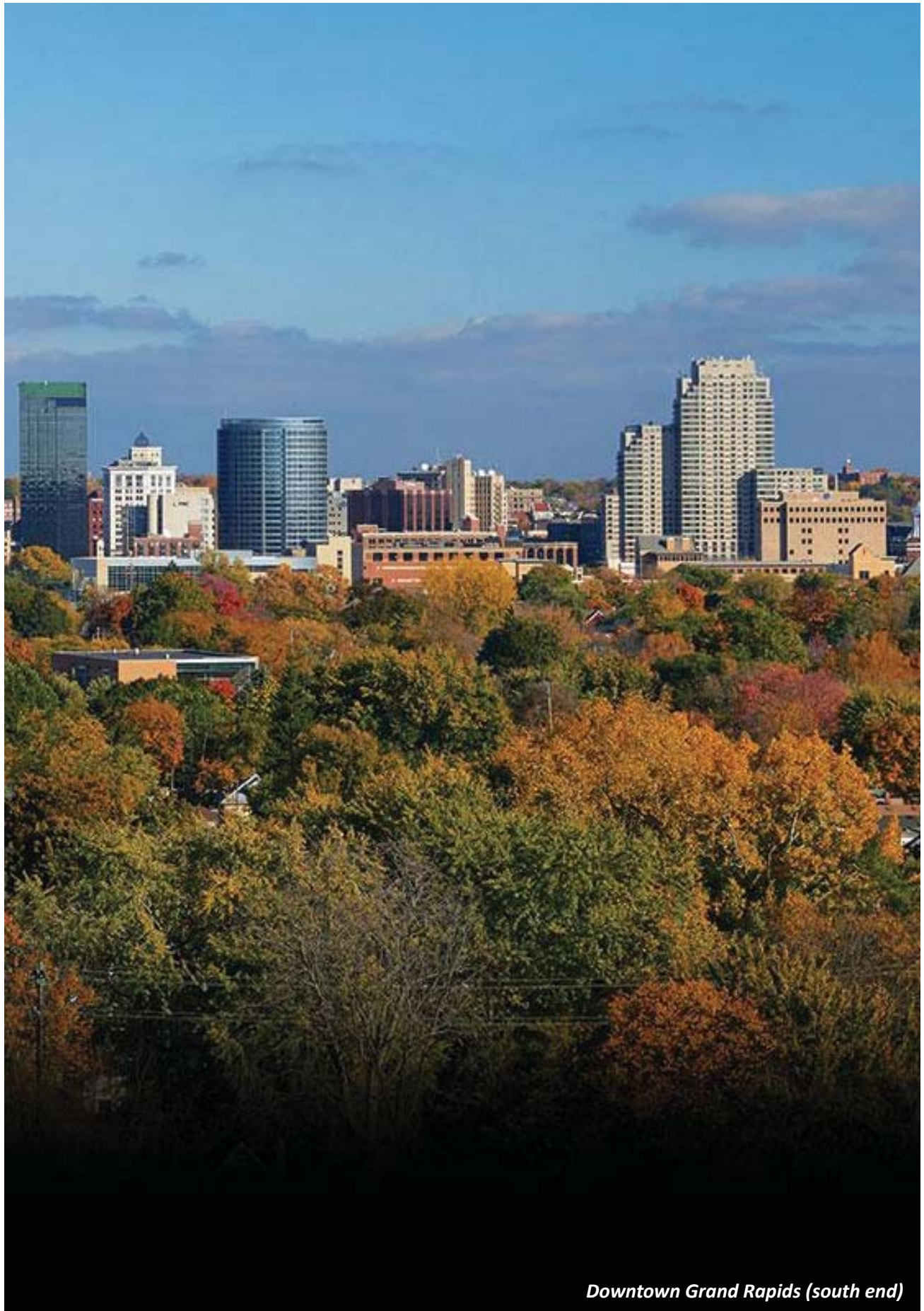
Investment Fund Balance - 1/1/21 \$ 408,694,340

Investment Fund Balance - 12/31/21 \$ 513,893,641

The following table illustrates the various labor organizations that represent the County of Kent’s employees, the number of members and the expiration dates of the present contracts. The County considers its relations with its employees to be excellent and there are no labor problems at the present time and anticipates no strikes or work stoppages.

March 1, 2022		
Bargaining Unit	Number of Positions ⁽¹⁾	Contract Expiration Date
United Auto Workers (General)	414	12/31/2023
Technical, Professional & Office Workers of Michigan -- TPOAM	369	12/31/2023
Kent County Deputy Sheriff's Association	242	12/31/2023
Kent County Law Enforcement Association -- FOP	259	12/31/2023
Lieutenants-Captains – POLC	23	12/31/2023
Prosecuting Attorneys Assoc.	34	12/31/2022
Circuit Court Referee Assoc.	8	12/31/2022
Teamsters (Public Health)	64	12/31/2023
Teamsters (Parks Employees)	17	12/31/2022
Elected Officials	5	NA
Judges	17	NA
Board of Commissioners	19	NA
Management Pay Plan Group	295	NA
Total	1,766	

(1) Includes vacant positions - does not include employees on extended leave or temporary employees.



Downtown Grand Rapids (south end)

Statement of Revenues, Expenditures and Changes in Fund Balance

	Year ended December 31,			
	2020	2021		2022
	Actual	Budget	Actual ⁽¹⁾	Budget ⁽²⁾
Revenues:				
Taxes	\$ 104,217,071	\$ 106,782,565	\$ 108,400,810	\$ 112,301,010
Intergovernmental	21,979,434	21,860,266	25,728,709	25,525,143
Charges for services	27,841,181	29,529,546	30,119,814	27,966,281
Investments, Rents & Royalties	4,718,854	4,359,765	3,436,263	4,153,380
Other Revenue	6,896,514	7,169,475	6,987,076	7,140,865
Transfers In	19,134,338	22,550,000	18,450,000	22,487,300
Total Revenues	184,787,392	192,251,617	193,122,673	199,573,979
Expenditures:				
Sheriff	57,019,059	63,487,380	61,287,494	71,813,381
Circuit Court	14,256,755	16,302,085	14,681,500	17,092,738
Facilities Management	11,738,772	14,046,201	12,936,747	14,036,429
Prosecuting Attorney	5,162,743	5,355,232	5,200,845	5,510,340
Information Technology	6,391,800	7,694,638	6,989,597	7,748,957
Policy/Administration	3,037,344	3,554,752	3,522,277	6,146,087
Parks Department	5,834,640	6,179,317	6,127,544	6,413,269
Zoo	21,448	33,354	33,353	33,006
Fiscal Services	3,926,601	4,428,999	4,055,497	4,562,297
Clerk/Register of Deeds	3,763,861	3,831,215	3,472,993	4,054,988
District Court	3,150,221	3,105,806	2,893,279	3,149,203
Human Resources	1,891,620	2,010,510	1,996,135	2,061,387
Bureau of Equalization	1,548,935	1,726,228	1,627,014	1,581,667
Treasurer's Office	1,278,918	1,412,449	1,396,278	1,454,763
Drain Commission	725,642	765,104	730,592	763,224
Other Social Services	1,427,526	1,455,000	1,437,000	1,455,000
Other	8,086,170	8,653,972	8,134,458	8,478,724
Transfers Out-Childcare	14,355,643	12,210,381	12,107,954	15,051,828
Transfers Out-Health	5,131,140	4,738,155	4,578,184	9,461,964
Transfers Out-CIP	18,445,788	25,654,903	25,605,034	12,228,447
Transfers Out-FOC	1,802,129	2,149,431	2,038,323	2,057,943
Transfers Out-Debt Svc	3,394,727	3,317,716	3,440,906	3,445,467
Transfers Out-Special Proj	3,373,450	3,791,027	3,674,175	3,693,138
Transfers Out-Other	7,268,601	2,936,099	2,885,134	3,779,732
Appropriation lapse	-	(6,500,000)	-	(6,500,000)
Total Expenditures	183,033,531	192,339,954	190,852,314	199,573,979
Net Revenues/(Expenditures)	1,753,861	(88,337)	2,270,358	-
Fund Balance, beginning of year	80,778,424	82,532,285	82,532,285	84,802,643
Fund Balance, end of year	\$ 82,532,285	\$ 82,443,948	\$ 84,802,643	\$ 84,802,643

(1) Pending audit adjustments

(2) As adopted

Components of Fund Balance

	Year ended December 31,	
	2020 Actual	2021 ⁽¹⁾ Actual
Inventory	\$ 59,301	\$ 124,700
Prepays	464,695	720,304
Long-term advances	389,160	618,096
Total Nonspendable	913,156	1,463,100
Economic stabilization ⁽²⁾	27,913,617	30,162,407
Total Committed	27,913,617	30,162,407
Cash flow ⁽³⁾	42,713,026	44,920,404
Encumbrances	3,424,133	25,329
Total Assigned	46,137,159	44,945,733
Unassigned⁽⁴⁾	7,568,353	8,231,403
Total Fund Balance⁽⁵⁾	\$ 82,532,285	\$ 84,802,643

(1) Preliminary, subject to audit.

(2) 10% of the subsequent year's adopted General Fund and subsidized governmental fund budgets

(3) 40% of the subsequent year's budget estimate for property tax revenue

(4) Fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund

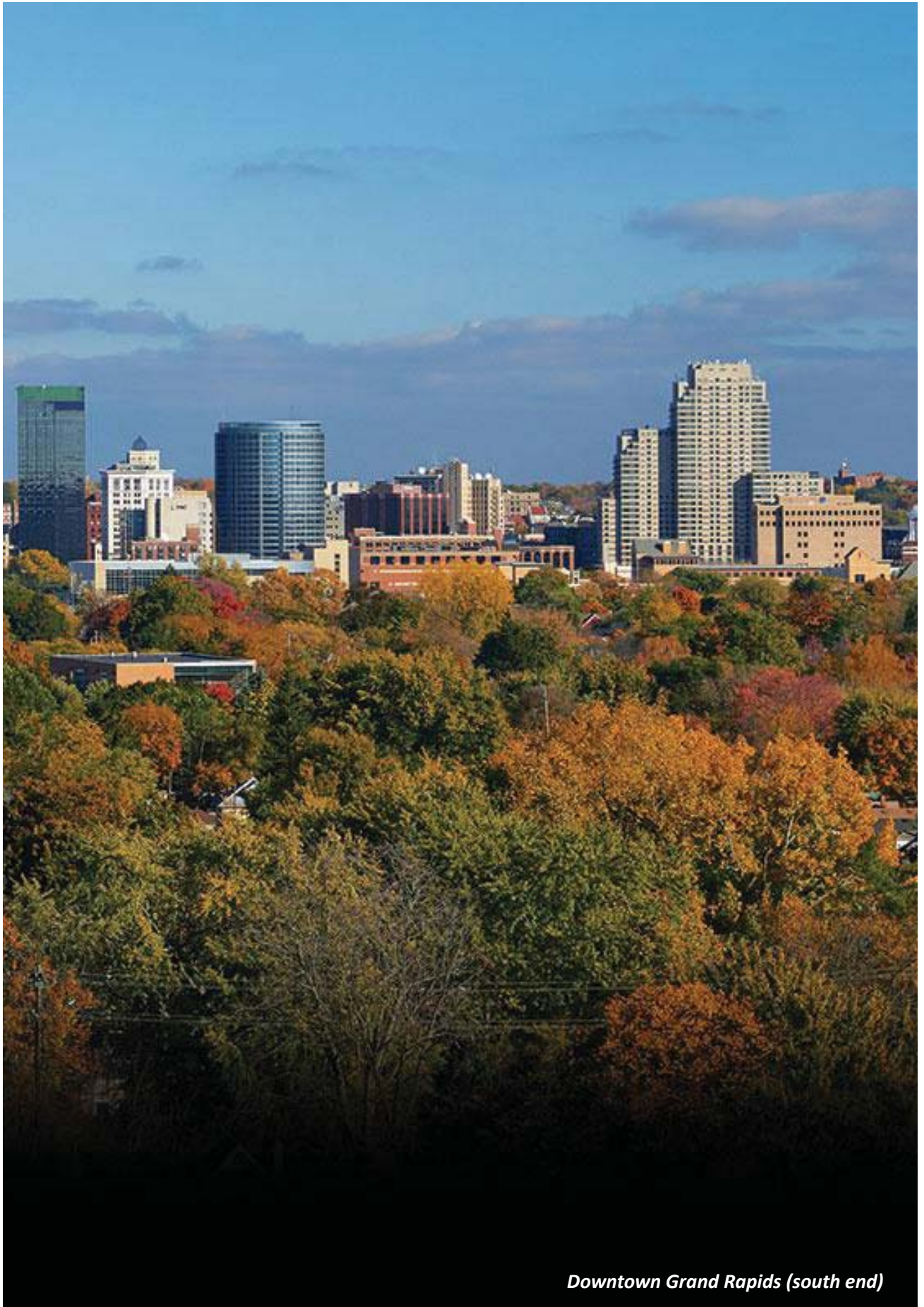
(5) The County will maintain a minimum fund balance equal to at least 40% of the subsequent year's adopted General Fund budgeted expenditures and transfers out

Debt Service As a Percentage of General Fund Expenditures ⁽¹⁾

	2020	2021	2022
Debt Outstanding			
Series 2005 - Courthouse	\$ 21,995,000	\$ 18,770,000	\$ 14,430,225
Series 2010 - Sheriff Administration	780,000	25,000	-
Series 2014A - 82 Ionia/Courthouse Land	1,990,000	1,530,000	1,075,600.00
Series 2017B - Fuller Complex Dist Ct DHHS	18,380,000	16,610,000	13,983,125.00
Total Debt Outstanding	\$ 43,145,000	\$ 36,935,000	\$ 29,488,950
Debt Service			
Series 2005 - Courthouse	\$ 4,339,938	\$ 4,337,238	\$ 4,339,775
Series 2010 - Sheriff Administration	764,600	770,100	25,000
Series 2014A - 82 Ionia/Courthouse Land	546,800	538,800	454,400
Series 2017B - Fuller Complex Dist Ct DHHS	2,632,800	2,633,400	2,626,875
Total Debt Service	\$ 8,284,138	\$ 8,279,538	\$ 7,446,050
General Fund Expenditures/Transfers ⁽²⁾	\$ 183,033,531	\$ 190,852,314	\$ 199,573,979
Debt Services as a % of General Fund Expenditures	4.5%	4.3%	3.7%

(1) Does not include capital leases.

(2) 2022 budget as adopted.



Downtown Grand Rapids (south end)

Statement of Revenues, Expenditures and Changes in Fund Net Assets

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Operating Revenues:		
Charges for services	\$ 491,084	\$ 440,309
Interest and penalties	1,837,993	1,714,792
Collection fees	644,174	644,543
Auction proceeds, net	255,206	527,421
Other	43,081	38,976
Total Operating Revenues	3,271,537	3,366,041
Operating Expenses:		
Contractual services	362,300	343,661
Other expense	217,847	76,788
Total Operating Expenses	580,147	420,449
Operating Income (Loss)	2,691,390	2,945,592
Non-Operating Revenues (Expenses)		
Investment earnings	204,297	26,911
Interest expense	(302,744)	(276,425)
Total Non-Operating Revenues (Expenses)	(98,447)	(249,514)
Income (Loss) Before Contributions and Transfers	2,592,943	2,696,078
Transfers out	(3,700,000)	-
Change in Net Assets	(1,107,057)	2,696,078
Net Assets, Beginning of Year	9,206,201	8,099,144
Net Assets, End of Year	\$ 8,099,144	\$ 10,795,222

(1) Pending audit adjustments

Statement of Revenues, Expenditures and Changes in Fund Balance

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Revenues:		
Intergovernmental	\$ 1,051,483	\$ 3,830,376
Contributions and reimbursements	118,920	1,157,000
Other	-	-
Total Revenues	1,170,403	4,987,376
Expenditures:		
Capital outlay	9,969,771	13,088,838
Total Expenses	9,969,771	13,088,838
Deficiency of revenues over expenditures	(8,799,368)	(8,101,462)
Other Financing Sources (Uses)		
Transfers in	18,895,788	25,605,034
Transfers out	(823,950)	(826,650)
Total Other Financing Sources (Uses)	18,071,838	24,778,384
Net change in fund balance	9,272,470	16,676,922
Fund Balance, beginning of year	30,008,229	39,280,699
Fund Balance, end of year	\$ 39,280,699	\$ 55,957,621

(1) Pending audit adjustments

Statement of Revenues, Expenditures and Changes in Fund Net Assets

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Operating Revenues:		
Charges for Services	\$ 33,259,239	\$ 51,848,482
Total Operating Revenues	33,259,239	51,848,482
Operating Expenses:		
Personnel Service	11,013,514	11,708,179
Materials and Supplies	1,347,521	1,635,562
Other	13,387,361	16,069,965
Total Operating Expenses	25,748,396	29,413,706
Operating Income (Loss)	7,510,843	22,434,776
Non-Operating Revenues (Expenses):		
Investment Earnings	166,048	96,206
Passenger Facilities Charges	3,427,561	5,739,227
Gain (Loss) on Sale of Fixed Assets	22,089	133,854
Customer Facility Charges	1,301,940	1,716,937
Depreciation	(21,937,236)	(25,912,000)
Interest Expense and Charges	(5,417,553)	(4,679,570)
Total Non-Operating Revenues (Expenses)	(22,437,151)	(22,905,346)
Income (Loss) Before Contributions	(14,926,308)	(470,570)
Special Item - Land Retained by County	-	-
Capital Contributions	34,966,298	1,838,733
Change in Net Assets	20,039,990	1,368,163
Net Assets, Beginning of Year	275,095,578	295,135,568
Net Assets, End of Year	\$ 295,135,568	\$ 296,503,731

(1) Pending audit adjustments

Debt Service Coverage

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Operating Revenues	\$ 33,259,239	\$ 51,848,482
Investment Earnings	166,048	96,206
Customer Facility Charges	1,301,940	1,716,937
Gain (Loss) on Sale of Fixed Assets	22,089	133,854
Operating Expenses	(25,748,396)	(29,413,706)
Net Revenues (as defined in the resolution)	\$ 9,000,920	\$ 24,381,773
Total Debt Service Requirements	\$ 14,430,750	\$ 14,129,839
Debt Service Paid by PFCs	(2,516,000)	(2,527,500)
Debt Service Paid by CARES	(5,957,369)	-
Net Debt Service Requirements	\$ 5,957,381	\$ 11,602,339
Debt Service Coverage	1.51x	2.10x

(1) Pending audit adjustments



Statement of Revenues, Expenditures and Changes in Fund Balance

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Operating Revenues:		
Charges for Services	\$ 41,310,871	\$ 47,296,723
Total Operating Revenues	41,310,871	47,296,723
Operating Expenses:		
Personnel, Materials, Contractual, Other	29,082,236	35,755,953
Depreciation and Amortization	5,949,110	6,007,337
Total Operating Expenses	35,031,346	41,763,290
Operating Income (Loss)	6,279,525	5,533,433
Non-Operating Revenues (Expenses)		
Investment Earnings	1,160,070	210,857
Interest Expense and Charges	(234,045)	(216,812)
Gain (Loss) on Capital Assets	(450,827)	95,918
Total Non-Operating Revenues (Expenses)	475,198	89,963
Capital Contributions	339,121	-
Change in Net Assets	7,093,844	5,623,396
Net Assets, Beginning of Year	98,002,739	105,096,583
Net Assets, End of Year	\$ 105,096,583	\$ 110,719,979

(1) Pending audit adjustments

Debt Service Coverage

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Operating Revenues	\$ 41,310,871	\$ 47,296,723
Non-Operating Revenues (Expenses)	475,198	89,963
Operating Expenses Before Depreciation	(29,082,236)	(35,755,953)
Net Revenues	\$ 12,703,833	\$ 11,630,733
Debt Service Requirements	\$ 832,750	\$ 836,550
Debt Service Coverage	15.26x	13.90x

(1) Pending audit adjustments

Statement of Revenues, Expenditures and Changes in Fund Balance

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Revenues:		
Taxes	\$ 18,218,473	\$ 18,975,817
Intergovernmental	324,344	291,252
Investment Earnings	299,598	81,663
Total Revenues	18,842,416	19,348,732
Operating Transfers:		
Facility Operations	15,884,338	18,450,000
Building Rent	-	-
Debt Service	3,825,632	3,820,575
Facility Improvements	-	-
Total Operating Transfers	19,709,970	22,270,575
Net Change in Fund Balance	(867,554)	(2,921,843)
Fund Balance, Beginning of Year	14,090,115	13,222,561
Fund Balance, End of Year	\$ 13,222,561	\$ 10,300,718

(1) Pending audit adjustments

Debt Service Coverage

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Property Tax Revenues	\$ 18,218,473	\$ 18,975,817
Debt Service/Building Rent Requirements	3,825,632	3,820,575
Debt Service Coverage	4.76x	4.97x

(1) Pending audit adjustments

Statement of Revenues, Expenditures and Changes in Fund Balance

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Revenues:		
Hotel/Motel Taxes	\$ 5,107,828	\$ 8,968,752
Investment Earnings	102,705	33,269
Fines and Forfeitures	6,496	10,725
Transfer In - General Fund	4,000,000	-
Total Revenues	9,217,029	9,012,746
Expenditures:		
Administration	123,961	128,238
Experience Grand Rapids CVB	906,639	1,591,954
Arts Festival	10,000	10,000
DeVos Place Debt Service	7,702,950	7,981,750
Total Expenditures	8,743,550	9,711,942
Net Change in Fund Balance	473,479	(699,196)
Fund Balance, Beginning of Year	7,419,696	7,893,175
Fund Balance, End of Year	\$ 7,893,175	\$ 7,193,979

(1) Pending audit adjustments

Debt Service Coverage

	Year Ended December 31,	
	2020	2021 ⁽¹⁾
Hotel/Motel Tax Revenues	\$ 5,107,828	\$ 8,968,752
Debt Service Requirements	7,702,950	7,981,750
Debt Service Coverage	0.66x	1.12x

(1) Pending audit adjustments



DeVos Place Convention Center

I. POLICY

1. **Policy:** Kent County shall endeavor to maintain the highest possible credit ratings so borrowing costs are minimized and access to credit is preserved.
2. **Financial Planning and Overview:** Kent County shall demonstrate to rating agencies, investment bankers, creditors, and taxpayers that a prescribed financial plan is being followed. As part of this commitment, the Fiscal Services Department will annually prepare an overview of the County's General Fund financial condition for distribution to rating agencies and other interested parties.

II. PRINCIPLES

1. **Statutory References:** The Kent County Board of Commissioners may establish rules and regulations in reference to managing the interests and business of the County under of Public Act 156 of 1851 [MCLA 46.11(m)].
 - 1.a. **Financing:** Various statutes, including but not limited to Public Act 34 of 2001, (The Revised Municipal Finance Act) [MCLA 141.2101 to 141.2821], as amended, Public Act 327 of 1945 (The Aeronautics Code) [MCLA 259 et seq.], as amended, and Public Act 94 of 1933 (The Revenue Bond Act) [MCLA 141.101-138], as amended, and PA 185 of 1957 [MCLA 123.731-786], as amended, enable the County to issue bonds, notes, and other certificates of indebtedness for specific purposes.
 - 1.b. **Debt Limit:** Section 6 of Article 7 of the Michigan Constitution of 1963 states "No County shall incur any indebtedness which shall increase its total debt beyond 10 percent of its assessed value."
 - 1.c. **Disclosures:** Effective July 3, 1995, the Securities and Exchange Commission (SEC) enacted amendments to Rule 15c2-12 requiring underwriters of municipal bonds to obtain certain representations from municipal bond issuers regarding disclosure of information after the issuance of bonds. The Rule also contains requirements for immediate disclosure of certain events by borrowers.
2. **County Legislative or Historical References:** Resolution 6-26-97-89, adopted by the Board of Commissioners on June 26, 1997, established rules and guidelines for managing the financial interests of the County. Such a resolution has been adopted annually since 1987.
 - 2.a. **Conflicts:** This document restates, clarifies, expands or alters the rules set forth in the Resolution 6-26-97-89. This Policy and the procedures promulgated under it supersede all previous regulations regarding County debt practices.
3. **Operational Guidelines -** Short-term borrowing to finance operating needs will not be used. Interim financing in anticipation of a definite, fixed source of revenue, such as property taxes, an authorized but unsold bond issue, or an awarded grant, is acceptable. Such tax, bond, or grant anticipation notes should not have maturities greater than three years.
4. **Operational Guidelines - Additional:** The County Administrator/Controller shall evaluate each proposed financing package and its impact on the County's credit worthiness, and report the evaluation to the Finance and Physical Resources Committee.
 - 4.a. **Evaluation Requirements:** As part of the review process, the Finance and Physical Resources Committee shall review all aspects of the project and recommend to the Board of Commissioners the most appropriate structure of the debt. Options available include notes, installment contracts, industrial development bonds, general obligation bonds, limited tax general obligation bonds, and revenue bonds.

5. **Exceptions:** The Board of Commissioners, upon recommendation of the Finance and Physical Resources Committee, may consider requests to waive any requirement or guideline contained in this policy.
6. **Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures which may be necessary for implementation.
7. **Periodic Review:** The County Administrator/Controller shall review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Board of Commissioners Resolution No. 05-14-09-50

Name and Revision Number: Debt Policy, Revision 4

Date of Last Review: 04/08/2020

Related Policies: Fiscal Policy on Accounting and Auditing

Approved as to form: Not applicable

I. POLICY

1. **Policy:** The Board of Commissioners, by adoption of an annual budget, shall maintain adequate General Fund equity (classifications) to provide for contingent liabilities not covered by the County’s insurance programs and to provide reasonable coverage for long-term Limited Tax General Obligation debt service.

II. PRINCIPLES

1. **Statutory References:** The Kent County Board of Commissioners may establish rules and regulations in reference to managing the interests and business of the County under Public Act 156 of 1851 [MCLA 46.11(m)].
2. **County Legislative or Historical References:** 3-27-11-18, adopted by the Board of Commissioners on March 27, 2011, established rules and guidelines for managing the financial interests of the County.
 - 2.a. **Lodging Excise (Hotel/Motel) Tax:** Resolution 9-11-97-118 approved the use of the Lodging Excise (Hotel/Motel) tax proceeds and established levels of project funding.
 - 2.b. **Governmental Accounting Standards Board (GASB):** This document clarifies and expands on pronouncements of the GASB as applicable to local governmental entities and the fund balance for Kent County.
 - 2.c. **Conflicts:** This document restates, clarifies, expands or alters the rules set forth in resolutions 6-26-97-89 and 9-11-97-118. This Policy and the procedures promulgated under it supersede all previous regulations regarding the County’s fund balance and reserve policies.
3. **Operational Guidelines – General:** Classification and use of fund balance amounts.
 - 3.a. **Classifying Fund Balance Amounts –** Fund balance classifications depict the nature of the net resources that are reported in a governmental fund. An individual governmental fund may include nonspendable resources and amounts that are restricted, committed, or assigned, or any combination of those classifications. The General Fund may also include an unassigned amount.
 - 3.a.1. **Encumbrance Reporting**—Encumbering amounts for specific purposes for which resources have already been restricted, committed or assigned should not result in separate display of encumbered amounts. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed or assigned will be classified as committed or assigned, as appropriate, based on the definitions and criteria set forth in Statement No. 54 of the GASB.
 - 3.a.2. **Prioritization of Fund Balance Use –** When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of Kent County to consider restricted amounts to have been reduced first.
 - 3.a.2.a. When an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, it shall be the policy of Kent County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.
4. **Operational Guidelines – Additional:** The County will establish “commitments” for the purpose of maintaining constraints regarding the utilization of fund balance noting the Board of Commissioner’s intent regarding the utilization of spendable fund balance.

- 4.a. Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. These amounts will be determined before all other classifications.
- 4.a.1. Long Term Advances** – The County will maintain a fund balance equal to the balance of any long-term outstanding balances due from other County funds which exist at year-end.
- 4.a.2. Inventory/Prepays/Other** – The County will maintain a provision of fund balance equal to the value of inventory balances and prepaid expenses.
- 4.a.3. Corpus of a Permanent Fund** – The County will maintain a provision equal to the corpus (principal) of any permanent funds that are legally or contractually required to be maintained intact.
- 4.b. Restricted** – Fund balance will be reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- 4.c. Committed** – This classification can only be used for specific purposes pursuant to formal action of the Board of Commissioners. A majority vote of the members elect is required to approve a commitment and a two-thirds majority vote of the members elect is required to remove a commitment.
- 4.c.1. Budget Stabilization** – Kent County commits General Fund fund balance in an amount equal to 10% of the subsequent year’s adopted General Fund and subsidized governmental fund budgets to insulate County programs and current service levels from large (\$1 million or more) and unanticipated one-time General Fund expenditure requirements, reductions in budgeted General Fund revenues due to a change in state or federal requirements, adverse litigation, catastrophic loss, or any similar swift unforeseen event. This commitment may be used if one of the qualifying events listed below occurs, and the County Administrator/Controller estimates the qualifying event will cost \$1 million or more and the Board of Commissioners by majority vote of the members present affirms the qualifying event.
- 4.c.1.a. Qualifying Events**
- A flood, tornado or other catastrophic event that results in a declared state of emergency by an appropriate authority, which would require cash up front for response and/or match for disaster relief funds for such an event.
 - Loss of an individual revenue source, such as state revenue sharing, for which official notification was not received until after the budget for the affected year was adopted.
 - Unanticipated public health or public safety events such as a pandemic or civil unrest requiring cash flow until and if sustaining, replacement, or reimbursement funding is available.
 - A Self-Insured Retention (SIR) for an insured claim for which the loss fund has an inadequate reserve.
- 4.d. Assigned** – Amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This would include all remaining amounts (except negative balances) reported in governmental funds, other than the General Fund, that are not classified as nonspendable, restricted or committed. The Board of Commissioners delegates to the County Administrator/Controller or his/her designee the authority to assign amounts to be used for other specific purposes.

- 4.e. Unassigned** – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance can never be negative.
- 4.f. Minimum Fund Balance** – The County will maintain a minimum fund balance equal to at least 40% of the subsequent year’s adopted General Fund budgeted expenditures and transfers out, to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. Cash flow shortfalls are related to property tax revenues, in anticipation of a July 1 (Mid Year) property tax billing.
- 4.f.1. Replenishing deficiencies** – When fund balance falls below the minimum 40% range, the County will replenish shortages or deficiencies using the budget strategies and timeframes delineated below.
- 4.f.1.a.** The following budgetary strategies shall be utilized by the County to replenish funding deficiencies:
- The County will reduce recurring expenditures to eliminate any structural deficit: or,
 - The County will increase taxes, fees for services or pursue other funding sources, or
 - Some combination of the two options above.
- 4.f.1.b.** Minimum fund balance deficiencies shall be replenished within the following time periods:
- Deficiency resulting in a minimum fund balance between 39% and 40% shall be replenished over a period not to exceed one year.
 - Deficiency resulting in a minimum fund balance between 37% and 39% shall be replenished over a period not to exceed three years.
 - Deficiency resulting in a minimum fund balance of less than 37% shall be replenished over a period not to exceed five years.
- 5. Exceptions:** None.
- 6. Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures which may be necessary for implementation.
- 7. Periodic Review:** The County Administrator/Controller shall review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Board of Commissioners Resolution No. 03-24-11-18
 Name and Revision Number: Fund Balance/Fund Equity Policy, Revision 7
 Date of Last Review: 04/08/2020
 Related Policies: None
 Approved as to form: Not applicable

I. POLICY

1. **Policy:** The Kent County Board of Commissioners requires all County capital improvement/replacement projects to be evaluated for funding within a framework of priorities and the financial capabilities of the County, and as part of a comprehensive budget process.
2. **Capital Improvement Program:** The Capital Improvement Program (CIP) is a primary tool for evaluating the physical improvement, tangible personal property or real property improvements to successfully implement the County budget process. The CIP outlines the schedule of County needs over a five-year period, and contains funding recommendations on an annual basis.

II. PRINCIPLES

1. **Statutory References:** Public Act 2 of 1968 as amended (The Uniform Budget and Accounting Act) [MCLA 141.435] sets forth the minimum requirements for items to be contained in the proposed budget submitted to the Board by the County Administrator/Controller, including the amount of proposed capital outlay expenditures, the estimated total cost and proposed method of financing each capital project.
2. **County Legislative or Historical References:** Resolution 3-28-96-38, adopted by the Board of Commissioners on March 28, 1996, established policies and set forth procedures for project submittal and evaluation for the Capital Improvement Program.
 - 2.a. **Conflicts:** This document codifies and amends the policies and procedures set forth in the Resolution 3-28-96-38. Any previous policies or procedures, insofar as they conflict with this policy, are hereby repealed.
3. **Operational Guidelines - General:** The County will establish and maintain a Capital Improvement Fund to account for the acquisition or construction of major capital items not otherwise provided for in enterprise or trust funds. The County will annually deposit, to this fund, a not-less-than sum of monies equivalent to the revenues to be generated from 0.2 mills of the general property tax levy.
 - 3.a. **Project Initiation:** Each department, office and agency of the County will annually submit a proposed list of its capital improvement needs for the next five fiscal years to the County Administrator/Controller's Office, according to a format and schedule developed by the County Administrator/Controller.
 - 3.b. **CIP Inclusion Required:** Any physical improvement or tangible personal and/or real property costing \$25,000 or more and having expected useful life of three years or greater must be included in the CIP in order to be considered for funding.
4. **Operational Guidelines - Additional:** Items submitted for consideration will be evaluated by a Capital Improvement Review Team which shall include, at a minimum, representatives of the Administrator's Office, Fiscal Services, Purchasing, Information Technology and Facilities Management.
 - 4.a. **Evaluation:** Items submitted for consideration will be rated according to established criteria. Items rated by the Review Team will be included in the proposed capital budget submitted to the Finance and Physical Resources Committee.
 - 4.b. **Annual Programming:** It is recognized that the County has limited resources and only a certain number of projects can be funded in any given year. Those projects that are not funded for a fiscal year, as determined by the Board of Commissioners, may be resubmitted for consideration in future years' CIP process.

- 4.c. Purchasing Procedures:** Projects included in the CIP must be acquired through the Purchasing Division and follow established County purchasing procedures.
- 4.d. Project Extension and Carry Forward of Funding:** The County Administrator/ Controller may approve the carry forward of unspent funds from one budget year to a subsequent year.
- 4.e. Approval of Transfers Between and Substitutions of Projects:** The Controller/Administrator can transfer up to and including \$25,000 from any one project to another with the approval of the affected department(s). Transfers of more than \$25,000 must be approved by the Finance and Physical Resources Committee.
- 5. Exceptions:** The Board of Commissioners, upon recommendation of the Finance and Physical Resources Committee, may consider requests to waive any requirement or guideline contained in this policy that is not in conflict with state law.
- 5.a. Project Substitution:** Recognizing that some projects may be tied to grant funding or needs may arise due to emergency situations, a department director or a member of the judiciary may submit a written request to substitute a project for an approved project of equal or greater cost. The County Administrator/Controller shall be responsible for approving the substitute project.
- 5.b. Emergent Projects:** Recognizing that some projects may arise, due to emergencies or other unforeseen events, between the annual CIP budget cycles, the Board of Commissioners may, by two-thirds majority of the members elect, consider adding and funding projects, including those necessary to implement a decision or priority of the Board. Any project presented for consideration must include information delineating the reason(s) why the project cannot wait until the next CIP budget cycle.
- 6. Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures which may be necessary for implementation.
- 7. Periodic Review:** The County Administrator/Controller will review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Board of Commissioners Resolution No. 07-24-03-92

Name and Revision Number: Capital Improvement Program Policy, Revision 4

Date of Last Review: 04/08/2020

Related Policies: None.

Approved as to form: Not applicable

FISCAL POLICY – ECONOMIC DEVELOPMENT PARTICIPATION

I. **POLICY** - To correct and prevent deterioration in neighborhood and business districts within the local units of the County, the County may participate with the local units of government in the establishment of tax abatement or capture programs as authorized by State enabling legislation.

II. **PRINCIPLES**

1. **Statutory References:**

Tax Capture

- Public Act 197 of 1975 – Downtown Development Authority Act
- Public Act 281 of 1986 – Local Development Financing Act
- Public Act 530 of 2004 – Historic Neighborhood Tax Increment Finance Authority Act
- Public Act 280 of 2005 – Corridor Improvement Authority Act
- Public Act 450 of 1980 – Tax Increment Finance Authority Act
- Public Act 381 of 1996 – Brownfield Redevelopment Financing Act
- Public Act 101 of 2005 – Brownfield Redevelop. Fin. Act – Infrastructure Improvements
- Public Act 61 of 2007 – Neighborhood Improvement Authority Act
- Public Act 94 of 2008 – Water Improvement Authority Act
- Public Act 481 of 2008 – Nonprofit Street Railway Act
- Public Act 250 of 2010 – Private Investment Infrastructure Funding Act

Tax Abatement

- Public Act 198 of 1974 – Industrial Facilities Property Tax Abatement Act
- Public Act 147 of 1992 – Neighborhood Enterprise Zone Act
- Public Act 376 of 1996 – Renaissance Zone Act
- Public Act 328 of 1998 – Personal Property Tax Abatement Act
- Public Act 146 of 2000 – Obsolete Property Rehabilitation Act
- Public Act 210 of 2005 – Commercial Rehabilitation Act
- Public Act 255 of 1978 – Commercial Redevelopment Act

Tax Capture/Abatement

- Public Act 275 of 2010 – Next Michigan Development Act

Economic Development Tax Exemption

- Public Act 274 of 2014 – General Property Tax act

2. **County Legislative or Historical References:** None

3. **Operational Guidelines - General:**

- 3.a. The County pledges up to 7 percent of its general operating property tax levy in support of economic development activities undertaken by local governmental units through local tax abatement/capture programs as authorized by State enabling legislation.
- 3.b. Participation is contingent upon exclusion of capture or abatement of “dedicated” millage levies (e.g. Correctional and Senior Services). To the extent that these dedicated millages are already captured or abated by a local governmental unit under an existing program, the County will not voluntarily participate in any new or expanded districts.

4. **Operational Guidelines - Additional:**

- 4.a. As allowed by law, the County may “opt out” of participation in any new or expanded district, and enter into a contractual agreement with the sponsoring local units according to the following general terms and conditions:

- 4.a.1. Participation in any capture or abatement district will be limited to 10-year renewable terms. Twenty-year terms may be considered if specific project requests would require debt financing.
 - 4.a.2. Local government unit will pledge 100% of its own operating tax levy for capture or abatement.
 - 4.a.3. County participation in tax capture districts will be on a “match” basis. The County will pledge \$1 of its operating tax levy to match \$1 of city/township tax levy generated for deposit to the Tax Increment Authority.
 - 4.b. County participation will be suspended for any calendar year, if the total County General Revenues and Transfers-In do not increase by at least 3 percent over the prior year’s General Revenues/Transfers In.
 - 4.c. County participation will be suspended if the local governmental unit’s total of all tax abatements’ or captures’ taxable values exceed 10 percent of the combined equivalent taxable value of the local unit.
- 5. Exceptions:**
- 5.a. County participation with individual local government units will be limited to the capture/exemption of tax levy on up to 10 percent of the combined equivalent taxable value in any individual local governmental unit. (See Attachment A).
 - 5.b. In the event that the total of all tax abatement/captures taxable values exceed 10 percent of the combined equivalent taxable value in a specified local government unit, the County will decline participation in the program. In the case of existing programs, County participation will be suspended in the calendar year following determination of the capture/abatement reaching the limit.
 - 5.c. In the event the local governmental unit tax abatement/tax capture exceeds 10 percent of the combined equivalent taxable value, but the local governmental unit enters into an agreement with the County to reimburse lost annual property tax revenues until such time as the percentage of capture is determined to fall below the 10 percent cap, then the County may consent (renaissance zone extension application) to the approval of additional tax abatements.
 - 5.d. Notwithstanding Section 4 above, in the event that a tax capture district provides for “gainsharing” of tax increment proceeds of at least 10 percent, the County may determine if it is in its best interest to not “opt out” of any existing, new, or expanded district to participate in “gainsharing” of tax increment proceeds.
- 6. Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures which may be necessary for implementation.
- 7. Periodic Review:** The County Administrator/Controller shall review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Board of Commissioners Resolution No. 1-26-17-6

Name and Revision Number: Economic Development Participation Policy, Revision 1

Date of Last Review: 03/30/2021

Related Policies: Fiscal Policy – Economic Development Participation

Approved as to form: Not applicable

I. POLICY

1. **Policy:** Kent County will invest funds in a manner which will ensure the preservation of capital while providing the highest investment return with maximum security, meeting the daily cash flow demands of the County and conforming to all state statutes governing the investment of public funds.

II. PRINCIPLES

1. **Statutory References:** Public Act 20 of 1943 [MCLA 129.91], as amended, requires the County to have a written investment policy which, at a minimum, includes the purpose, scope and objectives of the policy, including safety, diversification and return on investment; a delegation of authority to make investments; a list of authorized investment instruments; and statements addressing safekeeping, custody and prudence.
2. **County Legislative or Historical References:** This policy was reviewed and adopted by the Board of Commissioners in 2015 and confirmed rules and guidelines for managing the financial interests of the County.
 - 2.a. **Conflicts:** This document restates, clarifies, expands or alters the rules set forth in the 2015 Resolution. This Policy and the procedures promulgated under it supersede all previous regulations regarding County investments.
3. **Scope:** This policy applies to the investment of all funds, excluding the investment of employees' retirement funds.
 - 3.a. **Pooling of Funds:** Except for cash in certain restricted and special funds, the County will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
4. **General Objectives:** The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:
 - 4.a. **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - 4.a.1 **Credit Risk:** The County will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:
 - 4.a.1.a. Limiting investments to the types of securities authorized by PA 20 of 1943 (MC: 129.91), as amended, except commercial paper investments must have a rating of not less than P1 from Moody's or A1 from Standard & Poor's and mutual fund investments must have a par share value intended to maintain a net asset value of at least \$1.00 per share. For purposes of this policy, such investments are referred to as securities.
 - 4.a.1.b. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. With the exception of U.S. Treasury Securities and authorized pools, no more than 25 percent of the total investment portfolio will be invested in a single security type or with a single financial institution.

4.a.2. Interest Rate Risk: The County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

4.a.2.a. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

4.a.2.b. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

4.a.2.c. The County stratifies its pooled investments by maturity (less than one year, 1-2 years, 2-3 years and 3-5 years). Investments maturing in less than one year shall represent at least 40% of the total value of the portfolio. No other maturity band may represent more than 30% of the portfolio and the total of all investments greater than one year shall represent no more than 60 percent of the total portfolio.

4.b. Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. To that end, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

4.c. Yield: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

4.c.1. A security with declining credit may be sold early to minimize loss of principal.

4.c.2. A security swap would improve the quality, yield, or target duration in the portfolio.

4.c.3. Liquidity needs of the portfolio require that the security be sold.

5. Standards of Care:

5.a. Prudence: The standard of prudence to be used by the Treasurer shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The “prudent person” standard states that, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

5.b. Ethics and Conflicts of Interest: The Treasurer and other employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

6. Safekeeping and Custody

- 6.a. Delivery vs. Payment:** All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.
- 6.b. Safekeeping:** Marketable securities will be held by an independent third-party custodian selected by the Treasurer as evidenced by safekeeping receipts in the County's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).
- 6.c. Internal Controls:** The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.
- 7. Reporting Methods:** The Treasurer shall prepare quarterly investment reports, including a certification regarding compliance with all applicable laws and policies. These reports shall be filed with the Board of Commissioners not later than sixty days following the end of each calendar quarter.
- 8. Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners delegates to the County Treasurer the management responsibility for the investment program as required by state statute.
- 9. Periodic Review:** The County Administrator/Controller shall review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Board of Commissioners Resolution No. 05-14-09-50
Name and Revision Number: Investments Policy, Revision 7
Date of Last Review: 04/08/2020
Related Policies: None
Approved as to form: Not applicable

GLOBAL LIFE SCIENCES INNOVATOR INVESTING \$30M TO ESTABLISH HEADQUARTERS ALONG GRAND RAPIDS' FAMED MEDICAL MILE



Global theranostics and radiopharmacy innovator Bold Advanced Medical Future Health (BAMF) will establish its headquarters within Grand Rapids' Medical Mile. The company expects to add over 200 life science jobs and invest \$30 million in its new facility, which is expected to contain the world's most advanced cyclotron-equipped radiopharmacy, molecular imaging clinic and theranostics clinic.

The Right Place, Inc. and the City of Grand Rapids announce that global theranostics and radiopharmacy innovator Bold Advanced Medical Future Health (BAMF) will establish its headquarters within Grand Rapids' Medical Mile. The company expects to add over 200 life science jobs and invest \$30 million in its new facility, which is expected to contain the world's most advanced cyclotron-equipped radiopharmacy, molecular imaging clinic and theranostics clinic.

The first-of-its-kind dual-cyclotron radiopharmacy will produce novel radiopharmaceuticals on-site so cancer patients will receive confirmed diagnosis and treatment in a cutting-edge theranostics clinic during their same day visit. The facility will also supply both diagnostic and therapeutic radiopharmaceuticals to hospitals and independent clinics in the West Michigan area.

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The company will lease at least 35,000 SF in the new Doug Meijer Medical Innovation Building, located within Michigan State University's Grand Rapids Innovation Park at the Northeast corner of Monroe Avenue and Michigan Street at the West end of the famed Medical Mile corridor. Aside from the radiopharmacy and theranostics clinic, the location will serve as corporate headquarters for BAMF.

"The BAMF Health Precision Medicine Platform is considered the first and only platform of its kind in the world," said BAMF Health founder and chief executive officer Dr. Anthony Chang. "We are eager and honored to bring BAMF Health's lifesaving technology to patients in 2022. Our approach to achieve intelligence-based precision medicine will focus on effective therapies through precise and early diagnosis. It will guide patients to the most effective treatment, prevent unnecessary procedures and side effects, improve quality of life and outcomes, and reduce cost."

The Right Place provided a wide variety of wrap-around business services to ensure BAMF's successful landing in Grand Rapids. The organization first began partnering with BAMF in late 2016, making numerous connections and introductions for the fledgling startup. In 2017, The Right Place introduced the company (then called Rethink Imaging) to Michigan State University and Dr. Beauchamp. As that new relationship quickly grew, The Right Place team went on to provide connections with local capital resources for financial support and custom research services.

"This project was a 'must-win' for our team," said Randy Thelen, president and CEO, The Right Place, Inc. "The technology and innovation that BAMF is bringing to the area of cancer detection and treatment, has the potential to save countless lives and significantly boost the global exposure of Medical Mile."

"The MSU Grand Rapids Innovation Park is designed to create a health care innovation hub that will spur collaboration between academic research (biomedical, bioengineering and technology), health care providers, and health industries to commercialize, patent and license health innovation," said Norman J. Beauchamp Jr., MD, MHS, MSU executive vice president for health sciences. "The radiopharmacy that BAMF Health is leasing from MSU in the Doug Meijer Medical Innovation Building embodies that vision and came about through collaboration between The Right Place, the city of Grand Rapids, private philanthropy and Michigan State University. Ultimately, this is finding new and better ways to bring health to all."

The new BAMF headquarters is set to open in February 2022, corresponding to the opening of the 210,000 SF. Doug Meijer Medical Innovation Building. Throughout the planning and development of the Grand Rapids Innovation Park, the City of Grand Rapids has played an instrumental role in ensuring the park is a success.

"With its cutting-edge innovation and bold vision for improving health outcomes, BAMF Health is the type of anchor company that epitomizes what all of the partners in Michigan State University's Grand Rapids Innovation Park have worked to create," said Rosalynn Bliss, mayor, City of Grand Rapids. "There is enormous significance to their decision to locate in the Doug Meijer Medical Innovation Building, on the Medical Mile, in downtown Grand Rapids. It is a testament to the work done to develop and attract world class resources and assets in our health care industry, and of what can be achieved with a shared community vision. We look forward to watching BAMF and their partners thrive in Grand Rapids."

BAMF is led by Dr. Chang along with co-founder and chief technology officer Anderson Peck and chief operating officer Chad Bassett. Before founding BAMF Health, Chang and Peck worked together in Dr. Chang's lab to advance medical imaging technology. Dr. Chang is an accomplished scientific leader and educator. During his academic years, he was one of youngest imaging center directors in the world. He successfully brought his vision of a modern multimodality preclinical imaging center and a Laboratory of Translational Imaging from concept to international recognition in three short years.

Theranostics is a promising new field in medicine that combines the power of molecular imaging and molecular targeted radiation therapy to accurately diagnose and treat patients. The procedure is a simple IV injection that delivers treatment directly to where it is needed, minimizing damage to surrounding tissue.

“Currently, there is no dedicated platform for the efficient and effective translation of radiopharmaceutical technology to the clinic, resulting in an inevitable time-consuming and high-cost process that stops new radiopharmaceuticals from reaching patients,” said Dr. Chang. “With a new approach to data security, BAMF’s platform allows clinicians, researchers, and developers to facilitate the clinical trial process while maintaining the highest standards of quality. Running AI algorithms on big data across multiple institutions eliminates bias, achieves high accuracy, and enables better patient outcomes.”

The Grand Rapids clinic will be the home to never-before-seen theranostics treatment for cancer patients, especially those who are in late-stage. Potential cancer applications will start from prostate and neuroendocrine tumor and expand to breast, pancreas, lung, gynecological, colon, brain, and pediatric oncology. Additionally, BAMF Health will pursue diagnostic and therapeutic applications in Alzheimer’s, Parkinson’s, Endometriosis, chronic pain, PTSD and depression and cardiac diseases.

“We want to make the best technology accessible and affordable to every patient who needs it, as soon as possible,” added Dr. Chang. “Together with MSU, The Right Place and the Grand Rapids community, BAMF is here to make the Grand and Rapid impact.”

City OKs land purchase for \$116M Grand Rapids amphitheater. What's next?

By Brian McVicar | bmcvicar@mlive.com



The public authority that operates Van Andel Arena wants to build a 12,000-seat amphitheater at 201 Market Ave. SW. (Rendering provided by the city of Grand Rapids)

GRAND RAPIDS, MI — Now that 11.6 acres of riverfront property has been secured for a proposed 12,000-seat amphitheater in Grand Rapids, a group of community partners is setting its sights on the remaining tasks needed to make the project a reality.

Chief among them: Secure \$116 million.

That's the amount the Grand Rapids-Kent County Convention/Arena Authority (CAA), the public authority that oversees Van Andel Arena, DeVos Place and DeVos Performance Hall, would need to purchase the 11.6 acres of city-owned property and build the amphitheater.

"We're very optimistic," Rick Winn, president of AHC Hospitality and chair of the CAA, said when asked about the prospect of raising enough money to complete the project.

The proposed amphitheater is one part of a larger redevelopment plan for 31 acres of property along the Grand River between Fulton and Wealthy streets in downtown Grand Rapids. In addition to the venue, officials want to build up to 1,750 apartments, ground-floor retail space, and parks and greenspace at the site.

On Tuesday morning, the Grand Rapids City Commission gave initial approval for the CAA's request to purchase 11.6-acres at 201 Market Ave. SW, the site where the amphitheater would be built. Final approval was expected to come Tuesday evening at the commission's full meeting. The Kent County Board of Commissioners signed off on the request last week, and it now goes to the CAA's board for approval on Wednesday, March 30.

The CAA could close on the property by June 30. But before that happens, officials say they need to lock up funding, firm up the amphitheater's design, and finalize other details.

Details presented by Grand Rapids city officials show a variety of funds are being sought to pay for the amphitheater.

Among them: \$81 million in donor, state and private investment, as well as \$15 million from property on the Market Avenue site the CAA could sell to private developers. The Grand Rapids Downtown Development Authority or the City of Grand Rapids Brownfield Authority would also borrow \$20 million to finance the project.

As far as state funding goes, the project is seeking \$30 million.

"It's got to go through a lot of committees," David Frey, vice chair of Grand Action 2.0, a private economic development group working on the amphitheater project, said when asked about the \$30 million appropriation request made to the state Legislature.

"I am encouraged and will continue to work hard on behalf of Grand Action 2.0 to encourage the Legislature to really, favorably consider it," Frey added. "The state has a surplus, we have funds from Washington as a result of the pandemic. We have increased tax revenue. We have a lot of things that bode well for some selective but significant capital investments in our city."

State Rep. Rachel Hood, D-Grand Rapids, said she has received a brief, high-level briefing on the \$30 million funding request.

"Legislators are still learning about the project and its anticipated impact," she said. When asked whether she supports providing the funds for the amphitheater, she said she's waiting to hear more about the idea.

"I'm open and listening," Hood said.

Private investment will also be sought to make the amphitheater a reality.

Frey said Grand Action 2.0 is working to complete a proof-of-concept study on the amphitheater project in the next 90 days or so. That study will examine the performance of other similar-sized amphitheaters and other factors, thereby helping "validate the project budget," Frey said. Once it's complete, Grand Action 2.0 will have a better idea how much private funding will be needed.

"If you want to have a successful fundraising campaign, you better have a set of numbers that are credible," said Frey, a prominent philanthropist and former banker in Grand Rapids. "You can't just keep changing the numbers depending on the day of the week."

He said Grand Action 2.0 is "in some very thoughtful conversations with a potential lead donor," but declined to say more at this time.

On Tuesday, officials cast the amphitheater as an important project for the city. They said it's expected to host 54 events per season, a figure that includes ticketed events and free community events, and 300,000 visitors per season.

“We feel very much this can be a transformational project similar to what the arena was 25 years ago,” said Winn, the CAA chair.

The venue would be owned and overseen by the CAA. The CAA contracts with the firm ASM Global, a venue and event management company, to operate and manage its venues. That same arrangement is expected to be true with the amphitheater.

“Live entertainment continues to be very, very strong,” said Richard MacKeigan, regional general manager for ASM Global. “We’ve proven ourselves as a spectacular live entertainment market. The agents, the promoters, the managers know where Grand Rapids is, and they all are asking when’s that amphitheater going to open.”

In addition to funding, another hurdle exists for the project.

The city currently houses public works and other services at 201 Market Ave. SW. The plan is to relocate those operations to a Kent County Road Commission site at 1500 Scribner Ave. NW. The city is expected to purchase that site by Sept. 2023.

Before work on the amphitheater can begin, that move would need to take place.

Whitmer to sign nearly \$5B bipartisan plan to improve roads, water, parks, internet, more

WXYZ) — Michigan Governor Gretchen Whitmer is expected to sign a nearly \$5 billion infrastructure plan to ensure that Michigan families will have better roads, internet access, parks, housing, and water.



The bipartisan bill, which is part of the Building Michigan Together Plan, will give \$2 billion towards critical water infrastructure needs, \$645 million to Michigan’s infrastructure, \$450 million to Michigan state parks, \$250 million towards improving access and adoption of broadband, and more.

“The Building Michigan Together Plan makes bold, bipartisan investments in the kitchen-table issues that matter most to Michigan families, including clean water, smooth roads, fast internet, and beautiful parks,” Michigan Governor Gretchen Whitmer said. “I am so proud that the Michigan Legislature and I were able to come together to get this done. This bill will make a real difference in our communities, support tens of thousands of good-paying jobs, and set up Michigan’s economy for decades of success.”

Here is the breakdown of the nearly \$5 billion plan:

Water

The Building Michigan Together Plan includes nearly \$2 billion to address critical water infrastructure needs.

- More than \$1 billion for drinking water improvements, including:
- At least \$325 million to replace lead service lines, including 100% of lead service lines in Benton Harbor.
- \$55 million to help communities tackle toxic contaminants like PFAS.
- \$43 million in assistance for small and disadvantaged communities.
- \$712 million for clean water initiatives to address storm and wastewater including:
- \$669 million for clean water infrastructure.
- \$35 million for loans to help repair failing septic systems.
- \$20 million for public health risk reduction.

- \$8 million to address emerging contaminants.
- \$210 million to repair dams in Midland and Gladwin counties and another \$40 million to address the repair, renovation, or elimination of dams statewide.

Transportation

The Building Michigan Together Plan calls for critical investments of \$645 million in Michigan’s infrastructure, including:

- \$317 million for road and bridge programs, benefitting both state and local projects.
- \$66 million to make state transportation infrastructure more resilient to future flooding events by adding reliable generator backup power to all 164 state-owned pumping stations.
- \$98 million for airport infrastructure improvement grants.
- \$66 million to improve public transportation.
- \$25 million investment in the statewide Mobility Futures Initiative to position Michigan to lead the nation in mobility innovation.

Parks

The Building Michigan Together Plan invests \$450 million in Michigan’s state parks to improve state and local parks and trails to enhance tourism and boost the outdoor recreation industry.

- \$250 million for state parks, including the creation of a new state park in the city of Flint.
- \$200 million for local park systems, including transformative greenway projects in Detroit and Grand Rapids.

High-Speed Internet

The Building Michigan Together Plan will connect more households and small businesses to fast, reliable high-speed internet through:

- \$250 million in funding to improve access and adoption of broadband – helping ensure all Michigan residents and businesses can compete in a 21st-century economy.

Housing

The Building Michigan Together Plan provides funding centered on housing in underserved rural and urban areas, including:

- \$150 million for housing and home improvements, such as:
- \$50 million investment in the Housing and Community Development Fund to meet the housing needs of low-income households throughout the state.
- \$50 million to create a missing middle housing gap fund.
- \$50 million for residential home improvements including grants to incentivize energy efficiency and provide energy assistance.
- \$383 million for COVID Emergency Rental Assistance to help tenants facing pandemic-related hardships avoid eviction while also ensuring landlords can recoup owed rent.
- \$121 million to help Michigan homeowners avoid the personal devastation of foreclosure.

Additionally, the Building Michigan Together Plan includes:

- \$133 million to strengthen Michigan’s Unemployment Insurance System and tackle fraud.
- \$46 million to protect funding for public safety and first responders in cities, villages and townships with population losses in the 2020 Census.

‘LONG TIME COMING’: Franklin Partners purchases sprawling Site 36 in Wyoming for future manufacturers

By [Kate Carlson](#)

WYOMING — Franklin Partners LLC purchased the sprawling former General Motors stamping plant in Wyoming known as Site 36 late last month for \$5.25 million and plans a new industrial development on the property for multiple manufacturers.



Franklin Partners LLC has purchased the sprawling Site 36 property in Wyoming for \$5.25 million. COURTESY PHOTO

Grand Rapids- and Oak Brook, Ill.-based Franklin Partners, doing business as Franklin Site 36 LLC, bought the 74-acre site from the city of Wyoming for \$70,000 per acre, company officials said. Property records indicate a sale price of \$5.25 million that closed on Feb. 25.

The commercial development and property management firm for years has been the lead marketer for the property at 300 36th St. SW.

Franklin Partners plans to build onsite manufacturing plants ranging in size from 150,000 to 1 million square feet.

“We have partnered with the city of Wyoming for about the last three or four years to bring manufacturers to the site, and together with the city we decided market conditions are right and it makes sense for them to sell the site,” Franklin Partners co-founder and Partner Don Shoemaker told MiBiz. “When you look at the vacancy of industrial space, (it) has been at or under 2 percent, and this is an improved site you can actually build on now — there aren’t many of those.”

The city of Wyoming acquired the property in 2011 and demolished the former GM plant. Onsite utilities, access to rail and close proximity to U.S. 131 has kept the site attractive, while the region's thriving industrial real estate sector presented a new opportunity.

Meanwhile, the region's thriving industrial real estate sector presented a new opportunity.

Randy Thelen, president and CEO of economic development organization The Right Place Inc., commended the city for maintaining the property for more than a decade and called it a "pretty extraordinary" opportunity for Franklin Partners.

"It's the biggest step forward on that site since the day it was first developed by GM," Thelen said. "We're sitting on a 1.7-percent vacancy rate for industrial space, and there are a select few industrial park sites ready to go. There's an extreme shortage at a time when people are buying more things and the manufacturing base is cranking. There's a high demand for industrial space, now we're seeing a developer step forward."

Thelen said the site could likely accommodate three to five manufacturing users, "which frankly is a great way to diversify the job base rather than one massive user."

As well, Shoemaker noted the existing infrastructure is suitable particularly for manufacturers.

"What the city has wanted on the site from the start is to bring back manufacturing jobs as opposed to having warehouses that will sit on the property," Shoemaker said. "This site is unique because it has rail. We're targeting good manufacturing companies that need the infrastructure that's there."

Franklin Partners is in discussions with three or four potential companies that are a mix of local firms looking to expand and a couple that are based outside of the state, Shoemaker said. Franklin Partners expects to break ground and start construction this summer, and expects to announce the first user soon, Shoemaker said.

The sale of the site "has been a long time coming," Wyoming City Manager Curtis Holt said in an announcement.

"We have long recognized what a jewel this property is — and what tremendous potential it has to attract manufacturers looking for a place to expand or consolidate operations," Holt said. "Don Shoemaker has an excellent track record in our community. We look forward to working with him and bringing Site 36 back to life."

The site is listed by Duke Suwyn and Steve Marcusse of Advantage Commercial Real Estate.

Sports tourism pumps \$55.5M into economy

By Danielle Nelson

The economic impact of sports tourism in West Michigan exceeded pre-pandemic levels in 2021.

The West Michigan Sports Commission (WMSC) generated \$55.49 million in direct visitor spending in 2021. That is a 309% increase from 2020 (\$13.5 million) and a 1% increase in direct visitor spending from 2019 (\$54.9 million.)

Direct visitor spending is generated through hotel overnight stays, restaurants and business transactions.

WMSC hosted 100 events last year, a 122% increase over 2020 (45 events) and a 1% increase over 2019 (99 events).

“People missed sports,” said Mike Guswiler, WMSC president. “They missed what it means to their kids, to travel, to have social engagement and the health and wellness that comes from activities. There was pent-up demand and we saw that in 2021. As vaccines rolled out, as people became less wary of travel and the pandemic, they felt protected by the vaccine and the fact that many of the events were outdoors that we were promoting. All those things combined really opened the floodgates to allow sports tourism, one of many sectors of tourism, to really lead people back in our hotels and our restaurants. That overall was really the impact that we were able to witness why we saw success in 2021.”

While there was an increase in direct spending from 2019, there also were some decreases along the way.

The 100 sporting events attracted 184,360 athletes/visitors and there were 42,847 hotel room nights. The number of athletes/visitors increased 421% from 2020 (35,384) but decreased 20% from 2019 (230,382.)

The number of hotel nights increased 229% from 2020 (13,042) but decreased 15% from 2019 (50,245.)

The Meijer Sports Complex generated \$5.6 million in direct visitor spending as it hosted 22 baseball/softball tournaments in 2021. There were 684 participating teams, of which 342 were travel teams. The teams accounted for 8,892 athletes, and 22,230 spectators watched the events. There were 5,973 hotel room nights purchased.

The visitor spending of \$5.6 million increased 134% from 2020 (\$2.4 million), but there was an 8% decrease in visitor spending from 2019 (\$6.1 million.)

The number of tournaments held in 2021 increased by 47% from 2020 (15) and they equaled the number of events held in 2019, which was 22 events.

The number of travel teams in 2021 increased 176% from 2020 (124), but the number of travel teams decreased 24% from 2019 (448).

There was a 102% increase in spectators from 2020 (11,013); however, the number of spectators did not reach the 2019 level as there was a decrease of 8% from 2019 (24,245.)

The number of hotel room nights increased 145% from 2020 (2,433) but decreased 7% from 2019 (6,407).

Despite some COVID-19 restrictions in place at the beginning of 2021, the Meijer State Games, both the winter and summer editions, generated \$1.68 million in direct visitor spending through 37 events. They attracted 6,149 athletes. Some of the events included indoor archery, basketball, cross country skiing and disc golf.

That was an increase of 126% from 2020 (\$744,764) in direct visitor spending, but a drop 17% compared to 2019 (\$2 million). Events in 2021 increased 12% from 2020 (33 events) but plummeted 40% from 2019 (62).

Likewise, athlete participation numbers jumped by 38% from 2020 (4,471) but dipped 41% compared to 2019 (10,441).

Guswiler said some events that were scheduled for 2020 were hosted in other states that didn't have the same restrictions in Michigan earlier in the year, but WMSC was able to reschedule some events for West Michigan, including the USA Masters Games and the Champion Force Cheer Nationals in 2021.

In addition to the rebound of sporting events for 2021, Meijer became the new naming rights partner of the WMSC's baseball/softball complex in Rockford. WMSC also extended its partnership with Meijer by 10 years to promote youth and amateur sports.

Guswiler and his team are focused on increasing the number of traveling athletes and visitors and related hotel income, plus bidding on new events for 2022 and beyond.

To ensure that happens, WMSC promoted Melissa Brink to marketing manager for WMSC. She was previously the marketing specialist for the organization's signature Meijer State Games. In her new role, Brink will report to Guswiler and provide day-to-day marketing support for WMSC and its operating entities — State Games of Michigan, Meijer Sports Complex — by developing email marketing campaigns, overseeing marketing initiatives, designing graphics and creating and managing online content.

WMSC also hired Conner Hicks as its national sales manager. He was the sales manager for Aimbridge Hospitality at the Holiday Inn Grand Rapids Airport, where he oversaw all group sales initiatives.

WMSC also hired Alyssa Bey as event coordinator. She graduated from Grand Valley State University with a master's degree in higher education and a bachelor's degree in sports management. She served as a sports management graduate assistant and worked seasonally for the West Michigan Whitecaps in 2021.

A new hub was added in Marquette for outdoor snow sports events.

"This will be another rebuilding year as we continue to build back our ratio of travel teams at the Meijer Sports Complex, increase the number of events and participating athletes with our signature Meijer State Games program, and win more new business bids that bring visiting athletes and fans," Guswiler said. "In the meantime, we are excited to host some prestigious national events this year, including the NCAA Division II Outdoor Track and Field National Championship returning to GVSU and the 2022 Junior Gold Bowling Championships, bringing 5,000 athletes to the area for three weeks. I am very optimistic about the future of sports tourism in West Michigan."

12 ‘transformational’ projects identified by Grand Rapids economic development group

By Brian McVicar | bmcvicar@mlive.com



GRAND RAPIDS, MI — A regional economic development agency is joining a push to advocate for public funding for large-scale projects in the Grand Rapids area, including an outdoor amphitheater, Grand River restoration, affordable housing and more.

Working with city, business and tourism leaders, The Right Place identified 12 “transformational” projects. The projects, some of which have been discussed for years, would benefit Grand Rapids, and build on its reputation as a city where people want to live, work and visit, officials say.

“If we want to attract the businesses of tomorrow and we want to attract the talent of tomorrow, we need to continue that work on creating that sense of place that is West Michigan that makes us unique on the global landscape,” said Tim Mroz, senior vice president of community development at The Right Place.

Here’s the list of projects identified by The Right Place:

- **Convention Center Expansion and Hotel:** “A recent Destination Asset Study by an independent firm recommended a 400 room, 40,000 square feet meeting space, 20,000 square feet ballroom hotel for Grand Rapids. Additional recommendations include a 115,000 square ft. expansion of the DeVos Place convention center with new A/V technology investments.”
- **Countywide Affordable Housing:** Create a countywide housing strategy to address a shortage of affordable housing throughout Kent County.

- Downtown Post Office Relocation: “The relocation of the downtown riverfront mail processing center at 225 Michigan St. NW.”
- Grand Rapids Aquarium: “Develop one of the top aquariums in the US with over 1,000 unique species situated on 10 acres.”
- Grand River Greenway Initiative: “Transform the Grand River waterway and waterfront in Kent County’s urban core into a 5-mile outdoor recreation corridor.”
- Grand Rapids Community College Public Safety Training Center: “This center will accommodate comprehensive public safety training needs. It will include a classroom building, a large bay area for public safety vehicles, a burn tower” and more.
- Gerald R. Ford International Airport Control Tower Relocation: “A project to move the air traffic control tower from its current location atop the airport terminal to the east side of the airfield to allow for diverse terminal-area developments and to bring it up to Federal Aviation Administration standards.”
- Grand Valley State University Digital Learning Epicenter: GVSU’s proposed new digital learning initiative will include digital production labs, fabrication labs, start-ups, co-working spaces, and collaboration studios. Located on the GVSU Grand Rapids campus, the Center will support student, community, and business interaction.
- Market Avenue Gateway: “A comprehensive vision for future development on the east bank of the Grand River between Fulton and Wealthy Streets, transforming it into a showcased, sustainable district that connects and serves a diverse community.”
- Michigan State University Innovation Center Campus Expansion: “Expanding the Grand Rapids Innovation Park to create two world leading centers of excellence Big Data/AI Focused on Health Disparities and Cancer Research focused on Disparities and Health Equity.”
- Outdoor Amphitheater: “The development of a 14,000-seat amphitheater in downtown along the Grand River that would be owned and operated by the Grand Rapids-Kent County Convention Arena/Authority.”
- Soccer Stadium: “Secure a USLC franchise for Grand Rapids and construct a stadium with total seating capacity of 7,000 seats.”

The push for the projects is part of a new community development initiative launched by The Right Place. It also comes as billions of dollars in federal COVID-19 stimulus funds have flowed into Michigan. Billions more is expected to come to the state as part of President Joe Biden’s \$1.2 trillion bipartisan infrastructure package.

“We have an opportunity right now to make some strategic investments and really open up the next chapter of what Grand Rapids and West Michigan is going to be for the next 20 to 50 years,” Mroz said.

Kent County was allocated \$127.6 million through the American Rescue Plan, and thus far has approved \$10 million in funding, said county Administrator Al Vandenberg.

Moving forward, the county is expected to spend a portion of the \$117 million on county priorities such as expanding high speed internet access in the area, he said. But the county has also hired a consultant to help it develop an application process for organizations to apply for a piece of the remaining funds too.

Supporters of the 12 projects highlighted by The Right Place would be eligible to apply for funds, he said. Decisions over what projects would receive funding, and how much, would be made by the county’s board of commissioners.

“I know there’s a huge amount of interest,” Vandenberg said. “My guess is we will probably get more proposals than \$117 million can fund.”

He said it’s unclear whether, and to what extent, federal infrastructure funds could be used to fund a portion of the projects. Details are still being worked out on how those funds will be made available to local governments, he said.

The city of Grand Rapids received \$92 million from the American Rescue plan, said Molly Clarin, the city's chief financial officer.

The city has developed a spending plan for \$79 million of those funds, she said. Uses include affordable housing, revenue recovery for city departments hurt by the pandemic, violence reduction strategies and winter housing for the homeless.

No public stimulus funds have been allocated for the 12 projects highlighted by The Right Place, Clarin said. She said the city hasn't received a formal request to fund the projects, but that could change.

"I wouldn't be surprised if we were approached and asked to participate," Clarin said.

To date, The Right Place's work has focused on "coalition building" and creating consensus around which projects the community should be focused on, Mroz said.

To create the list, The Right Place spoke with the city of Grand Rapids, Downtown Grand Rapids, Inc., Experience Grand Rapids, the Grand Rapids Chamber and Grand Action 2.0.

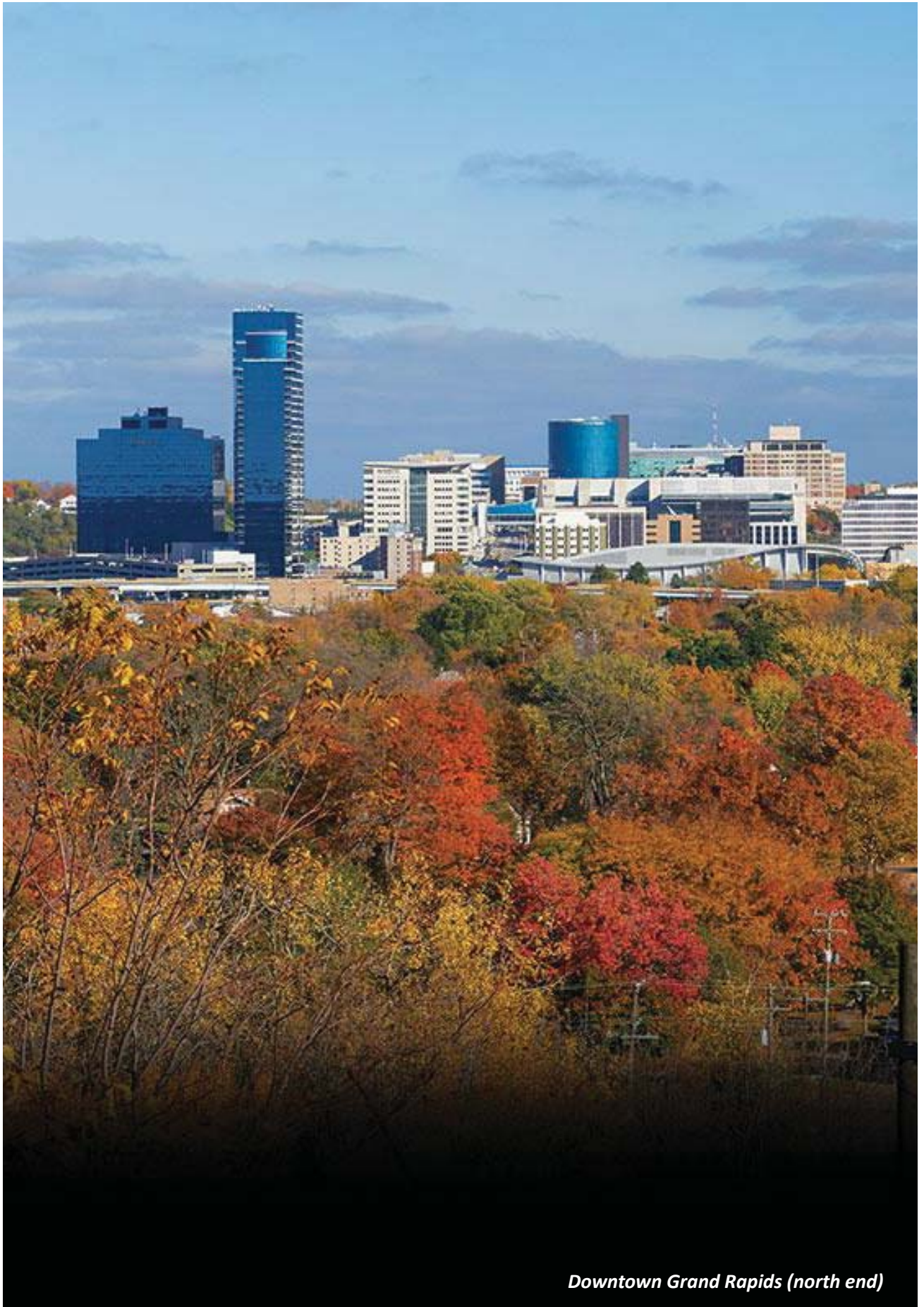
"What's next is going to be determined by what funding becomes available through state and federal resources," Mroz said. "If there's funding that becomes available for the river restoration, then we'll go that way. If there's funding that becomes available for relocating the downtown post office, then we'll go that way. It's really going to depend on what funding becomes available and when."

Andy Johnston, senior vice president for advocacy and strategic engagement at the Grand Rapids Chamber, said the 12 projects identified by The Right Place "could really move the region forward."

"This is the time to be having these conversations, to be talking about what kinds of investments can really propel our region forward," he said, noting the influx of stimulus funding being provided to the state and local governments.

West Michigan is "helping drive the state's economy" due to its "diverse industries and our ability to attract younger talent here." The projects identified by The Right Place "help reinforce those competitive advantages."

He noted the importance of one project, which calls for an expansion of affordable housing in Kent County. "If we want to attract more talent, we need to have housing supply and affordable housing supply as well," he said.



Downtown Grand Rapids (north end)

Studio Park poised to add 16-story housing tower in Grand Rapids

By [Christa Ferguson](#)

GRAND RAPIDS, Mich. (WOOD) — The developers that brought Studio Park to downtown Grand Rapids are getting ready to add a 16-story tower filled with apartments to the site.

Jackson Entertainment, LLC expects to invest about \$52 million into Phase 2 of the development, which is located at the southwest corner of Ionia Avenue and Oakes Street SW.

The tower would be built on the existing parking structure near US-131. First-floor amenities would include a pool, terrace, fitness facility and community room, according to a memo submitted to the Grand Rapids Downtown Development Authority. It's also expected to include a 700-square-foot retail art gallery, according to a memo submitted to the Grand Rapids Economic Development Team.

The 11 floors above that would each contain 15 apartments – a mix of studio, one- and two-bedroom units. The top four floors would be reserved for about two dozen condominiums that would be sold to homeowners. In all, the project is expected to add at total of 189 market-rate housing units — nearly double what Studio Park currently has.

Studio Lofts, the current apartment complex at Studio Park, are fully occupied, owners say.

"It's long been part of the plan to expand housing at Studio Park. The last couple of years have thrown some curveballs," Emily Loeks, a spokeswoman for owner-operator Studio C, said. "But we're really excited to be building an apartment and condo tower. This is going to bring much-needed housing to downtown Grand Rapids and it's definitely a part of the ecosystem that we are excited about."

"I think that we're in everything that we read in everything that we hear, we're just constantly reminded of the need for additional housing units across the board, so I want to say thank you for doing your part," Commissioner Joseph D. Jones told J.D. Loeks during the Economic Development Team meeting Tuesday.

The price point for renting in the new tower is well above the area median income, according to the Economic Development Team memo. Starting prices are expected to be around \$1,594 a month for a 516 to 596-square-foot studio apartment. A two-bedroom apartment that's 1,215 square feet is expected to cost around \$2,870 a month.

Jackson Entertainment finished the \$135 million first phase of Studio Park in the fall of 2021. The development already includes the nine-screen Studio C movie theater, the Canopy by Hilton Grand Rapids Downtown hotel, the headquarters for Acrisure, 106 apartments and storefronts for The Marketplace at Studio Park, Leo's Coney Island, Funky Buddha Yoga Hothouse, Pump House, Malamiah Juice Bar, Starbucks and One Twenty Three Tavern.

"It's just been incredible despite the pandemic to see what we believe and what I still believe to be a transformational project that has led a lot of the energy throughout that southeast side, south arena side," Grand Rapids Mayor Rosalynn Bliss said during the Economic Development Team meeting Tuesday.

The DDA supported the first stage of development with a \$5.35 million development support agreement, but developers have only used \$2.4 million of that funding so far, according to Downtown Grand Rapids Inc. President and CEO Tim Kelly. He is suggesting including a new request from Jackson Entertainment — \$600,000 to reimburse the cost of a tower elevator — in the original development support agreement. Under the proposal, the DDA would use 75% of available tax increment revenue for up to a decade to generate the funding.

The DDA will consider the funding request during its monthly meeting Wednesday morning. Jackson Entertainment is also seeking a Neighborhood Enterprise Zone designation for the apartments, as well as changes to the city’s Brownfield Plan to support the project, which will go before the respective board on March 15.

If all goes well, construction on the Studio Park tower would start this summer. A spokesperson said the goal is to open in 2024.

West Michigan manufacturer announces \$6M expansion, up to 110 new jobs

By Brian McVicar | bmcvicar@mlive.com

GRAND RAPIDS, MI — A Walker-based medical device manufacturer is planning a \$6 million expansion that’s expected to create up to 110 jobs.



West Contract Manufacturing, a subsidiary of Pennsylvania-based West Pharmaceutical Services, plans to invest up to \$5.4 million in machinery and equipment, and up to \$600,000 in building improvements at its plant, 3116 N. Wilson Ct. NW, in Walker. The company, which has 266 employees in Walker, received a \$500,000 grant from the Michigan Economic Development Corporation to help facilitate the expansion.

West Contract Manufacturing, 3116 N. Wilson Ct. NW, is planning a \$6 million expansion that's expected to create up to 110 jobs. West Contract Manufacturing is a subsidiary of Pennsylvania-based medical device manufacturer West Pharmaceutical Services. (Photo provided by The Right Place)

“The decision to expand in our region reaffirms the strength of Greater Grand Rapids’ rapidly advancing health science industry,” Randy Thelen, president and CEO of The Right Place, said in a statement. “West has played an integral role in our local medical device manufacturing industry, and we look forward to seeing their continued growth in our community as they create high-tech, quality jobs.”

The Right Place said in a news release that it “worked closely” with the MEDC to ensure West Pharmaceutical Services chose its subsidiary company in Walker as the site of its expansion.

An MEDC memo said West Pharmaceutical Services was considering making the expansion at facilities it owns in Pennsylvania and Arizona. The “state that provides the most favorable incentive will be awarded the project,” the MEDC said. The MEDC memo did not say what incentives, if any, Pennsylvania and Arizona were offering.

The \$500,000 state grant will help “offset the cost to purchase new machinery and equipment as well as construction costs for building improvements,” the MEDC said.

In a news release, The Right Place said the company’s expansion is starting “immediately.”

The average wage of the up to 110 new jobs is \$951 per week.

The \$500,000 MEDC grant will be paid out in increments, with \$4,545 awarded to the company for each new job created, according to the state agency.

“West has been a wonderful part of our business community here in Walker, and we are elated that they have chosen to continue their growth here,” Walker Mayor Gary Carey said in a statement. “We celebrate this expansion alongside them and are excited to see what successes they have in their future.”

PADNOS to add 50 jobs and invest \$6.6 million in upcoming expansion

The Right Place, Inc., in collaboration with the Michigan Economic Development Corporation (MEDC) and City of Wyoming, announced PADNOS will be expanding its Wyoming location at 500 44th St SW in Wyoming. In addition to a capital investment of \$6.6 million, the expansion will bring 50 new jobs to the area.

PADNOS, founded in 1905 in the city of Holland, has been transforming scrap into reusable resources for more than 100 years. The company recycles metals, paper, plastics and electronics and currently has over 725 team members. With benefits like profit sharing, 401k matching, tuition reimbursement for team members, and scholarships for team members' children it is easy to see why PADNOS was awarded as one of the Best and Brightest Companies to work for in the nation this year.

As part of its expansion, the company is increasing its capabilities into recycling ocean bound plastics and investing in electrical and infrastructure upgrades. New loading docks, a laboratory, and a maintenance garage will all be added to its location in the city of Wyoming.

"PADNOS is proud to further our investment in the community while increasing our processing capabilities to meet market demands. We are seeing an increase in demand for recycled material and we are committed to working with our partners to get these materials back into new products and keeping them out of our landfills and oceans." said Jonathan Padnos, President & CEO of PADNOS.

The Right Place worked closely with PADNOS, the MEDC and the City of Wyoming to ensure the company continued its growth in the region rather than a competing site in the state of Indiana. The MEDC is supporting the expansion with a Michigan Business Development Program performance-based grant of up to \$250,000.

"This decision further cements PADNOS' commitment to growth in Greater Grand Rapids" said Olivia Lanctot, Business Development Coordinator and project lead for The Right Place, Inc., "PADNOS has a long legacy of innovation and deep ties within our community, and we are pleased to see them continue their growth here. They offer quality employment opportunities, and their commitment to providing reentry training and jobs is an excellent opportunity for our community."

"We are extremely pleased with the announcement of this expansion, which will bring good-paying manufacturing jobs to our City," said Wyoming Director of Planning and Economic Development Nicole Hofert. "We look forward to the continued investment in the City of Wyoming, our residents and community members."

GVSU deepens impact on Medical Mile with addition of new health building

By Dottie Barnes

A designated stretch along Michigan Street in downtown Grand Rapids, known as Medical Mile, has experienced tremendous growth since its beginnings in the mid-1990s — and Grand Valley has grown with it.

The Daniel and Pamella DeVos Center for Interprofessional Health (DCIH), the third building on Grand Valley's Health Campus, opened in May on Medical Mile. DCIH joins the Cook-DeVos Center for Health Sciences (CHS) and Raleigh J. Finkelstein Hall.

Grand Valley will hold a November 3 dedication ceremony for DCIH; about 400 community members are expected to attend.



Image Credit: Amanda Pitts

Medical Mile's roots began in 1996 with the creation of the Van Andel Institute, a biomedical research and science education organization. Medical Mile has since grown to include the Spectrum Health System (Meijer Heart Center, Helen DeVos Children's Hospital, and Lemmen-Holton Cancer Pavilion); Michigan State University College of Human Medicine; and Ferris State University College of Pharmacy, among others.

Grand Valley became the first educator with a presence on Medical Mile in 2003 with the opening of CHS and has played a crucial role in Grand Rapids becoming a destination for health care.

Now, more than 4,000 students graduate with degrees in medicine and health care programs from institutions along the Medical Mile and the workforce includes more than 60,000 bioscience-related professionals and is expected to double. Over the past two decades, the Medical Mile has received more than \$2 billion in investments from public and private contributions.



Housing developments, office expansions highlight 2021 projects in downtown Grand Rapids

By [Christa Ferguson](#)

GRAND RAPIDS, MI — The head of Downtown Grand Rapids Inc. says he's encouraged by the level of investment in the city's urban core despite the lingering uncertainty caused by the ongoing COVID-19 pandemic.

Several major projects were announced or construction got underway during 2021.

"I think we were definitely encouraged to see investment continue," said Tim Kelly, president and CEO of DGRI, which oversees development in the city's downtown. "The pipeline of projects still looks deep, and to have more than 1,000 (housing) units and a number of other things still in process and still in the works is tremendous."

DGRI manages several of city's tax collecting entities, including the Downtown Development Authority, Downtown Improvement District, and the Monroe North Tax Increment Finance Authority.

Here are some of the major downtown projects that were announced or underway in 2021:

Spectrum Health Center for Transformation and Innovation

The Center for Transformation and Innovation would be comprised of an 8-story office building that Spectrum plans to build adjacent to the Brass Works Building, 648 Monroe Ave. NW. It also includes the Brass Works Building, which Spectrum owns and is now renovating, as well as two, 420-space parking garages and a 150-space surface parking lot.

The complex, expected to cost \$100 million, would house 1,800 administrative, non-clinical employees. The project is expected to be completed in May 2023, and workers are expected to be in the new building by that August. Work on the building was expected to begin this year.

Perrigo headquarters

The generic pharmaceuticals and self-care company is leasing the top three floors of a new building under construction adjacent to Michigan State University's Grand Rapids Research Center at the corner of Michigan Street NW and Monroe Avenue NW.

The 125,000 square foot building is being built by Health Innovation Partners, a joint venture between Grand Rapids-based Rockford Construction, MB Real Estate, Walsh Construction/Walsh Investors. The structure, which is expected to be complete in 2022, is slated to house 170 Perrigo employees.

In addition to the new Grand Rapids location, Perrigo's North American headquarters is located in Allegan, where the company was founded. The company's corporate headquarters is in Dublin, Ireland. Perrigo has over 11,000 workers globally, and employs about 4,000 people in Allegan and Ottawa Counties.

Housing

Kelly said there are about 200 housing units under construction within the Downtown Development Authority's

boundaries. That includes the Inner City Christian Federation’s Tapestry Square Senior Living project, which is bringing 50 income-restricted and six market-rate apartments near the corner of Wealthy Street SE and S Division Avenue. The \$19 million project is expected to be complete and ready for leasing by late 2022.

“There are a number of projects in the pipeline from the housing perspective,” he said. “Some are farther along than others, and some may ultimately evolve. But we track over 1,000 units in the pipeline right now.”

One project that was announced this year, but for which work has not begun, is the renovation of the historic Sligh Furniture Company building. A Detroit developer wants to, partly through demolition and partly through building renovations, transform the site into an apartment complex containing 753 apartments, ground-floor retail, and greenspace to the Roosevelt Park neighborhood.

The project is being proposed by John Gibbs of Detroit-based Sturgeon Bay Partners.

More than 440 of the 753 apartments were classified as “micro units,” according to city documents detailing the project. The city defines micro units as being no more than 475 square feet. The remaining 310 units are described as “mixed units.”

Rosa Parks Circle

Another downtown project that kicked off this year is the renovation of Rosa Parks Circle, a popular downtown Grand Rapids park and gathering spot. The \$2.8 million project will restore and improve the 20-year-old landmark, 135 Monroe Center St. NW, that, at its heart, features a concrete gathering area called the “Ecliptic.”

While the skating season is delayed until further notice, city officials say they expect the \$2.8 million project to restore and improve the 20-year-old landmark at 135 Monroe Center St. NW to be completed in February.

The project will see the existing stage upgraded and redesigned, the existing concrete rings replaced with granite ones, the addition of new granite and wood benches, a new bus shelter and an improved restroom building. Upgraded trail surfacing, additional shade trees, a new 3D bronze plaque and sitemap, as well as interpretive signage will also be added.

Riverfront development

A 12,000-seat amphitheater. An adventure park with a zipline and kayak launch sites. Housing towers containing up to 1,750 apartments. And ground-floor retail space.

That’s a sampling of the long-term vision for 31 acres along the Grand River in downtown Grand Rapids that’s being eyed for redevelopment by the city of Grand Rapids and Grand Action 2.0, a private economic development group whose members include Carol Van Andel and Dick DeVos.

There’s no timeline for the redevelopment of the site, which includes city-owned property at 201 Market Ave. SW. But overall, redeveloping the property with all the amenities envisioned for the site could take between 15 and 20 years, officials said in February, when the vision for the property was unveiled at a meeting of the Economic Club of Grand Rapids.

The first project on the docket appears to be the development of the 12,000-seat amphitheater. The city of Grand Rapids, the Grand Rapids-Kent County Convention Arena Authority and Grand Action 2.0 have been actively looking at the development of the amphitheater, but at this point it’s unclear how much the project would cost and how it would be financed.

Officials have said the earliest construction could begin is 2023.

Grand Valley is the leading provider of health care professionals in West Michigan with more than 9,300 students enrolled in 20+ health-related programs.

Inside DCIH, students are utilizing advanced simulation technology and interactive laboratories. The center includes one of the largest interprofessional, comprehensive, state-of-the-art simulation centers in Michigan. Highlights include electronic 3D modeling and imaging of the body and its organs, plastinated specimens, a virtual anatomy table and classrooms with interactive walls and floors.

“Grand Valley has been a leader in the education of nursing and health professionals for decades,” said President Philomena V. Mantella. “The addition of the DeVos Center for Interprofessional Health to our Health Campus enhances our ability to offer the very best technology and most innovative learning environment for our students, who will go on to provide world-class health care in our region and beyond.”

The five-story, 166,000-square-foot building is helping Grand Valley accommodate expanding programs in emerging and growing fields at both the undergraduate and graduate level.

Grand Rapids Mayor Rosalynn Bliss said Grand Valley has been a strong collaborator in the Medical Mile pillars of higher education, health care systems and research. Bliss said GVSU meets the needs of companies seeking to locate here by providing a talent pipeline of students.

Daniel and Pamella DeVos were the lead donors for the center, with another 700 donors providing more than \$20 million to help make the building a reality. The State of Michigan provided \$29 million for the \$70 million project.

Matt McLogan, vice president for University Relations, said lawmakers overseeing capital outlay have been receptive to Grand Valley because of the university’s lead role in addressing the changing dynamics of medical care.

“Legislators saw medical care changing from doctor and patient to doctor, team and patient,” McLogan said. “We are the producers of the team.”

Blackmer, Gen3 Defense & Aerospace announce local expansions totaling \$15.5M

By Rachel Watson

The Right Place assisted two companies with local expansions that represent an investment of over \$15.5 million and are expected to create a total of 319 jobs.

The Michigan Economic Development Corporation (MEDC) and The Right Place on Wednesday said the Comstock Park-based electronic and autonomous vehicle solutions provider Gen3 Defense & Aerospace will expand its operations in Kent County. Along with a capital investment of \$8.69 million, the expansion is expected to bring 269 new jobs to the area. Additionally, Blackmer, part of PSG, a Dover company, will expand its operations at 1809 Century Ave. SW in Grand Rapids. Alongside a capital investment of over \$7 million, the company will bring 50 new jobs to the West Michigan community.



*Operating in Grand Rapids since 1925, Blackmer is a global provider of sliding vane, centrifugal, screw and regenerative turbine pump, and reciprocating gas compressor technologies for the safe transfer of liquids and gases. **Courtesy Blackmer***

Founded in 2020, Gen3 is an engineering, manufacturing and supply chain solution provider headquartered in Comstock Park with a primary focus on newly developed autonomous military and aerospace programs.

To accommodate the scale of its upcoming projects and maintain and expand its capabilities in robotics systems development, Gen3 needs to grow its West Michigan team and facilities. Currently, Gen3 employs 26 people in West Michigan out of its location at 285 Dodge NE in Comstock Park. The company is seeking to expand into a much larger facility in Kent County, which is expected to result in the hiring of 269 additional employees.

The Right Place worked closely with Gen3 and the MEDC to ensure the company continued its growth in the region.

The MEDC is supporting the expansion with the approval of a \$1 million Michigan Business Development Program performance-based grant. The Right Place also connected Gen3 to workforce development resources at West Michigan Works! to aid with talent recruitment and training.

Operating in Grand Rapids since 1925, Blackmer is a global provider of sliding vane, centrifugal, screw and regenerative turbine pump, and reciprocating gas compressor technologies for the safe transfer of liquids and gases. The company — which currently employs 250 full-time people at its Grand Rapids location — designs, manufactures and distributes its products to a variety of industries, including chemical, energy, transportation, military, marine, and oil and gas.

To accommodate continued growth and its recent acquisitions, Blackmer plans to demolish an obsolete and dormant foundry at its existing location in Grand Rapids and construct a new manufacturing facility. The planned 60,000-square-foot facility will house assembly, paint and shipping functions and will allow for the creation of 50 jobs.

The Right Place worked closely with Blackmer, the city of Grand Rapids and the MEDC to ensure the company continued its growth in the region rather than out of state. The MEDC is supporting the expansion with the approval of a \$350,000 Michigan Business Development Program performance-based grant.

Randy Thelen, president and CEO of The Right Place, said greater Grand Rapids is “a community where companies like Gen3 and Blackmer are able to embrace growth opportunities that bolster continued success and prosperity.”

“We are thrilled these two companies are continuing to grow here in the community and look forward to the increased economic opportunity these projects will bring to our residents,” he said.

Gen3 Defense and Aerospace general manager Mark Wells said his team is excited for the opportunity to grow in West Michigan.

“We plan to continue in the high-tech robotics space, and we’ll need a strong, talented team to achieve that,” he said. “We’re thankful for all of the support The Right Place and their partners at the MEDC provided to make this expansion a reality here in West Michigan.”

Blackmer General Manager Bob Lauson echoed that sentiment.

“We’ve called the Grand Rapids community home for nearly a century, and it continues to be an ideal location for us to expand our footprint,” he said. “We’re thankful to the team at The Right Place and their partners at the MEDC for the support they have provided to get this project over the finish line. In addition, the city of Grand Rapids has been a pleasure to deal with and has been very supportive of the project.”

Mayor Rosalynn Bliss said Blackmer’s growth here fits in with a larger theme.

“Blackmer’s decision to continue its growth in the city of Grand Rapids is a testament to the economic strength of our region,” she said. “Our city continues to be a location where innovative businesses are able to grow and thrive.”

Gov. Gretchen Whitmer said she expects investments like these to benefit not just the companies but the region.

“As we jumpstart Michigan’s economy, these projects demonstrate our continued focus on laying a path for economic growth and recovery in all regions of our state,” she said. “(Wednesday’s) actions will lead to economic opportunity for Michiganders in West Michigan, by creating jobs, building on our rich manufacturing heritage in key industries and supporting business growth here in our state.”

Quentin Messer Jr., CEO of the MEDC and president and chair of the MSF Board, said projects like these demonstrate the state’s determination to take a “people-first approach to economic development while securing Michigan’s leadership in the industries that will drive our economy into the future.

“We’re proud to join The Right Place and our local partners as we send the message that we are working to build a championship economy here in West Michigan,” he said.

