

**Jackson College
Board of Trustees Meeting
Regular Meeting - Monday, February 1, 2021
6:30PM**



AGENDA

- 1.0 Call to Order & Pledge of Allegiance**
- 2.0 Trustee Declarations per Act No. 228, Public Acts of 2020 (SB 1108)**
- 3.0 Adoption of Minutes**
 - 3.1 Regular Board Meeting, Dated 1.11.21
- 4.0 Declaration of Conflict of Interest**
- 5.0 Ownership Linkage**
 - 5.1 Public Comments (limit of 5 minutes per person)
 - 5.2 Board Comments
- 6.0 Items for Decision**
 - 6.1 Governance Process
 - 6.1.1 By-Laws Revision
 - 6.1.2 Spring Planning Session Date
 - 6.1.3 Policy Review: GP -14 Handling Operational Complaints
 - 6.2 Executive Limitations
 - 6.2.1 JPEC Governor Term Renewals
 - 6.2.2 Consideration of Property sale
 - 6.2.3 Presenters for Commencement
 - 6.2.4 Distinguished Service Award Recipient
 - 6.2.5 Policy Review: EL – 10 Access to Education
- 7.0 Monitoring CEO Performance**
 - 7.1 EL – 10 Access to Education
- 8.0 Monitoring Board Performance**
 - 8.1 GP – 14 Handling Operational Complaints
- 9.0 Information Requested by the Board**
 - 9.1 College Update: Reintegration Task Force Updates
- 10.0 Self-Evaluation of Governance Process & Board Performance at this Meeting**
 - 10.1 Principles of Policy Governance
- 11.0 Meeting Content Review**
- 12.0 Adjourn**

<http://www.legislature.mi.gov/documents/2019-2020/publicact/pdf/2020-PA-0228.pdf>



REGULAR MEETING OF THE BOARD OF TRUSTEES Jackson College

Virtual/Electronic Meeting – Via Zoom Video Communications

January 11, 2021

The regular meeting of the Board of Trustees of Jackson College was held on Monday, January 11, 2021 electronically on the Zoom video conferencing platform.

As this was a reorganization meeting of the Board, Chief of Staff, Sara Perkin, called the meeting to order at 6:30pm Eastern Standard Time.

Dr. Mathein stepped away momentarily at 6:50pm and returned at 7:00pm

Board Members Present: Chairman, Sam Barnes; Vice Chairman, John Crist; Trustee; Matt Heins, Trustee; Donna Lake, Trustee; Philip Hoffman, Secretary, Sheila Patterson and Trustee Dr. Ed Mathein.

Others Present: Dr. Daniel J. Phelan, Sara Perkin, Darrell Norris, Jason Valente, Jeremy Frew, Jim Jones, Steve Tuckey, Kelly Chambers, Michael Masters, Brian Gemalsky, Kandice Karll, Kelly Crum, Alana Tuckey, Dotty Karkheck and Randy Bentley.

BOARD REORGANIZATION

Board Chairman

Sara Perkin asked for nominations for the position of Board Chairman. Trustee Crist nominated Trustee Barnes for the roll of Board Chairman. There were no other nominations.

MOTION BY TRUSTEE HOFFMAN “to nominate Sam Barnes as Board Chairman.”

ROLL CALL VOTE: TRUSTEES HOFFMAN, MATHEIN, BARNES, PATTERSON, HEINS, CRIST, HOFFMAN AND LAKE VOTE AYE. MOTION PASSED UNANIMOUSLY.

Chief of Staff, Sara Perkin, turned the meeting over to Chairman Barnes to continue the meeting.

Vice Chairman

Trustee Barnes nominated Trustee Crist for the position of Board Vice Chairman. There were no other nominations.

MOTION BY TRUSTEE HOFFMAN “to nominate John Crist as Board Vice Chairman.”
ROLL CALL VOTE: TRUSTEES MATHEIN, PATTERSON, HEINS, CRIST, LAKE, HOFFMAN AND BARNES VOTE AYE. MOTION PASSED UNANIMOUSLY.

Board Secretary

Trustee Barnes nominated Trustee Patterson for the roll of Board Secretary. There were no other nominations.

MOTION BY TRUSTEE HOFFMAN “to nominate Sheila Patterson as Board Secretary.”
ROLL CALL VOTE: TRUSTEES MATHEIN, PATTERSON, HEINS, CRIST, LAKE, HOFFMAN AND BARNES VOTE AYE. MOTION PASSED UNANIMOUSLY.

TRUSTEE DECLARATIONS PER MICHIGAN PUBLIC ACT NO 228 PA OF 2020

All Trustees declared that they are attending remotely for a purpose other than military duty.

- Chairman Barnes declared he is attending virtually, not because of military duty and he was at his residence in the City of Jackson Michigan.
- Trustee Crist declared he is attending virtually, not because of military duty, and he was in Summit Township, Jackson County in Michigan.
- Trustee Lake declared she is attending virtually, not because of military duty, and she was at her residence in Jackson Michigan.
- Trustee Mathein declared he is attending virtually, not because of military duty, and he was at his residence in Summit Township, Michigan.
- Trustee Hoffman declared he is attending virtually, not because of military duty, and he was at his residence in Liberty Township in Jackson County Michigan.
- Trustee Heins declared he is attending virtually, not because of military duty, and he was at his residence in Summit Township in Jackson County, Michigan.
- Trustee Patterson declared she was attending virtually, not because of military duty, and she is at her residence in the City of Jackson Michigan.

SYNCHRONOUS BOARD MEETING PROTOCOLS

President Phelan re-introduced the suggestions for future video conference/remote meetings of the Board (as law allows), based upon promising practices. The following items were reviewed and discussed for future virtual meetings:

- Login - Trustee Mathein asked what time they should login for virtual meetings. It was agreed that the Trustees will login at 6:20pm to ensure they do not have any technology issues.
- Microphone use – Members agreed to remain muted when not speaking.
- Video Pausing – it was agreed that members can pause their camera if it is done sparingly. If members need to step away, they will vocally make a comment of their intention to do so.
- Chat feature – it was agreed that they should not use the chat feature.
- Leaving the Meeting - Members may briefly step away from the meeting.
- Obtaining the attention of the Chair to speak. - Raising a hand, electronically or visually is appropriate.

- Member Identification – members should have their first and last name showing on their video screen.
- Full Attendance Prior to Meeting Commencement – Meetings may begin without all members present; however, a quorum is minimally required to do so.
- Technology Failure - If a member has continual technology issues, the meeting will continue. The trustee can either call in, or drop off, but the goal is to keep the meeting going. The exception would be if there is a critical item requiring full board participation, in which case, at the call of the Chair, the item will be held until all members are present.
- Screen sharing capabilities – This is not a requirement unless, in advance, it is known that someone needs to have the means to share something. Alternatively, members can send items to the Chief of Staff, Sara Perkin, for display during the board meeting.
- Backgrounds – Members will ensure that all backgrounds (i.e., virtual or physical) are appropriate and legally compliant – (e.g., no political campaigning items)
- Zoom Interruptions – As the meeting host, Chief of Staff Sara Perkin, will remove any virtual visitors should there be offensive and/or inappropriate behaviors presented.

These aforementioned virtual meeting protocols will be added to the Bylaws for consideration at the next meeting.

ADOPTION OF MINUTES

The minutes of the regular Board meeting of November 9, 2020 were moved into the record, without change, by Chairman Barnes on behalf of the Trustees.

DECLARATION OF CONFLICT OF INTEREST

There were no conflicts of interest expressed by Trustees.

BOARD COMMENTS

Regarding the minutes, Trustee Mathein asked if there was a legal requirement to state why he was late to the meeting. Chairman Barnes said no. Trustee Mathein shared he is glad that meeting protocols have been reviewed.

Chairman Barnes shared that President Phelan did send out a one-time performance recognition to employees around Christmas time and he asked that the Board consider a one-time recognition of the President.

Discussion was had around providing a one-time recognition to President Phelan.

MOTION BY TRUSTEE HOFFMAN “to award a nominal one-time bonus of \$3,500 to President Phelan”. **MOTION SUPPORTED BY TRUSTEE CRIST. ROLL CALL VOTE: TRUSTEES PATTERSON, LAKE, MATHEIN, HOFFMAN, CRIST AND BARNES VOTING AYE. TRUSTEE HEINS VOTING NAY. MOTION PASSED WITH MAJORITY VOTE.**

Trustee Patterson suggested that the Board consider doing some training on systemic racism together as a board. President Phelan will look into options for an upcoming planning session, as well as share items from the MLK week celebration.

OWNERSHIP LINKAGE

Trustee Lake and Trustee Crist shared an update on the plans for the Ownership Linkage Committee.

Trustee Mathein suggested the board from the Center for Family Health as a possible group to meet with. He also shared that the Chief Diversity Officer is on the Center for Family Health Board.

GOVERNANCE PROCESS

By-Laws Revision

Chairman Barnes asked this item be held over to next month once the protocols are added.

Board of Trustee Orientation Manual

President Phelan shared he continues to look at best practices and feels we need a common approach prepared for new Trustees. The on-boarding should begin with an initial orientation meeting, provide a comprehensive digital and physical manual for the new member, continue throughout the course of a year, include the assignment of a peer mentor, and a post-hoc evaluation of the process by the new trustee(s).

MOTION BY TRUSTEE LAKE TO “have a formal board of trustee orientation manual as suggested by President Phelan.” **ROLL CALL PATTERSON, LAKE, MATHEIN, CRIST, HOFFMAN, HEINS AND BARNES VOTE AYE. MOTION PASSED UNANIMOUSLY.**

Policy Review GP 07.1 Audit Committee Terms of Reference

MOTION BY TRUSTEE MATHEIN “to approve policy GP 07.1 Audit Committee Terms of Reference.” **ROLL CALL HEINS, HOFFMAN, CRIST, MATHEIN, PATTERSON, LAKE AND BARNES VOTE AYE. MOTION PASSED UNANIMOUSLY.**

EXECUTIVE LIMITATIONS

Consideration of New Jackson College Foundation Board Member

President Phelan shared a recommendation from Jackson College Foundation President Jason Valente to appoint Chris Simpson to the currently vacant seat on the Foundation Board. President Phelan encouraged the Board’s approval

MOTION BY TRUSTEE CRIST “To approve the recommendation to appoint Chris Simpson to the Jackson College Foundation Board.” **ROLL CALL VOTE: TRUSTEES MATHEIN, LAKE, PATTERSON, CRIST, HOFFMAN, HEINS AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

EL-09 Organization Culture Policy Review

President Phelan presented suggested changes to EL-09 Organization Culture policy for the Boards consideration.

EL-07 Compensation & Benefits Policy Review

President Phelan presented changes to EL-07 Compensation & Benefits policy for the Boards consideration. These changes more accurately reflect College practices.

MOTION BY TRUSTEE LAKE “To approve policies EL-09 Organization Culture and EL-07 Compensation & Benefits.” **ROLL CALL VOTE: TRUSTEES HEINS, HOFFMAN, CRIST, LAKE, PATTERSON, MATHEIN AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

MONITORING CEO PERFORMANCE

EL-09 Organization Culture

President Phelan presented highlights from the EL-09 Organization Culture monitoring report.

MOTION BY TRUSTEE MATHEIN “That the Board agrees with Presidents interpretation as noted here within and that the President is in partial compliance with EL-09 Organization Culture.” **ROLL CALL VOTE: TRUSTEES HEINS, HOFFMAN, CRIST, MATHEIN, LAKE, PATTERSON, AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

EL-07 Compensation & Benefits

President Phelan presented highlights from the EL-07 Compensation & Benefits monitoring report.

MOTION BY TRUSTEE LAKE “That the Board agrees with the President’s interpretation as noted here within and that the President is in full compliance with EL-07 Compensation and Benefits.” **ROLL CALL VOTE: TRUSTEES PATTERSON, LAKE, MATHEIN, HEINS, CRIST, HOFFMAN AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

Quarterly CEO Compliance Review

President Phelan presented a report summarizing his compliance with monitoring. For the reports reviewed prior, the Chairman said that he is comfortable for us to complete the table for prior reports. The table will continue to note when the President will be in full compliance.

MONITORING BOARD PERFORMANCE

Board Self-Monitoring Worksheet of GP-07.1 Audit Committee Terms of Reference

The Board discussed the self-monitoring worksheet they completed for GP-07.1 Audit Committee Terms of Reference. Discussion was had around budget for Trustee expenses as well as the scope of the audit committee. There will be no additional responsibilities of the Audit Committee at this time.

SELF-EVALUATION OF GOVERNANCE PROCESS & BOARD PERFORMANCE AT THIS MEETING

Trustees expressed they are pleased with their progress.

MEETING CONTENT REVIEW

There was no feedback on content.

ADJOURN


MOTION BY TRUSTEE HOFFMAN "To adjourn." ROLL CALL VOTE: TRUSTEES PATTERSON, LAKE, MATHEIN, CRIST, HOFFMAN, HEINS AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.

Meeting adjourned at 8:27PM.

The foregoing minutes of the regular meeting of the Board of Trustees held on Monday, January 11, 2021 were approved at the regular meeting of the Board held on February 1, 2021.



Secretary



Chairman

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

- 5.0 Ownership Linkage
 - 5.1 Public Comments (limit of 5 minutes per person)
 - 5.2 Board Comments

Description:

This item is placed on the agenda for members of the community to provide comments to the Board of Trustees. This is the only open-forum during each regularly scheduled board meeting. Comments are limited to five (5) minutes unless a significant number of people plan to speak; in that instance, the Board Chair may limit a person's comments to less than five (5) minutes.

When addressing the Board, speakers are required to be respectful and civil. All individual, personnel, or student matters should be prior-directed to the appropriate College department, rather than the Board, as these are operational items versus policy matters. As a standard practice, the Board does not respond in this setting when the matter presented concerns personnel, student issues, or matters that are being addressed through the established grievance or legal processes, or otherwise are a subject of review by the Board of Trustees.

Board Members have the opportunity to share any appropriate comments during this timeframe.

Resource Impact:

None

Requested Board Action:

None

Action Taken:

None

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.1.1 By-Laws Revision

Description:

Enclosed for consideration are proposed changes to the Board's existing By-Laws. Edits have been made to appropriately reflect Board desired standing agenda items as well as, protocols for video conference meetings have also been added following last month's discussion.

Resource Impact:

None

Requested Board Action:

Consideration and approval of the revised By-Laws.

Action Taken:

The Bylaws were carried over to the next meeting for additional changes.



Bylaws Board of Trustees Jackson College

Summary:

Bylaws are essential for effective operation of the Jackson College Board of Trustees. Generally, these Bylaws serve to establish the name of the organization, how the College is governed, the requirements for membership, offices that may be held, the titles and responsibilities for said offices, as well as the means by which the offices are to be assigned. These Bylaws also define how its meetings are conducted, and how often meetings are held. Finally, these Board's bylaws constitute legal guidelines for the work of the board and are focused only on the highest level of governance issues.

Bylaws:

The enclosed bylaws shall constitute the structure, operation and responsibilities of trustees in conducting formal business matters at its regular monthly board meetings for Jackson College.

1. Name of the Organization:
 - a. The legal and official name of the organization shall be Jackson College
2. Officers:
 - a. The organizational meeting for election of officers shall be held on the day and at the time prescribed by law.
 - b. Officers shall be elected as prescribed by law. Each officer shall be elected by a majority of the members of the board. The term of each officer shall be for a period of two years. Each officer shall perform the legal duties of the office and such other functions as are designated by the Board of Trustees.
3. Duties of Officers:
 - a. The Chairperson of the board shall have the usual duties and authority consistent with education laws. He or she shall appoint all committees unless otherwise directed by the board.

- b. The Vice-chairperson shall perform the duties of the chairperson in the absence of the chairperson. He/she shall perform other functions and duties as designated by the Board.
- c. Removal of Officers
Any officer of the board may be removed for cause by resolution of a majority of the board at a regular monthly meeting with the item appearing on the agenda for that meeting.

4. Meetings:

All meeting locations are properly noticed in accord with the prescription of law. With the exception of February, all meetings shall be held on the second Monday of each month, beginning at 6:30 p.m., as approved in advance by a majority of the board of trustees. The February board meeting will be held on the first Monday of the month. No further notice of such meetings shall be required to be given to the members of the board.

a. Regular Meetings:

Regular meetings of the board of trustees shall be held at the following locations for the months, days, and times noted:

Jackson College, Central Campus 2111 Emmons Road Jackson, MI 49201 Potter Center board room	January, February, March, May, June, September, October
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Jackson College @LISD Tech Campus 1376 North Main Street Adrian, MI 49221	April
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Jackson College, LeTarte Campus 3120 West Carleton Road Hillsdale, MI 49242	August
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Jackson College, Maher Campus 3000 Blake Road Jackson, MI 49201	November
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b. Special Meetings:

Special meetings of the Board of Trustees may be called by the Chairperson of the Board, or any board member, by serving the members a notice of the time and place of the meeting.

Service of the notices shall be accomplished by:

- i. Delivering the notices to the members at least 24 hours before such meeting is to take place by phone, email, or overnight or standard mail.

Service, as above prescribed, may be made by a member of the Board, the secretary of the board, and any employee of the board or other person as directed by the Board Chairman.

c. Attendance at Meetings:

All members of the Board should use every reasonable effort to attend all meetings of the Board of Trustees in person. If this is not possible because of extenuating circumstances, participation by conference call or other electronic communication shall be permitted under the following circumstances:

- i. A quorum of the Board shall be physically present at the meeting location;
- ii. Electronic participation must be approved by the majority of the Board;
- iii. Where a board member (or members) is unable to attend a meeting due to circumstances beyond his or her control;
- iv. In such circumstances, telephone conference call participation or participation by other electronic means must be conducted by using two way speaker phones or other electronic devices that allow all other board members and the public to hear all of the caller's comments and votes;
- v. All votes during a telephone conference call, meeting or through the utilization of other electronic communication, shall be taken by roll call. The board member must identify themselves verbally over the phone speaker system before each roll call vote; and
- vi. Board members may not participate remotely in closed sessions.

d. Place of Meetings:

All Board meetings will be held within the College service area of Jackson, Lenawee and Hillsdale counties.

e. Adjourned Meetings:

Any legal meetings of the Board may be adjourned to a specific time and place. Only items on the agenda of the meeting adjourned may be acted upon at the adjourned meeting.

f. Time Limit:

The time of regular meetings of the Board of Trustees shall be limited to two hours. A vote may be taken by the Board to extend the meeting should the agenda warrant such an extension. Items on the agenda requiring extended deliberation shall be taken up at adjourned or special meetings.

5. Electronic Communications:

Neither the board collectively nor its individual members may engage in electronic communications for the purpose of making a decision or deliberating towards a decision. This would include sequential communications forwarded to or among Board Members with respect to deliberations, opinions or matters which could result in a Board decision.

This applies at all times, including by way of example and not limited during the course of board meetings, except as noted in 6.c. above.

It is the express policy of the Board that all communications between and among Board Members shall comply with the Michigan Open Meetings Act, the purpose of which is to facilitate public access to official decision making.

6. Committees of the Board:

a. Standing Committee;

The Board of Trustees shall have a standing Audit Committee. The Audit Committee will bring forward recommendations to the entire Board for consideration and appropriate action, as warranted. The Committee alone holds no authority for decision making, as this is retained by the full Board only.

b. The Board of Trustees shall have a standing Ownership-Linkage Committee. The Committee will bring forward recommendations to the entire Board for consideration and appropriate action, as warranted. The Committee alone holds no authority for decision making, as this is retained by the full Board only.

c. Special Committee

The Board of Trustees shall authorize such special committees as are deemed necessary. A special committee shall report recommendations to the board for appropriate action. A special committee shall be dissolved when final action on its report is taken by the Board.

7. Minutes of Proceedings:

a. Minutes of the proceedings of the previous meeting shall be prepared by and electronically delivered to the members at least 48 hours before the time of the next regular meeting.

- b. The minutes of the preceding meeting shall be approved by the Board and signed by the Chairperson and the Secretary.
- c. All motions shall be accurately and completely recorded. The names of those who make motions and those who vote yeas and nays shall be recorded.
- d. The official minutes shall be bound and kept in the President's office of the College as well as posted on the College website.

8. Records Available:

All records of the Board of Trustees shall be available to citizens for inspection at the office of the president during regular office hours.

9. Quorum:

The physical presence of the majority of the Board of Trustees constitutes a quorum, but no act is valid unless voted at a meeting of the board by a majority vote of the members of the Board. Less than a quorum may adjourn to a future date.

10. Compensation and Expenses:

No member of the Board of Trustees may receive any compensation for any services rendered to the district. Expenses of Board Members will be reimbursed in accordance with College policy.

11. Transaction of Business:

The Board of Trustees shall transact all business at a legal meeting of the board. No member of the Board of Trustees shall have power to act in the name of the board outside of the board meetings except when authorized by the Board to do so.

12. Order of Business:

The following is the prescribed outline of the meeting agenda for regularly scheduled Board meetings:

- 1.0 Call to Order & Pledge of Allegiance
- 2.0 Synchronous Board Meeting Protocols (as required)
- 2.03.0 Adoption of Minutes
- 3.04.0 Declaration of Conflict of Interest
- 4.05.0 Ownership Linkage
- 5.06.0 Board Education
- 7.0 Items for Decision
- 5.47.1 ENDS Items for Decision
- 8.07.2 Governance Process Items for Decision
- 9.07.3 Executive Limitations Items for Decision
- 10.07.4 Board-Management Delegation Items for Decision
- 448.0 Required Approvals Agenda
- 429.0 Monitoring CEO Performance
- 10.0 Monitoring Board Performance

113.0 Information Requested by the Board

12.0 Self-Evaluation of Governance Process & Board Performance at this meeting

143.0 Meeting Content Review~~**Information Requested by the Board**~~

154.0 Adjourn

13. Amendments:

These by-laws may be amended at a meeting of the Board by a majority of the members of the board.

14. Rules of Order:

The latest edition of *Robert's Rules of Order: Procedure for Small Boards* shall govern the board in its deliberations, except where it is inconsistent with these bylaws or any applicable law. All members of the board may vote on matters to be decided by the board unless excused by law.

15. Owner/Stakeholder Participation:

The Board of Trustees shall solicit the advice and counsel of Jackson County Citizens in their ownership capacity. Meetings of the Board of Trustees shall be open to the public. All owner/stakeholder communications to the Board of Trustees shall be addressed to the Board of Trustees. Owner/Stakeholders who wish to present any matter of concern to the College shall make a written request using the speaker request form prior to the meeting. This shall be considered under the "Ownership Linkage" section of the Board's agenda. The Board may, in case of emergency, by majority vote, give visitors who have not presented a written request an opportunity to present matters of concern to the Board. The Board Chairperson shall allot a visitor, at the appropriate time, not more than five minutes, unless the time is increased or decreased by a majority of the Board.

16. Conflict of Interest

All members of the Board shall disclose any direct or indirect interest they may have in any proposed contract with the district, or in any action or situation in which they have a direct or indirect conflict of interest.

a. In the event of any duality of interest, or possible conflict of interest on the part of any governing Board Member, must so declare during the board meeting, , and further, that member shall abstain from voting on those items wherein there is a conflict of interest.

b. The foregoing requirement shall not prevent the governing Board Member from stating his or her position in the matter, nor from answering pertinent questions of any other Board Members since his/her knowledge may be of assistance.

17. Governance Methodology:

a. The Jackson College Board of Trustees shall utilize Policy Governance (also known as the Carver Model of Governance) practices in undertaking its work as members of the board.

18. Video Conference/~~rtual~~ Meeting Protocols

On those occasions wherein the Jackson Board of Trustees must meet on a videoconferencing platform, the following protocols shall be followed to reduce distractions and disruptions, not normally found in the traditional Boardroom, as well as to address technical, operational, and even legal elements, associated with virtual communications for public bodies:

- Trustees should log onto virtual board meetings at least 10 minutes ~~early~~ prior to the beginning of the Board meeting to ensure that all technology issues are resolved;
- When not speaking, members audio should remain muted on the video conferencing system;
- All members should keep their video system on whenever possible;
- Trustees must not engage in using the system's Chat feature, as this has potential for violation of open meetings provisions of State law;
- Members should raise their physical hand, holding it close to the camera, in order to be recognized by ~~gain~~ the Chairman, ~~'s attention during meetings when~~ wishing to speak;
- Members should only step away from the meeting when absolutely necessary. When doing so, members should announce to the Board Chair that they are stepping away momentarily;
- Members should have their first and last name showing at the base of their video image on the screen;
- Meetings will advance so long as a quorum of the Board is met, even if one member is having difficulty signing on. A member can alternatively dial in, via phone, if they are not able to connect using videoconferencing technology;
- Trustees should avoid multi-tasking during meetings and have their singular attention on the meeting;
- If the need arises, members can request of the Board Chair, to engage the screen sharing capabilities on their device, and/or ask the Chief of Staff and assistant to the Board to share materials;
- Members should be ~~aware~~ mindful of their ~~physical~~ background (physical or digital) of their individual locations so as to ensure that there is no political, or otherwise inappropriate content present; and
- At the direction of the Board Chair, the Chief of Staff, and assistant to the Board, will remove anyone who is disruptive to the Board's meeting.

Date Of Change	Version	Description of Change	Responsible Party
9/6/2011	1.0	Initial Release	M. Fall
7/13/2012	2.0	Edit from Board	A. Stiers
12/12/2012	3.0	Addition of Pledge of Allegiance	A. Stiers
7/08/2013	4.0	Edits from President and Chief of Staff	Chief of Staff
7/14/2014	5.0	Annual Review by the President and Board	Chief of Staff
7/15/2015	6.0	Annual Review by the President and Board	Chief of Staff
7/11/2016	7.0	Annual Review by the President and Board	Chief of Staff
7/10/2017	8.0	Annual Review by President and Board	Chief of Staff
7/9/2018	9.0	Annual Review by President and Board	Chief of Staff
9/10/2018	10.0	Annual Review	Chief of Staff
3/11/2019	11.0	Edits	Chief of Staff
5/13/2019	12.0	Review and Edits. Change from being a policy to standalone Bylaws	Chief of Staff
11/11/19	13.0	Edits based on feedback from Board following planning session and Policy Governance work.	Chief of Staff

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.1.2 Spring Planning Session Date

Description:

Following a poll of dates, the proposed date for the 2021 Spring Planning Session is April 22, 2021.

I propose that this will be a virtual meeting beginning at 8:30A and ending no later than 12:00P.

I further propose 3 items for the Board's work:

- To obtain the Board's views on budget, tuition and fee targets for FY '21;
- Continuing Board professional development on Policy Governance (Rose Mercier will be joining the meeting); and
- Discussion regarding reintegration, diversity work, and ENDs progress.

Please share additional items you would like covered with the Chairman.

Resource Impact:

None

Requested Board Action:

Approve April 22, 2021 as the Board's 2021 Spring Planning Session Date.

Action Taken:

MOTION BY TRUSTEE LAKE "To approve April 22, 2021 as the Board's 2021 Spring Planning Session date." **ROLL CALL VOTE: TRUSTEES CRIST, HEINS, MATHEIN, LAKE, PATTERSON, HOFFMAN AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.1.3 Policy Review GP- 14 Handling Operational Complaints

Description:

Enclosed for its regularly scheduled review is policy GP - 14 Handling Operational Complaints.

Resource Impact:

None

Requested Board Action:

Approval of policy GP - 14 Handling Operational Complaints.

Action Taken:

The policy was carried over to the next meeting for additional changes.



Governance Process	Ends
Board- President Delegation	Executive Limitations

BOARD OF TRUSTEES POLICY

Policy Type: Governance Process

Policy Title: Handling Operational Complaints

Policy Number: GP – 14

Date Adopted: 06/08/20

Version: 1.0

Date Last Reviewed: 06/08/20

Office Responsible: President's

Reviewing Committee: Board of Trustees

To ensure that the Jackson College Board of Trustees fulfils its accountability to the Ownership, but does not interfere in matters it has delegated to the President, the following process shall be followed in the case of a Trustee receiving a complaint regarding an operational matter.

1. The Trustee shall inquire if the proper internal communication protocol for registering concerns has been followed. If not, the individual shall be directed to the appropriate person, and the Trustee shall take no further action.
2. The Trustee shall not offer any evaluative comments or solutions.
3. If the internal protocol has been followed and the concern has not been resolved through that action, the Trustee shall explain to the individual that the Board has delegated certain responsibilities to the President, and that the Board holds the President accountable. Indicate that the President will be asked to ensure that the matter is looked into and respond directly or through a delegate.
4. The Trustee may ask the individual to contact him or her again if the matter has not been addressed within a reasonable time period.
5. The Trustee shall inform the President of the complaint, and request that it be addressed.

Date Of Change	Version	Description of Change	Responsible Party
06.08.20	1.0	First release following Policy Governance consulting work.	Chief of Staff

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.2.1 Consideration of JPEC Governor Term Renewals

Description:

The Jackson Preparatory & Early College (JPEC) Board of Governors is recommending the re-appointments of Steven Hogwood, Dr. David Halsey and Josnelly Aponte to the JPEC Board of Governors. Be advised, that I have recommend to the JPEC Board that the size of the Board be reduced from 7 to 5 (this Authorizer change will be forthcoming).

As the Authorizing Agent for JPEC, the JC Board of Trustees considers the formal appointment of new and continuing Governors. Enclosed is a resolution for your consideration.

Resource Impact:

None

Requested Board Action:

Approval of the reappointment of Steven Hogwood, Dr. David Halsey and Josnelly Aponte to the Jackson Preparatory and Early College Board.

Action Taken:

MOTION BY TRUSTEE PATTERSON "To approve the re-appointment of Dr. David Halsey, Steven Hogwood and Josnelly Aponte to the JPEC Board Governors." **ROLL CALL VOTE: TRUSTEES LAKE, PATTERSON, MATHEIN, HOFFMAN, HEINS, CRIST AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

REAPPOINTMENT OF JOSNELLY APONTE, DAVID HALSEY, M.D., AND STEVEN HOGWOOD
TO THE JACKSON PREPARATORY & EARLY COLLEGE BOARD OF GOVERNORS

Recitals:

1. At its January 22, 2013 meeting, this board authorized the issuance of a contract to charter a public school academy to Jackson Preparatory & Early College ("JPEC"). On September 10, 2013, the contract was effective.
2. The number of positions on the JPEC Board of Governors is seven (7). This board has appointed and reappointed members to that board.
3. The terms of Josnelly Aponte, David Halsey, M.D., and Steven Hogwood expired on December 31, 2020.
4. The JPEC Board of Governors and College President have recommended the reappointment of Josnelly Aponte, David Halsey, M.D., and Steven Hogwood to a term that expires on December 31, 2022.

BE IT RESOLVED, that Josnelly Aponte, David Halsey, M.D., and Steven Hogwood are reappointed to serve as members of the JPEC Board of Governors commencing on the date upon which the oath of public office is taken and filed with Jackson College and expiring on December 31, 2022.

Sheila Patterson, Secretary
Jackson College Board of Trustees

Date

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.2.2 Consideration of Property Sale

Description:

Following the closure of the flight program, we undertook steps to ultimately sell the sale of the property and Reynolds Field (recall that we rent the land the building sits on).

We have obtained an appraisal of the Hangar property, which is enclosed for your review. We received four bids, all of which are more than 50% below the appraised amount.

Given these the low offers in relation to the appraisal, I recommend that the Board reject all bids on the sale of the Airport Hangar property. I would subsequently plan to lease the building and try again to resell the property in a better economy.

Resource Impact:

None

Requested Board Action:

Consideration to reject all bids received for the sale of the airport hangar.

Action Taken:

MOTION BY TRUSTEE DONNA "To reject the bids received for the sale of the Hangar and approve the removal of the tank for the purpose of leasing." **ROLL CALL VOTE: TRUSTEES MATHIEN, PATTERSON, LAKE, HOFFMAN, HEINS, CRIST AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**

<i>Jackson College</i>			
<i>Airport Hangar Bids</i>			
<i>1/15/2021</i>			
Name	Bid amount	Terms	
George Cujar	\$ 51,000	Land lease being \$1,800 per year	
AAE Holdings LLC	\$ 61,259	Cash Sale no financing	
Jerry Willis	\$ 61,500	Cash Sale no financing	
Gregory Fuller, D.O.	\$ 70,001	Inspection and possible financing if not, cash	
County wants tank removed and soil tested before they will sign a lease with new owner.			
D. Norris			
1/19/2021			

APPRAISAL OF

3610 Wildwood Avenue,
Jackson County Airport,
Blackman Township,
Jackson County, Michigan 49202

As of August 19, 2020

For Jackson College

GERALD ALCOCK COMPANY LLC

Real Estate Counseling and Appraising
315 East Eisenhower Parkway, Suite 5
Ann Arbor, Michigan 48108
Telephone: (734) 994-0554

GERALD ALCOCK COMPANY, L.L.C.

Real Estate Counseling and Appraising

September 1, 2020

Principals
Julie M. Simpson
Marcel H. Vidovic, MAI
Michael T. Williams, MAI

Lorie D. Alcock
Susan B. Campbell, CPA
Stephen J. Simpson
Karen L. Paul
Glee R. Loman
David A. Williams, PGA
Joanne M. Stockman
Alexander J. Groves, MAI
Robert F. Elder, PGA
Kristina L. Keift

Gerald V. Alcock, MAI
Founder, 1977

Mr. Darrell Norris
Vice President of Finance
Jackson College
2111 Emmons Road
Jackson, MI 49201

Re: Appraisal of 3610 Wildwood Avenue, Jackson County Airport, Blackman
Township, Jackson County, Michigan 49202.

Dear Mr. Norris:

As you requested in your engagement contract, an appraisal of the above-mentioned property was completed, and the findings are submitted in this report. The title interest appraised is leasehold estate. The purpose of this appraisal is to express an opinion of the current "as is" market value of the above referenced real property.

This appraisal cannot be completely understood without reading the "General Assumptions and Limitations of Appraisal" and "Extraordinary Assumptions to this Appraisal" sections of this report. Any reader of this report is advised to thoroughly read and understand said sections before relying on any information, analysis or conclusions presented therein.

The appraisers prepared this report and the value estimates herein in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This is an appraisal presented in an Appraisal Report; the "Required Statements" section of this report offer a description of this term.

It is our opinion that the current "as is" market value of the leasehold interest to the subject property, as of August 19, 2020, is:

One Hundred Seventy Five Thousand Dollars
(\$175,000)

315 East Eisenhower
Parkway, Suite 5
Ann Arbor, Michigan
48108

Telephone:
(734) 994-0554

Facsimile:
(734) 939-1100

email:
manager@geraldalcock.com

Web:
www.geraldalcock.com

September 1, 2020
Mr. Darrell Norris
Jackson College
Page Two

This value estimate is made subject to the “General Assumptions and Limitations of Appraisal” of this report noted at the eponymously titled section of this report and the following “Extraordinary Assumption” to this report. There are no “Hypothetical Conditions” to this report.

- The value herein presumes the ground lease with Jackson County will be renewed upon expiration. If not, the value may be impacted.

On March 13, 2020, the United States Government declared a “National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak,” which was in effect on the Effective Date of this Appraisal Report. In addition, on March 23, 2020, the State of Michigan Government declared a “State Shutdown,” which had been lifted as of the Effective Date of this Appraisal Report although some restrictions remained. At the time, the effect of COVID-19 on the future value of the Subject Property or the value of the real estate market in the area of the Subject Property is unknown and not possible to predict. The client may consider having the property re-appraised once market conditions have stabilized and the current levels of uncertainty have abated.

The intended use of this appraisal is for potential disposition or sale. The intended user of this report is our client, Jackson College.

The appraisers have not identified any purchaser, borrower, or other seller as an intended user of this appraisal. Receipt of a copy of this appraisal by such a party or any other third party does not mean that the party is an intended user of this appraisal. Such parties are advised to obtain an appraisal, from an appraiser of their own choosing, if they require an appraisal for their own use. This appraisal report should not serve as the basis for any property purchase decision or any appraisal contingency in a purchase agreement relating to the property.

September 1, 2020
Mr. Darrell Norris
Jackson College
Page Three

This report, comprising ten sections and no exhibits, is an explanation of the method of valuation. This letter and report must not be separated because together they provide the necessary detail and analysis for explaining and supporting the value opinion for the subject property.

Respectfully submitted,

Gerald Alcock Company, LLC

Handwritten signature of Michael T. Williams in black ink.

Michael T. Williams, MAI
Certified General Appraiser
License No. 1201004033

Handwritten signature of Susan B. Campbell in black ink.

Susan B. Campbell, CPA
Certified General Appraiser
License No. 1201071444

Gerald Alcock Company, L.L.C.

3610 Wildwood Avenue, Blackman Township, MI



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EXHIBIT(S)

None



EXECUTIVE SUMMARY

- Location:** The appraised property is located on the north side of Wildwood Avenue, north of West Michigan Avenue, within the Jackson County Airport, in Blackman Township, Jackson County, Michigan.
- Address:** 3610 Wildwood Avenue, Jackson, MI 49202 (Lot #301)
- Property Owner:** Jackson College
- Tax Identification:** Part of: 000-08-32-101-001-00 Lot#301 (leasehold)
- Type of Report:** This is an Appraisal Report.
- Occupancy and Use:** The property is currently designed as single-tenant airport maintenance hangar that is 100% owner occupied.
- Building Improvements:** The subject is a maintenance airport hangar constructed in c. 1960. The building is block and steel framed with a flat roof design. The exterior is painted block and brick veneer. The building contains approximately 5,000 square feet, with 1,400 square feet (28%), office space. The hangar has been adequately maintained and is in average condition overall.
- Site:** The subject site is 35,520 square feet or 0.82 acre. The site has aircraft taxi access to the Jackson County Airport. The property's land-to-building ratio is 7.10 to one.
- Utilities:** The subject site is serviced by all customary municipal utilities.
- Zoning:** Airport Zone
- Highest & Best Use:** The continued use as a maintenance aircraft hangar, as allowed by the Jackson County Airport.
- Interest Appraised:** Leasehold Interest

*Gerald Alcock Company, L.L.C.**Executive Summary 2*

Estimated Market Value
of Property:

<u>Valuation</u> <u>Condition</u>	<u>Valuation</u> <u>Date</u>	<u>Value</u> <u>Estimate</u>
As Is	08/19/2020	\$175,000

General Assumptions: This value estimate is made subject to the “General Assumptions and Limitations of Appraisal” of this report noted at the eponymously titled section of this report and the following “Extraordinary Assumption” to this report. There are no “Hypothetical Conditions” to this report.

- The value herein presumes the ground lease with Jackson County will be renewed upon expiration. If not, the value may be impacted.



Gerald Alcock Company, L.L.C.

Photographs 4



Front or South
Elevation;
Looking Northeast

Side or East Elevation;
Looking Northwest



Rear or North
Elevation;
Looking South

Photographs Taken By Susan Campbell on August 19, 2020

Gerald Alcock Company, L.L.C.

Photographs 5



Side or West Elevation;
Looking East

Lobby Area



Lobby Area

Photographs Taken By Susan Campbell on August 19, 2020

Gerald Alcock Company, L.L.C.

Photographs 6



Private Office

Private Office



Conference Room

Photographs Taken By Susan Campbell on August 19, 2020

Gerald Alcock Company, L.L.C.

Photographs 7



Hangar Area



Hangar Area



Hangar Door

Photographs Taken By Susan Campbell on August 19, 2020

Gerald Alcock Company, L.L.C.

Photographs 8



Above Ground Fuel Tank

View of Airport; Looking
North From Subject



Photographs Taken By Susan Campbell on August 19, 2020



IDENTIFICATION OF PROPERTY

Real Property

Address

3610 Wildwood Avenue, Jackson, Michigan 49202

Tax Identification Number

Part of: 000-08-32-101-001-00 - Lot #301 (leasehold)

Legal Description

Part of:

W 1/2 OF NW 1/4 EXC THEREFROM THAT PART THEREOF LYING S AND W OF NLY LN OF R/W OF MCRR SEC 32 T2S R1W 79.98A¹

Lease(s) and Title Interest Appraised

The single-tenant building is currently owner occupied and is subject to a ground lease. The base term of the controlling land lease is from December 1, 2000 to November 30, 2005. There are three, 5-year options to renew and the lease is currently in the third option, which expires November 30, 2020. According to airport management the most recent annual payment was \$5,614.57, which equates to a ground lease rate of \$0.158 per square foot.

According to airport authorities, leases are normally renewed at termination. A thorough description of the lease is provided at the "Description of Property," subsection of this report.

Client

The appraisers were engaged by Jackson College to prepare this appraisal report.

¹ Legal description obtained from Blackman Township Assessor.

Gerald Alcock Company, L.L.C.

Identification of Property 10



Property Owner

To the best of our knowledge, title to the property is held by Jackson College.

Personal Property, Fixtures, and Intangibles

This appraisal excludes all personalty or trade fixtures found within the subject property. Likewise, no intangible assets are considered in the analysis at hand.

Plans and Specifications

This appraisal is not made subject to completion of improvements in accordance with plans and specifications. The appraisers have relied on property information gathered from the property owner, Jackson County Airport, Blackman Township, the County and our site inspection.



PURPOSE, DEFINITION OF MARKET VALUE, USE AND INTENDED USER OF REPORT, AND SCOPE

Purpose

The purpose of this appraisal is to estimate the “as is,” market value of the leasehold interest as of the effective date, of the subject property, based on its highest and best use and subject to the conditions and limitations stated in this report.

Leasehold Estate (Interest): The tenant’s possessory interest created by a lease.²

Definition Of Market Value

As used herein, the definition of market value is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and by the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

² The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, IL, 2010, p. 111



5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.³

Intended Use and Users of Report

The intended use of this appraisal is for potential disposition or sale. The intended user of this report is Jackson College.

The appraisers have not identified any purchaser, borrower, or other seller as an intended user of this appraisal. Receipt of a copy of this appraisal by such a party or any other third party does not mean that the party is an intended user of this appraisal. Such parties are advised to obtain an appraisal, from an appraiser of their own choosing, if they require an appraisal for their own use. This appraisal report should not serve as the basis for any property purchase decision or any appraisal contingency in a purchase agreement relating to the property.

Appraisal Development and Report Process (Scope)

The scope of this appraisal encompasses the necessary research and analysis to prepare a report in accordance with its intended uses as set forth in the above subsection and with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. In the appraisal of the subject property, the appraisers employed the following data sources:

Physical Data

The property was inspected on the date noted at the “Narrated Dates” subsection of this report. Mr. Darrell Norris, Vice President of Finance for Jackson College, was contacted regarding various aspects of the property. In addition, the appraisers secured current assessment, special assessment, and zoning data pertinent to the subject property. The following are additional sources which were used to provide information pertaining to the subject property:

Blackman Township Municipal Offices
Jackson County Municipal Offices
Jackson County Airport Administrative Offices

³ As defined within the Federal Register, Interagency Appraisal and Evaluation Guidelines, Vol. 75, No. 237, Page 77472, dated December 10, 2010.



Area and Neighborhood Data

The appraisers conducted a physical inspection of the area within which the subject is located to obtain area and neighborhood data. Additionally, governmental sources were contacted in order to obtain information pertaining to such things as adequacy of infrastructure, availability of utilities, employment statistics, zoning, flood hazards, environmental hazards, and anticipated development trends. The owner, government officials and real estate brokers conducting business in the area of the subject were contacted regarding supply, demand, and market trends.

Market Data Sources

Physical data for each individual comparable sale may be found within the Analysis section of this report. The sources of this data are cited at this section. Local real estate brokers conducting business in the area of the subject were interviewed regarding recent real estate activity in the area. Other sources include:

1. Information from Gerald Alcock Company, LLC appraisal files
2. Various local municipal assessment offices
3. CoStar Comps
4. Loopnet

The steps the appraisers used to develop the value estimates stated herein proceed from the Highest and Best Use analysis set forth at the "Analysis of Value" section of this report.

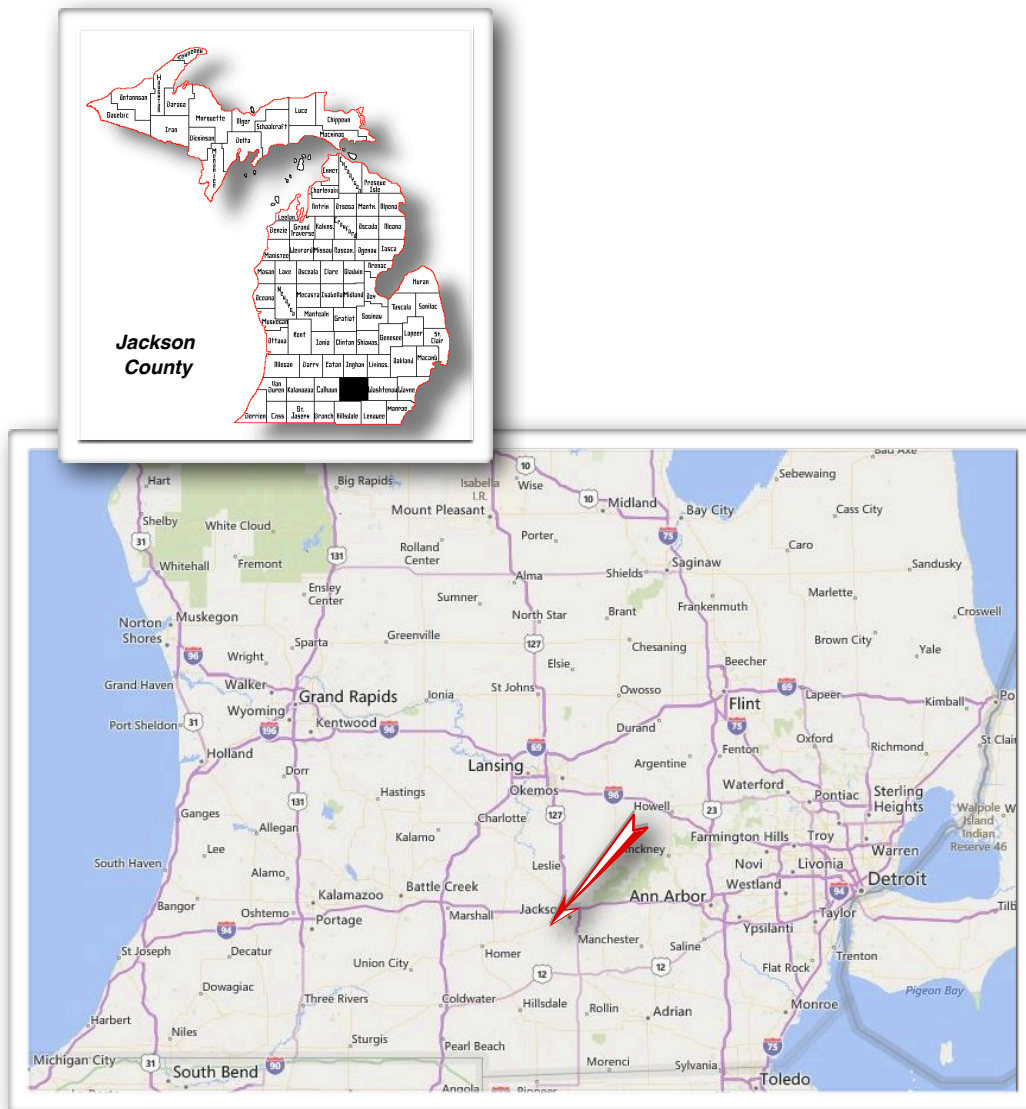
The General Underlying Assumptions and Limiting Conditions to which this report and its value conclusions are subject are set forth in the section bearing that title and must be thoroughly read and understood by anyone using this report.



DESCRIPTION OF PROPERTY

Area Data

The appraised property is located on the north side of Wildwood Avenue, north of West Michigan Avenue, within the Jackson County Airport, in Blackman Township, Jackson County, Michigan.





The appraisal property is located in the southwest corner of Blackman Township, Jackson County, Michigan. Blackman Township wraps around the northwest corner of the City of Jackson.

Selected demographic information is presented on the following pages, as reported by ESRI, a national demographic and marketing firm.

Population and Households

As shown, Blackman Township had a population of 24,051 in 2010 which increased to 24,217 by 2020. From 2020 to 2025, the population in the Township is anticipated to increase to 24,453 persons, which represents a 0.2 percent annual increase over the five-year forecast. Jackson County had a 2010 population of 160,248 persons, which is estimated to have decreased to 160,044 persons as of 2020 and remain flat to 2025. The population for the city of Jackson will remain flat.

Population & Household Trends					
	2010	2020	2025	<u>Compound Annual Change</u>	
Population				2010-2020	2020-2025
Blackman Township	24,051	24,217	24,453	0.1%	0.2%
Jackson	33,534	32,648	32,467	-0.3%	-0.1%
Jackson County	160,248	160,044	160,028	-0.0%	-0.0%
Households					
Blackman Township	7,602	8,203	8,371	0.8%	0.4%
Jackson	13,254	13,003	12,984	-0.2%	-0.0%
Jackson County	60,771	61,889	62,131	0.2%	0.1%

[Source: ESRI](#)

Projected household growth patterns for the study areas are anticipated to generally mirror the growth in population, with households growing slightly faster than population.

Though household growth increased at a faster rate than population over the last 15 to 20 years, this fact is at least partially explained by the declining trend in household size, as opposed to a mere increase in the number of households moving into the area. This phenomenon is duplicated at the national level as well.



Median Household Income

Median household income levels for Blackman Township, the city of Jackson and Jackson County are illustrated below. The reader should note that the figures cited in the table are expressed in current dollars.

Median Household Income			
	2020	2025	Compound Annual Change 2020-2025
Blackman Township	\$40,991	\$42,952	0.9%
Jackson	\$32,112	\$34,169	1.2%
Jackson County	\$51,772	\$54,225	0.9%

Source: ESRI

Median household incomes in the areas cited are projected to increase very modestly over the next five years. The median income for the City is below the incomes for the Township and County.

Employers

The city of Jackson has historically been associated with iron and steel industries and, in the twentieth century, these industries naturally adapted themselves to the manufacturing of automobile parts. Such affiliation continues today and Jackson's economy is essentially tied to the fortunes of the auto industry, although recent industrial diversification is apparent. The largest employers in the County are listed in the following table.

*Gerald Alcock Company, L.L.C.**Description of Property 17*

Largest Jackson County Employers

Employer	Nature of Activity	Employment
Allegiance Health System	Medical Center	3,620
Consumers Energy	Utility Headquarters	2,400
Michigan Department of Corrections	Correctional Facilities	2,040
Great Lakes Home Health & Hospice	Health/ Hospice Services	1,118
Local Government	City and County Government	870
Jackson Public Schools	Education-Public School	782
Meijer, Inc. (2 locations)	Retail/Grocer	755
News Group/Midwest News	News dealers & newsstands	750
Michigan Automotive Compressor (MACI) Compressor	Clutch Manufacturer	740
Jackson Community College	Education	650
Eaton Corporation	Hydraulic component for Aerospace/A	598
TAC Manufacturing	Automotive component manufacturer	590
Jackson County Intermediate School District	Education	500
Dawn Food Products	Food processing manufacturer and dist	483
McDonald's (8 locations)	Restaurant	450
Wal-Mart/Sam's Club	Retail/Grocer	417
Call Center HR	Temporary help services	400
Gerdau/Mac Steel	Rolled steel shape manufacturer	349
Sears Roebuck	Retail/Department Store	300
Tenneco	Emission /Ride Control Design Manufac	270
Alro Steel	Steel, plastic and industrial distributor	325
Spring Arbor University	Education	300
Ganton Countryside Care Center	Retirement Community	300
Anesthesia Business Consultants	Medical Billing	260
Vista Grande Villa	Retirement Community	250

Source: *The Enterprise Group of Jackson, Inc.*

19,517

Like many American blue-collar cities, Jackson flourished in the decades after World War II, followed by a shift that took people from the city to suburban neighborhoods. When Goodyear and Clark Equipment left Jackson in the early 1980s, it left thousands without jobs in Jackson.

The Jackson economy is structured differently than it was twenty, or even ten, years ago, with a much smaller share of jobs in manufacturing and a larger share in higher education, professional and business services, and private education and health care.

As shown previously, the employment base of the Jackson Region is centered around healthcare, utilities and the correctional facility. The Jackson County region has a strong automotive industry sector. There are approximately 260 diverse companies in Jackson and over 600 within a 30-mile radius. Sixty percent of the companies sell products and services to the automotive market. More than 30 companies have diversified into manufacturing medical devices.



The Jackson County active labor market extends into the adjacent counties of Hillsdale and Lenawee, which is within the South Central Michigan Labor Force, providing a larger labor pool of and both of which are within a 30-minute commute of Jackson County.

Unemployment

Jackson County's rates have consistently been similar to the State's with the city of Jackson experiencing higher rates.

Area Unemployment Rates									
	2012	2013	2014	2015	2016	2017	2018	2019	June 2020
City of Jackson									
Labor Force	14,036	14,101	14,087	13,955	14,167	14,003	13,924	13,847	15,780
Employed	12,101	12,216	12,550	12,722	13,031	12,942	13,009	12,978	12,246
Unemployment Rate	13.8%	13.4%	10.9%	8.8%	8.0%	7.6%	6.6%	6.3%	22.4%
Jackson County									
Labor Force	71,562	72,095	73,006	73,010	74,383	74,225	74,437	74,125	78,649
Employed	65,453	66,139	68,136	69,100	70,781	70,836	71,501	71,335	67,310
Unemployment Rate	8.5%	8.3%	6.7%	5.4%	4.8%	4.6%	3.9%	3.8%	14.4%
State of Michigan									
	9.1%	8.9%	7.3%	5.4%	4.7%	4.6%	4.1%	4.1%	8.7%

Source: MI Department of Technology, Management & Budget

As shown, the unemployment rate for Jackson, as of June, 2020, was 22.4%, while the unemployment rates for Jackson County in June was 14.4% and the State of Michigan's rate as of July, 2020 was 8.7%. Current data reflects significant increases from 2019, on all three levels, which is a direct result of the COVID-19 pandemic. As the State government put "stay-at-home" orders in effect to combat the spread of COVID-19, many businesses from restaurants to manufacturing plants resorted to immediate lay offs and furloughs to counter the decline in revenues. As of June 1, 2020, the "stay-at-home" order in Michigan was no longer in effect. Most businesses are now allowed to re-open. Thus, employees are beginning to return to the work force.

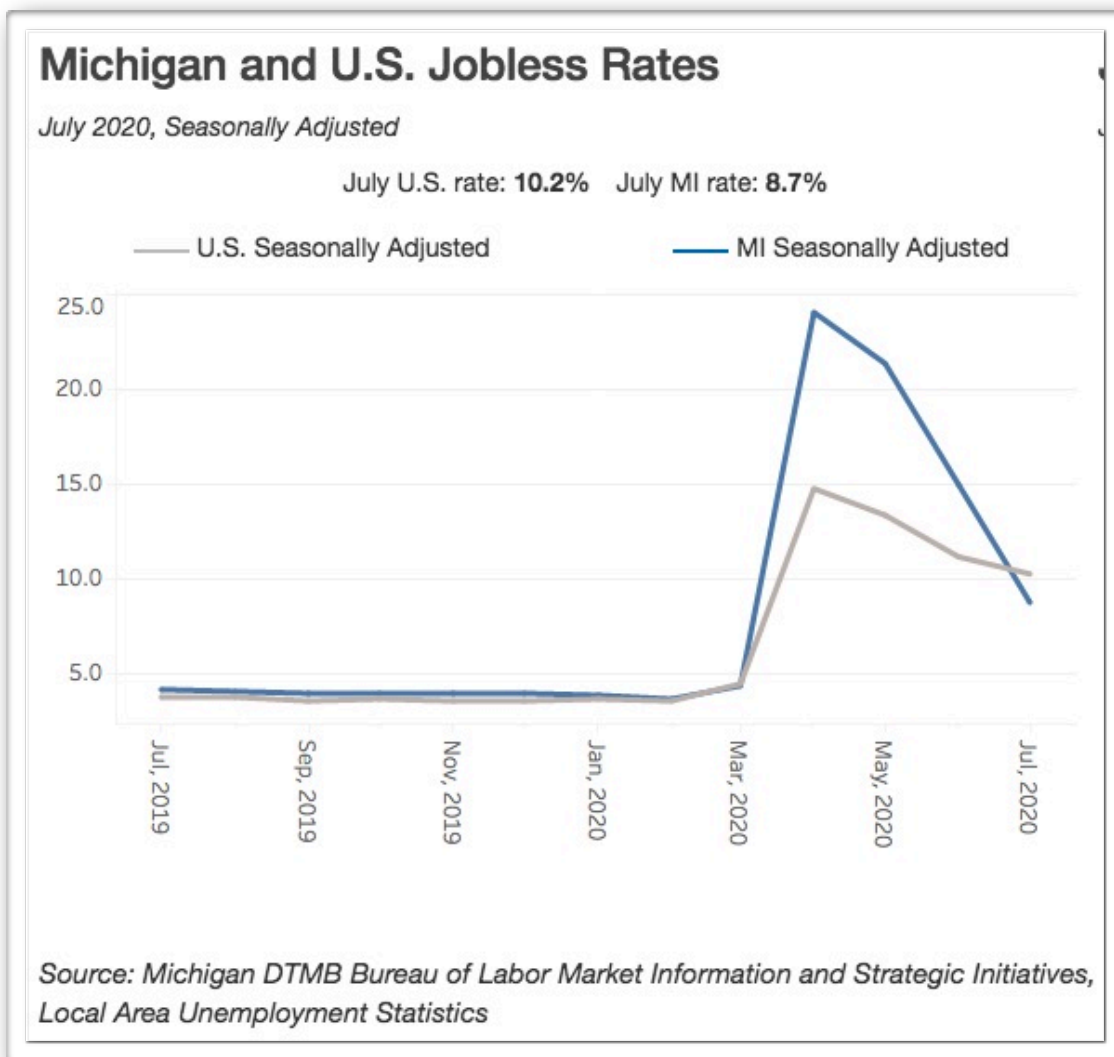
'Michigan's labor market in June recorded a notable rebound in jobs, led by significant recalls in the auto industry,' Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives, said in a press release. 'The state unemployment rate



also fell significantly but remains well above pre-pandemic levels and is comparable with rates recorded during the Great Recession in 2009.’

According to a Crain’s Detroit Business article dated July 15, 2020, “Michigan’s unemployment rate dropped in June to 14.8 percent as much of the auto industry’s manufacturing plants returned to operation.

The following graph shows the trend for U.S. and Michigan unemployment rates through July. Rates were not yet available for the City.

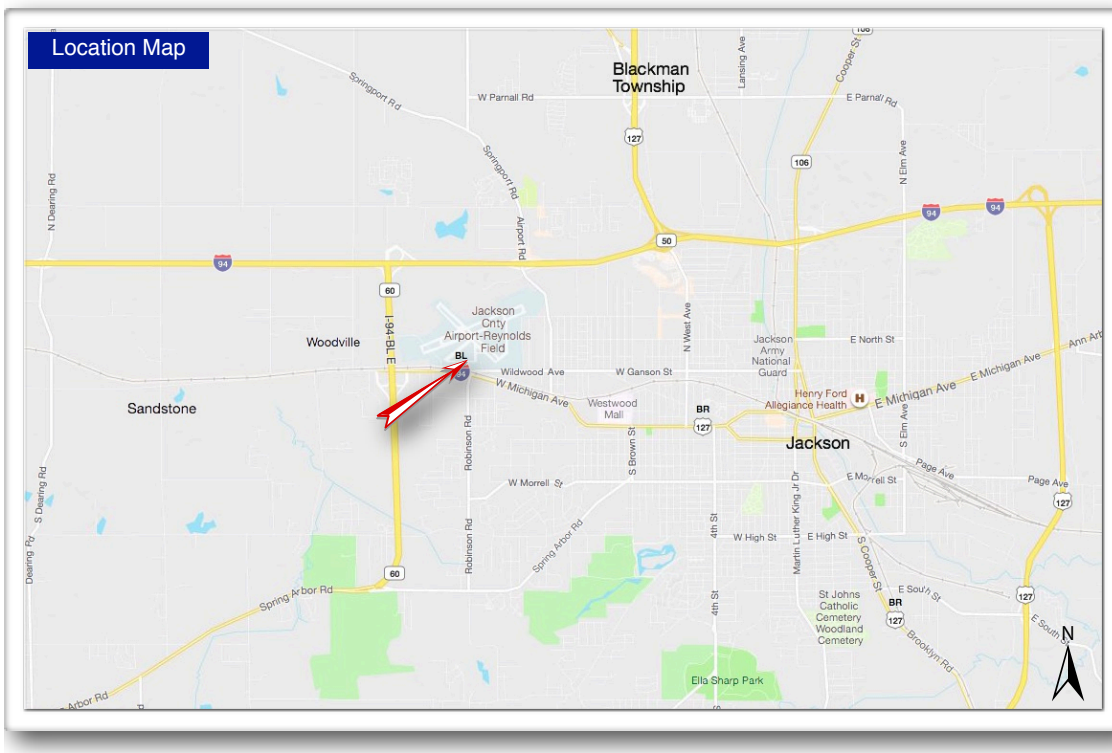


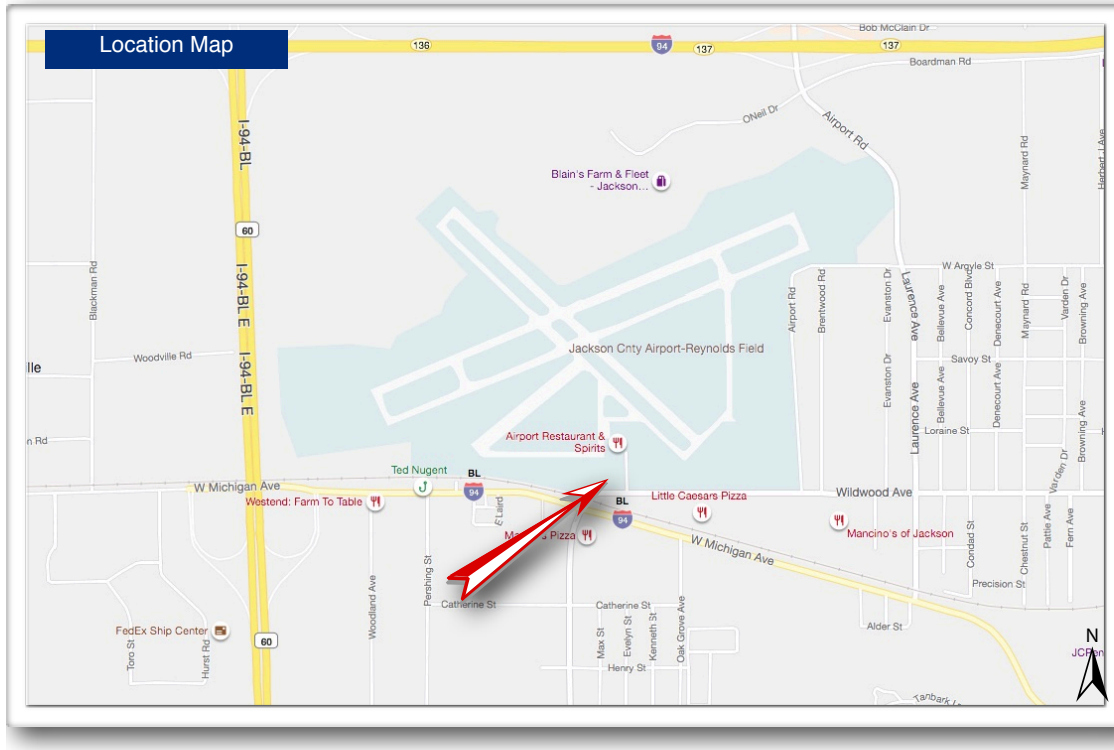
*Gerald Alcock Company, L.L.C.**Description of Property 20*

Although the chart shows rates recovering, it remains to be seen how long before the unemployment rate returns to pre-pandemic levels.

Location and Neighborhood

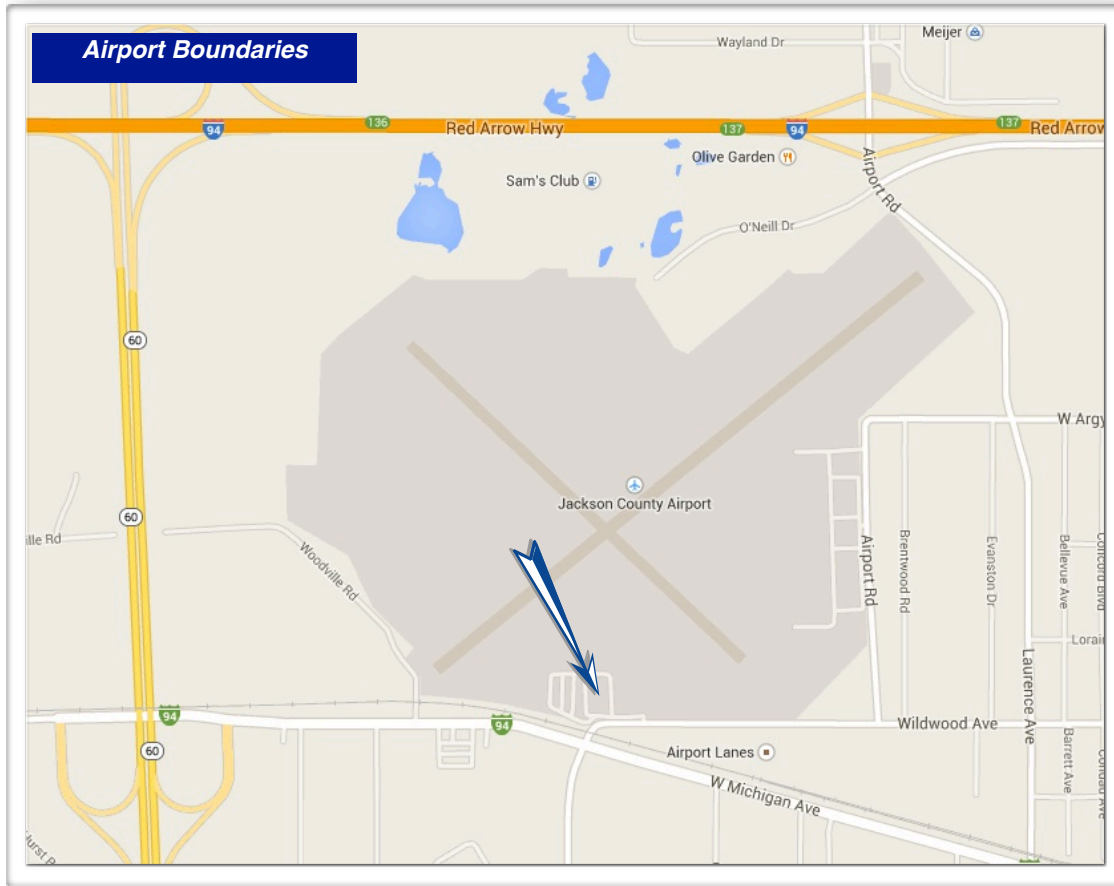
The appraised property is located on the north side of Wildwood Avenue, just north of West Michigan Avenue, within the Jackson County Airport, in Blackman Township, Jackson County, Michigan.





The Jackson County Airport is located in the southwest portion of Blackman Township in the central portion of Jackson County. Due to its location at least 40 miles from any international airport with commercial passenger service, air traffic clearances to and from Jackson County Airport are usually handled with minimal delays. The airport is serviced by a Control Tower Advisory Radar. Land within the airport at all times remains within the ownership of Jackson County and is leased to the corporations and individuals allowed within the boundaries thereof.

The airport lies between Wildwood Road to the south, Airport Road to the east, the M-60 connector to the west, and the I-94 expressway to the north. Much of the southeast portion of the airport is adjacent to single-family residential development. The land northeast of Airport Road, opposite the northeast/southwest runway has been cleared of single family residential development, and is the area in which the instrument landing system equipment is installed and further serves as a clear zone.



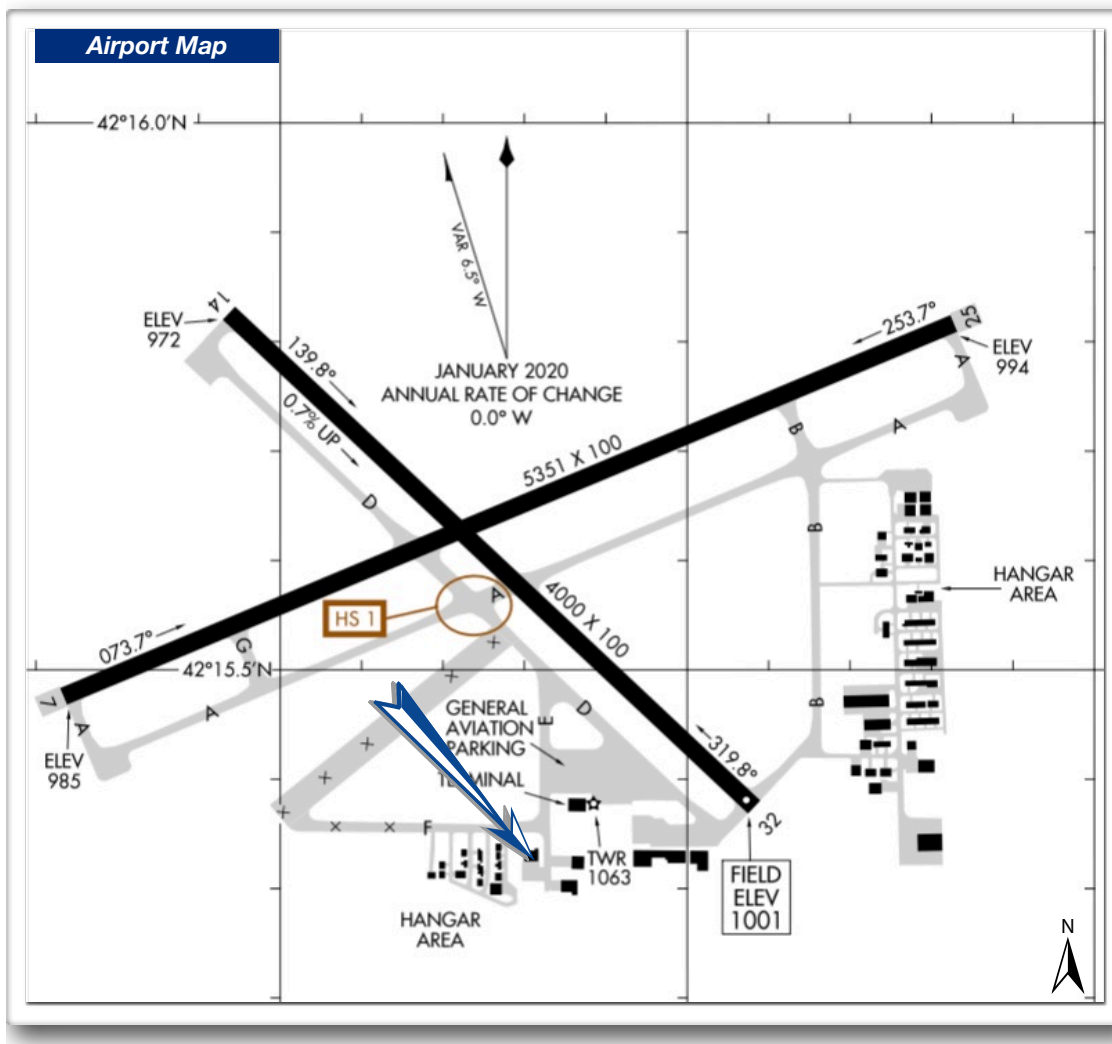
The subject is located along the north side of Wildwood Avenue, within the Jackson County Airport. The subject is situated on the edge of the airport. The subject has public access from the airport service drive and has airport access via taxiways.

The airport has two runways. Runway 07/25, the primary runway, is 5,351 feet in length and 100 feet in width; and the 14/32 Runway is 4,000 feet in length, and 100 feet in width. Likewise, the length and width of each runway has been considered adequate to accommodate the types of aircraft anticipated to use the airport in the future. In addition, the existing runway configuration provides sufficient wind coverage for continuous reliable use of the airport facilities.

The 950-acre airport includes several hangars and support buildings. It is home to over 100 general aviation aircraft, ranging from single engine planes to business/corporate jet aircraft. The airport is not, however, a major passenger destination and does not have the capacity for the very largest aircraft.



The Federal Aviation Administration Control Tower provides complete air traffic control services daily from 7:00 am to 9:00 pm. Charter and contract passenger, and airfreight operations are among the services available from businesses on or adjacent to the field. These utilize everything from single engine to jet aircraft. Fuel services and maintenance, as well as the entire range of major engine, airframe and avionics services are available from several facilities.



Wildwood Avenue runs perpendicular to Airport Road, traversing the south edge of the airport. The main access to the airport is along Wildwood Avenue, east of the subject property.



The intersection of I-94 and Airport Road, located half of a mile north, is densely developed with many commercial users, hotels and restaurants. I-94 travels in an east/west direction connecting Jackson to Battle Creek, Kalamazoo and eventually Chicago to the west and Chelsea, Ann Arbor and Metro Detroit to the west.

The main commercial corridor servicing Jackson, North West Avenue, is roughly one mile east of the subject and features several fast-food restaurants and The Jackson Crossings with anchor tenants Target and Kohls. Westwood Mall is roughly one mile south of the subject.

A neighborhood map is shown next.

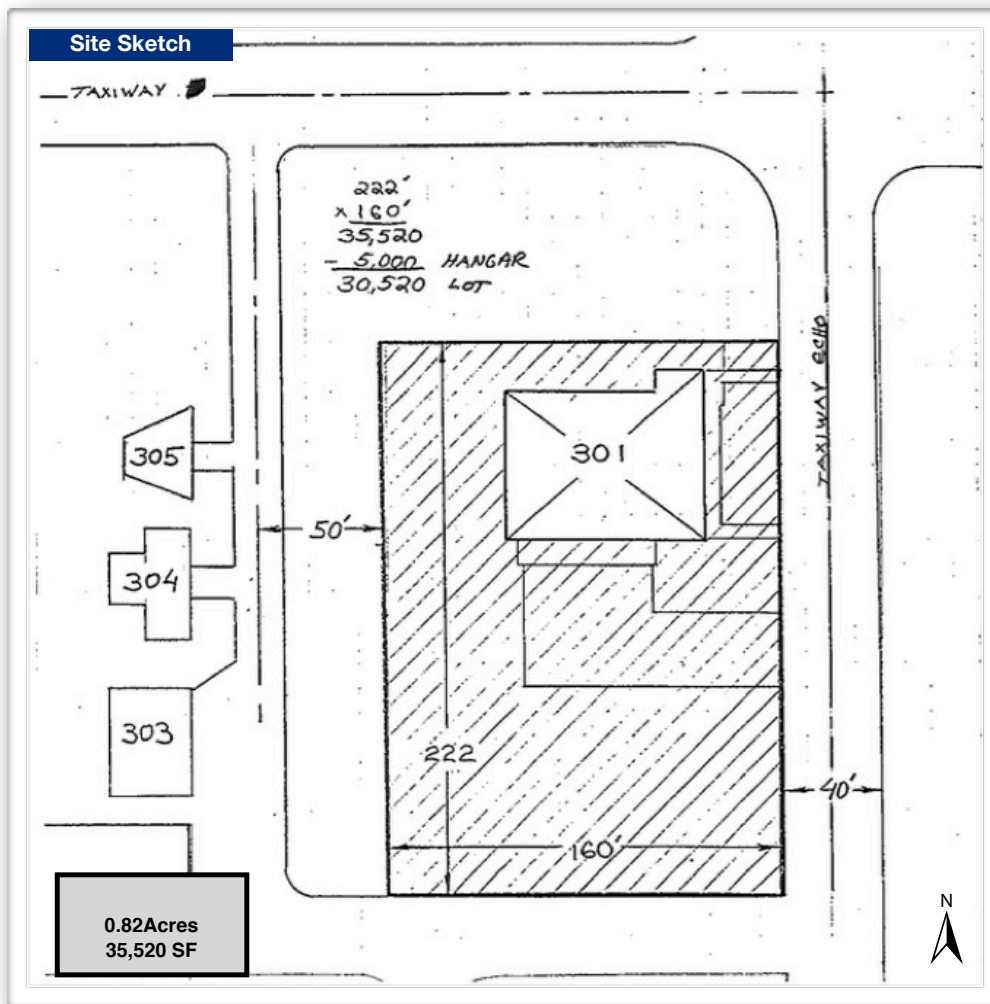




Site and Yard Improvements

The subject site contains the footprint of the subject hangar and the surrounding lot. This area equates to 35,520 square feet, or 0.82 acres. The site has aircraft taxi access to the Jackson County Airport and has parking in the front. The site is owned by the Jackson County Airport and is leased.

Overall, the site appears to be functionally adequate with proper drives and parking, adequate set backs, and good design and layout. A diagram from an exhibit in the original lease is shown next.





Improvements to the subject site include the subject structure, concrete sidewalks and apron, asphalt paving and a 2,000-gallon above ground fuel tank. Water, sewer, gas, electricity, and telephone service are available to the subject site.

Ground Lease

In order to determine the market value of the leasehold interest in the property, consideration was given to the existing lease between the Jackson County and Jackson Community College, dated April 25, 2000.

The base term of the controlling land lease is from December 1, 2000 to November 30, 2005. There are three 5-year options to renew and the lease is currently in the third option, which expires November 30, 2020. The initial lease rate was \$0.20 per square foot for the area of the hangar (5,000 square feet) and \$0.10 per square foot for the area of the lot excluding the hangar (30,520 square feet). The lease rate is adjusted by the CPI every year. The current lease rate is \$0.278 per square foot for the 5,000 square foot building and \$0.1384 per square foot for the surrounding land or \$5,614.57 annually. This equates to a rate of \$0.158 per square foot of land area. According to Airport management, the typical current lease is around \$0.36 per square foot, but some of the leases include just the footprint of the building and are higher. Furthermore, according to airport officials, most leases are typically renewed and we assume the lease would be renewed.

According to the lease, the intended use of the property is for flight instruction.

Building Improvements

The subject consists of a 5,000 square foot aircraft hangar constructed in c.1960. The total building size of 5,000 square feet is comprised of a 3,600 square foot clear span hangar space and an office area measuring about 1,400 square feet or 28% of the total space. Building size is based on the land lease and appraisers' measurements. Further specifications are as follows.

Foundation Reinforced concrete



Structural Frame Block and steel frame

Exterior Walls Painted block and brick veneer

Roof Flat

Fenestration Fenestration consists of metal framed windows in the hangar and office area. The south wall of the hangar, has an electronically operated 54-foot wide by 12-foot high door. Several pedestrian doors are found throughout.

HVAC The hangar area is heated by a suspended gas-fired radiant unit and the office area is heated and cooled by a separate residential HVAC system.

Plumbing Plumbing is typical for buildings of this use. There are two restrooms located in the office area.

Layout/Finishes The office area is one-story and contains a total area of about 1,400 square feet. The office is partitioned into a lobby/reception area, two private offices, a conference room, mechanical closet, and two bathrooms. Finishes are stud partitioned walls with painted drywall, painted drywall ceilings, fluorescent and incandescent lights, and a combination of vinyl tile and carpeted floors. The office has several built-in counters and cabinets.

The hangar area has painted block walls. There are ceiling mounted halogen lights throughout. The floor is reinforced concrete with an epoxy paint finish. Eave height is also approximately 15 feet high.

Fire Suppression None

Electrical Electrical capacity for the building is assumed to be adequate.

Condition The subject was originally constructed in c.1960. It appears to have been adequately maintained and is considered to be in average condition overall. The design and layout are considered functional with average road and runway access.

**Easements and Deed Restrictions**

The appraisers have not been provided with complete title work on the subject property and therefore express no opinion as to the existence of easements or other restrictions on the subject property that would adversely affect the subject's market value or in any way create an exception to clear title. For the purposes of this appraisal, it is presumed that any easements or restrictions to clear title consist only of typical utility easements that do not preclude normal development of the site and have no influence on the subject's market value.

Environmental Hazards

The appraisers did not detect the presence of obvious signs of contamination on the site as a result of our physical inspection. Notwithstanding the foregoing statement, the appraisers specifically note that the recognition, detection or measurement of contamination is outside the scope of this appraisal assignment and his professional expertise. Consequently, the value opinion expressed herein is predicated on the absence of toxic or otherwise hazardous substances or materials from the property. If contaminants now affect the appraisal site, or will do so in the future, their presence may adversely affect the marketability and/or value of the property as expressed herein. The appraisers recommend that the client consult with an environmental specialist concerning the presence or absence of environmental hazards on the subject property. At the very least, a Phase I environmental audit is recommended.

Assessed Valuation and Taxes

The appraisal property is identified as part of tax code 000-08-32-101-001-00. According to the Blackman Township's Assessors' office, the parcel has no assessment owing to its tax-exempt, not-for-profit status.

Flood Hazard

The appraisal property is located within Zone X, an area of minimal flood hazard. A section of the FEMA flood map is shown next.



Zoning

The subject property is located within the Jackson County Airport, which is owned by Jackson County and is exempt from zoning. All uses are approved by the County and are typically uses fundamental to the operation of the airport including hangars, airport restaurants, aircraft fueling, passenger and freight terminals, car rentals, trucking terminals, aviation schools and the like.

Current Occupancy And Use Of Subject Property

The subject improvements are 100% owner-occupied and constructed on leased land. The subject operates as an aircraft maintenance hangar with supporting office space.



ANALYSIS OF VALUE

Current Market Conditions and Trends

On March 11, 2020, the World Health Organization (WHO) officially declared the global outbreak of a “novel coronavirus,” known as Covid-19, a pandemic. In addition, on March 23, 2020, the State of Michigan Government declared a “State Shutdown,” which was subsequently extended, though some restrictions have been lifted.

National

According to the most recent University of Michigan’s Research Seminar in Quantitative Economics, for May 2020, “The COVID-19 pandemic and the resulting, previously unthinkable, mitigation measures have brought the global economy to its knees. The fallout has already reached historic proportions. Real GDP for the first quarter of 2020 fell at a 4.8 percent annual rate, giving only a small preview of what is to come. We expect real GDP to shrink at an eye-popping 30 percent annual rate (8.5 percent non-annualized) in 2020 Q2 and the unemployment rate to exceed 17 percent.

Thankfully, the growth of new cases has been slowing. Most states have already lifted some restrictions, a process we expect to accelerate. We are optimistic that a dramatic second wave of new cases can be avoided, and that schools will reopen in person in the fall. We predict social distancing to continue over the next several quarters, stemming largely from private sector caution rather than government mandates.

The April jobs report painted a grim picture. The head-line unemployment rate jumped from 4.4 percent in March to 14.7 percent, with an extra five percent of people misclassified as “employed but absent from work due to other reasons” instead of “unemployed on temporary layoff.” Total non-farm payroll employment fell by a historic 20.5 million jobs, wiping out a decade of job gains in a few short weeks. The labor force participation rate dropped to 60.2 percent, its lowest level since January 1973. The May payroll job count is likely to shrink by several million more, while the unemployment rate could top 20 percent.

As astonishing as these numbers are, we believe a sharp turnaround will start as soon as June. About 17 million of the newly unemployed are on a temporary layoff, expecting to be



recalled. The participation rate is likely to rebound once work search requirements to claim unemployment insurance benefits return.”⁴

More highlights within the May 2020 released RSQE forecast are reported as, “With most monthly government-produced statistics lagging behind the fast-moving economic fallout from the pandemic, private sector firms have stepped up to allow the public a (temporary) free look at their real-time data. These data help us track early stages of the recovery. Data from Homebase, a tool used by many small businesses to manage employee hours, show that in mid-April, only 50 percent of local businesses were open relative to January. By early May, 60 percent of local businesses were open. Data from SafeGraph show that foot traffic to local businesses bottomed out in mid-April and has been improving since.

By mid-March, the stock market had collapsed by a third from its peak. But in the two months since, stock indices have regained half of the lost ground. In mid-March, the VIX stock market volatility index exceeded levels seen in 2008, but it has declined sharply in April and May. The St. Louis Fed’s Financial Stress Index peaked in late March and has also been trending down since then.

The Federal Reserve’s epic policy support is clearly behind the relative normalization of financial markets. The Fed has intervened swiftly, aggressively, and broadly to prevent the public health crisis from spiraling into a financial crisis. The Fed has relaunched most of its 2008 crisis-era facilities, and announced and expanded lending programs to main-street businesses. In an unprecedented move, the Fed has launched new facilities to purchase both the debt of firms that have lost their investment-grade rating because of the pandemic and shares of several large corporate bond exchange-traded funds. In the municipal debt market, the Fed has initiated facilities to finance and backstop state and large municipal governments. Since early March, the size of the Fed’s balance sheet ballooned by 2.8 trillion to a record seven trillion dollars as of May 13, and it could top 10 trillion dollars soon.

It took a pandemic to remind us that the U.S. Congress is capable of swift, decisive, and bipartisan action. Congress rose up to fulfill its role as the insurer of last resort, helping major sectors of the economy to spread the financial burden of the pandemic across time. In short order, Congress appropriated nearly three trillion dollars of relief funds for consumers, businesses small and large, and, to a lesser extent, state and local governments. More is urgently needed. State and local governments need further major aid, without which drastic cuts to state and local services, and mass layoffs at public schools, police, and fire departments will be inevitable. We project the federal deficit to rocket up to a World War II -

⁴ University of Michigan, RSQE, May 18, 2020



like 15.8 percent of GDP in fiscal 2020. The massive run-up in the size of the Federal Reserve balance sheet mutes the immediate increase in the national debt held by the public, but the debt nonetheless rises by about 20 percentage points relative to GDP through the end of 2022.”⁵

RSQE 2020-2022 Outlook

“We expect a sharp, severe contraction in 2020 Q2, a partial snapback in 2020 Q3, and a slow recovery after. Output falls by 9.6 percent between 2019 Q4 and 2020 Q2, but then rebounds in 2020 Q3 to a level 4.5 percent below 2019 Q4. We expect annual real GDP to shrink by 4.0 percent in 2020, followed by a 3.3 percent expansion in 2021, our projected year of vaccine availability. In 2022, real GDP grows by 2.1 percent.

The housing sector largely follows the broader economy, collapsing in 2020 Q2 and then partially recovering in 2020Q3. As mortgage rates remain low and unemployment rates retreat, housing starts gradually grow. However, by 2022 they still average 100,000 units short of the 2019 average.

With no projected revival of the “cash for clunkers” program to incentivize consumers to purchase new vehicles, we project light vehicle sales to recover slowly from an 8.6 million-unit sales pace in March, to a total of 13.3 million for 2020. Sales grow to 15.2 and 15.8 million units in 2021-22, respectively, as unemployment remains elevated.

This year’s annual average payroll job count craters by 12.7 million, to average 138.2 million, the lowest since 2013. In 2021, about 4.1 million payroll jobs come back, helped by restaurants and other hard-hit industries returning to normal operations. Job gains slow in 2022, adding 3.3 million jobs. The unemployment rate peaks at 17.4 percent in 2020 Q2, but quickly retreats to just under nine percent in 2020 Q4, to average 10.5 percent for 2020. During 2021-22, the unemployment rate drops slowly, declining to 7.3 percent in 2022, almost double the rate in 2019.

While quarterly core CPI inflation collapses starting in 2020 Q2, strong readings in late 2019 and early 2020 propel the calendar year average to show 1.6 percent growth. Core inflation edges down in 2021 to 0.9 percent and rebounds to 1.6 percent in 2022. All-item CPI inflation averages 0.4 percent in 2020, held down by oil prices and partly offset by rising

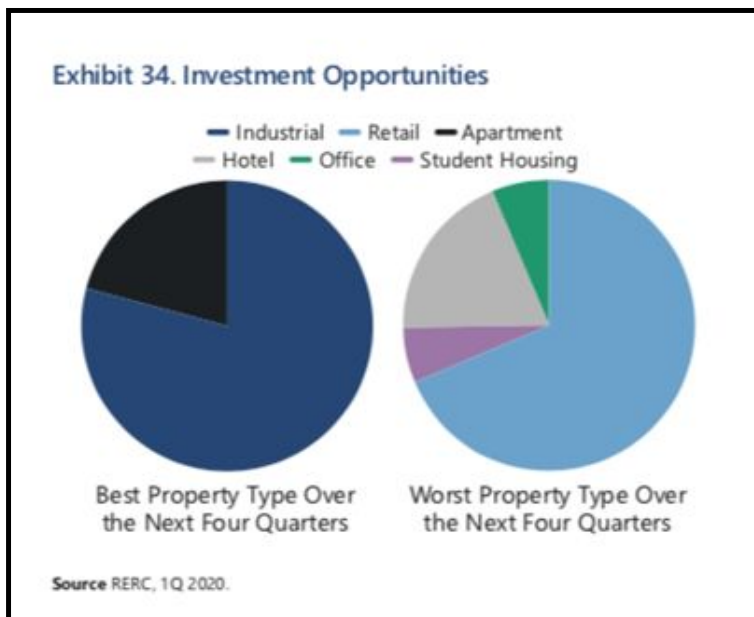
⁵ Ibid



food prices. It then accelerates to 1.6 percent in 2021 and 1.9 percent in 2022, as core inflation rises and oil prices recover.”⁶

National Outlook

All sectors of the market will be effected, with restaurants, service industries and hotels being the most affected. The following table, provided by RERC First Quarter 2020 issue, illustrates the various real estate sectors and the expected depth and duration of crisis.⁷ Perception is that multi family and industrial will not be hit as hard and will recover quicker.



According to Forecast Highlights 2020-2040 compiled by the Federal Aviation Administration (FAA) “The 2017 FAA forecast calls for U.S. carrier passenger growth over the next 20 years to average 2.0 percent per year. The long term outlook for general aviation is relatively stable, as growth at the high end offsets continuing retirements at the traditional low end of the segment. Global economic conditions weakened in 2019 although the experience was considerably different for the U.S. as compared to the rest of the world. GDP growth in the U.S. slowed from the strong rate in 2018 but remained above its estimated long-term trend, while in Europe, Germany and Italy flirted with recession and

⁶ Ibid

⁷ 1Q 2020 RERC ValTrends Report, “ValTrends by Property Type,” June 2020, Page 26.



Asia saw high-growth China and India slow markedly. Political instability and trade wars dampened activity but by the end of the year, those headwinds appeared to be lessening. In their place, however, the January 2020 coronavirus (COVID-19) outbreak in China gained the world's attention and in February began appearing outside Asia. As of the preparation of this forecast, the virus and its economic impacts were just emergent, and the range of possible outcomes too wide to include meaningfully in the forecast.”⁸

Michigan

According to the recent University of Michigan’s Research Seminar in Quantitative Economics, for May 2020, “The COVID-19 pandemic has produced a sharp contraction in Michigan’s level of economic activity, with the state’s unemployment rate rising from 4.3 percent in March to a whopping 22.7 percent in April. The state’s payroll job count declined by more than one million jobs from March to April, and we expect the quarterly decline to be a bit larger.

Our forecast assumes that COVID-19 cases will continue declining this spring, allowing Michigan’s economy to continue reopening. We also assume that any second wave of the pandemic will not necessitate the same broad shutdown of the state’s economy that the first wave entailed. Finally, we assume that the federal government will provide substantial aid to state and local governments later this year.

Even with those optimistic assumptions, Michigan’s economy is in for a very difficult time. We expect the state to regain about 60 percent of the second quarter’s job losses in the second half of this year. Job gains continue at a slower rate from there, and the state regains about ninety percent of the jobs lost this quarter by the end of 2022.

We expect the state’s unemployment rate to average 22.1 percent this quarter, close to its April value. The unemployment rate declines to 11.3 percent by the end of this year, 8.1 percent by the end of next year, and 6.8 percent by the end of 2022.

Two provisions in the CARES Act help to cushion the blow of job loss on household incomes in the short term. First, we expect Michigan households to receive more than \$8 billion in Economic Impact Payments, almost all in the second quarter. Second, the expansion in unemployment insurance eligibility and benefits will make up for a large proportion of lost earnings. Our calculations indicate that personal incomes in the state should approximately hold flat in the second quarter, despite historic job losses.

⁸ FAA Aerospace Forecast Highlights Years 2020 - 2040.



Personal incomes tumble by roughly seven percent in the third quarter, as the boost from expanded unemployment insurance benefits and economic impact payments fades. Personal income recovers to its pre-crisis level by the end of 2021 and continues to grow in 2022, ending our forecast 4.1 percent above the pre-crisis level.”⁹

Local Broker Interviews - Commercial Real Estate

Ongoing interviews with brokers from prominent commercial real estate firms in the Mid-Michigan market, such as Swisher Commercial, Oxford Companies, Signature Associates and Colliers International, reveal a common sentiment - the commercial real estate market is currently treading in uncharted waters.

While brokers agree the steps taken to curtail the spread of the virus, such as the “shelter in place” orders, will no doubt have an adverse affect on the market in the short-term, they indicate it is simply too early to comment on any long term affects on the market.

Given the lack of concrete data so far on how the Covid-19 pandemic may affect the long-term market, most brokers remain in a “wait and see” mode. However, one broker was cautiously optimistic this crisis will end sooner than later and there will be pent-up demand to help the recovery process. Another broker opined the commercial real estate market will recover, but may not show substantial growth anytime soon.

Although the spread of the Covid-19 pandemic has created apprehension in the market, one broker commented he has yet to see any “panic.” That said, he, personally, has had one lease deal crash given the uncertainty in the market, and negotiations on other deals have stalled.

Given the lack of concrete data so far on how the Covid-19 pandemic may affect the long-term market, most brokers remain in a “wait and see” mode. However, one broker was cautiously optimistic this crisis will end sooner than later and there will be pent-up demand to help the recovery process. Another broker opined the commercial real estate market will recover, but may not show substantial growth anytime soon.

One broker opined pent-up demand is “snow balling” and the market will rebound once the stay at home orders are lifted. He also mentioned he has yet to see any panic. As far as reductions in sale prices, most sellers are not yet willing to lower asking prices as they remain confident the market will rebound sooner than later.

⁹ University of Michigan, RSQE, May 21, 2020



From a buyer's standpoint, one broker commented that if a buyer plans on a long-term occupancy, they most likely would not ask for a discount, especially on a good building.

Of all the brokers interviewed, only one had an unfavorable longterm outlook. He commented that all sectors of the market would be affected, with retail feeling the biggest hit, and opined the market will begin to see more and more properties for sale and lease in the coming months. As a result, he predicts sale prices and lease rates will decline, with the least desirable buildings seeing the sharpest declines.

Jackson County Airport

Jackson County is located in the south-central portion of Michigan and is well located along the I-94 and US-127 corridors. The Jackson County airport provides local-to-regional, general aviation. The airport is located 60 miles west of Detroit Metropolitan International Airport, 60 miles east of Kalamazoo / Battle Creek International Airport, and 40 miles south of Capital Region International Airport in Lansing. Given the distances to these airports, all of which provide commercial aviation, Jackson County Airport has uncluttered airspace and is well-suited to its general aviation use.

Discussions with airport officials indicate that activity decreased after 9/11 and returned to 2000 levels and then slowed down with the "Great Recession" from 2007 to 2011. Operations increased through 2016 and then declined again. According to Juan Zapata, Airport Manager, the operations are down 45% and fuel sales are down 25% in 2020 due to the effects of the pandemic, which he hopes are temporary. Activity indicators for the Jackson County Airport are shown next.



Airport Activity

Year	Fuel Sales (Gallons)	Percent Change	Landings & Take-offs	Percent Change
2006	264,202		48,858	
2007	231,724	(12.29%)	48,198	(1.35%)
2008	150,335	(35.12%)	48,490	0.61%
2009	150,971	0.42%	50,582	4.31%
2010	150,012	(0.64%)	47,005	(7.07%)
2011	137,808	(8.14%)	49,301	4.88%
2012	143,979	4.48%	51,292	4.04%
2013	133,116	(7.54%)	46,902	(8.56%)
2014	134,749	1.23%	43,089	(8.13%)
2015	182,583	35.50%	43,314	0.52%
2016	193,603	6.04%	44,148	1.93%
2017	134,264	(30.65%)	39,510	(10.51%)
2018	129,161	(3.80%)	39,903	0.99%
2019	131,965	2.17%	39,736	(0.42%)

Source: Jackson County Airport

Summary

Since 1979 the subject was used for the owner's aviation program, which offered basic instruction leading to a private pilot license. Enrollment at the program had fallen since 9/11 and it was recently announced the program has terminated. The subject is a small maintenance hangar with supporting office space. It has taxi-way access to the Jackson County Airport, which could be utilized by a commercial company or private user.

Highest and Best Use of Property

As defined by the Appraisal Institute, the highest and best use is

'The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.'¹⁰

¹⁰ *The Appraisal of Real Estate*, Twelfth Edition, The Appraisal Institute, Chicago, Illinois, p. 305.



The use to which land can be put and the intensity to which it can be developed have a direct bearing on its value. The purpose of the highest and best use analysis, therefore, is to identify the most probable and profitable use of the property so that a value may be estimated predicated on that use.

This definition reflects the importance of determining the subject property's most productive use as it relates to value. Certain criteria - physically possible, legally permissible, financially feasible, and maximally productive - are considered in order to determine its highest and best use.

The property is analyzed "As Though Vacant" and then "As Improved." This is done in consideration of a premise which states '...as long as the value of the property as improved is greater than the value of the site as unimproved, the highest and best use is the use of the property as improved.'¹¹

In the analysis of highest and best use, consideration is given not only to those uses allowed within the controlling zoning district, but also to any alternate likely use that would result in a greater net return. As stated, the highest and best use analysis is typically completed in a manner that first gives consideration to the land as though vacant then continues giving consideration to the property as improved. Analysis in this manner tends to test the contributing value of the improvements, if any, to value.

In the analysis at hand, this consideration is a moot point. The land upon which the subject improvements are situated is leased from Jackson County. The lease stipulates the property will be used for airport related uses. No private ownership is allowed within the boundaries of the airport. Therefore, the highest and best use is limited to a general consideration of which allowed use results in the greatest net return.

Since the subject property is already committed to its current use and improvements as promulgated by the long-term land lease, no other use is currently possible or produces a higher value. It is therefore the appraisers' opinion that the subject's current hangar use, as promulgated in the ground lease, is the highest and best use, and will therefore be analyzed as such.

¹¹ Ibid, p. 306.



Methods and Date of Valuation

There are three generally recognized approaches to valuing real property: The cost approach, the sales comparison approach, and the income approach. Each of the three approaches has inherent strengths. In the selection of the procedures and techniques to be used in a valuation, the appraiser must consider the strength of the valuation approach and the nature of the subject property and choose those approaches, which will produce supportable estimates of market value. The three approaches and their appropriateness in this valuation are separately discussed below.

Discussion of the Income Approach and its Appropriateness in this Analysis

The income capitalization approach assumes that the value of the property arises from its potential for producing income to an investor. First, gross income, operating expenses and net operating income before allowances for depreciation charges and debt service are estimated. The resultant estimated net operating income (NOI or I_0) is then capitalized into an indication of value using a market related overall capitalization rate.

Hangars are typically owner-occupied. The income approach was not utilized since there is a dearth of leased single tenant hangars, such as the subject.

Discussion of the Cost Approach and its Appropriateness in this Analysis

In the cost approach, the cost of replacement or reproduction of the buildings and all other improvements to the land are estimated. Depreciation, if any, from all causes is then estimated and deducted from reproduction or replacement cost to give net depreciated reproduction or replacement cost of improvements. To this is added land value to give an indication of total property value by the cost approach. This approach is most useful for valuing property with new or proposed improvements that utilizes a site to its most intense use. In valuing income-producing properties, this approach generally sets an upper limit to value. This is based on the tenet known in appraising as the principle of substitution which, '... affirms that a knowledgeable buyer would pay more for a property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility....'¹²

¹²Appraisal Institute, *The Appraisal of Real Estate*, Thirteenth Edition, Chicago, Illinois, p. 380.



The cost approach is appropriate in the valuation of properties with specialized or limited uses, such as the subject's aircraft hangar use. Users of special purpose properties are usually owner-occupants and tend to construct their own facilities. The cost approach is considered appropriate for valuing the subject facility and will thus be used in this analysis.

Discussion of the Sales Comparison Approach and its Appropriateness in this Analysis

The sales comparison approach, is defined as '[an] opinion of value by analyzing closed sales, listings, or pending sales of properties.'¹³

The sales comparison approach is typically used in valuing buildings such as the subject when there is an adequate amount of reliable sale information for comparable properties. Because we do have comparable sales data for hangar buildings, this approach will be utilized in this analysis.

As-Is Market Value

The appraisers will use the sales comparison and cost approaches in their analysis of the subject property. The title interest to be appraised is leasehold estate.

Dates of Valuation

The date of the appraisal report is September 1, 2020. The "as is" valuation date is August 19, 2020, the date of the property inspection.

As Is Market Value

Sales Comparison Approach

In this section, the subject property is compared to sales of other hangars within other airports. All these comparables were sold and bought by users, that is, entities that have a need and desire for the property for their own use, which is typically a corporate use for storage and maintenance of aircraft. As noted earlier in this report, the sales of hangars found

¹³Ibid, p. 297.



by the appraisers most often pertain to leasehold estate title interest. That is, for the most part they are sold subject to ground lease interests.

In the sales comparison approach, several units of comparison can be used depending upon the type of property that is being appraised. A typical unit of comparison most recognized by the market for airport hangars is the sale price per square foot of building area. This unit is exclusive of land and only includes improvements.

The analysis will involve comparing and adjusting the sale prices of each comparable to that of the subject. All elements of comparison have been considered; however, several were selected, as pertinent, for this valuation. Elements that were similar in all sales, including the subject, were not used. The elements of comparison selected, include the following.

Transaction Items

- Buyer Expenditures
- Property Rights
- Financing Terms
- Conditions Of Sale
- Market Conditions

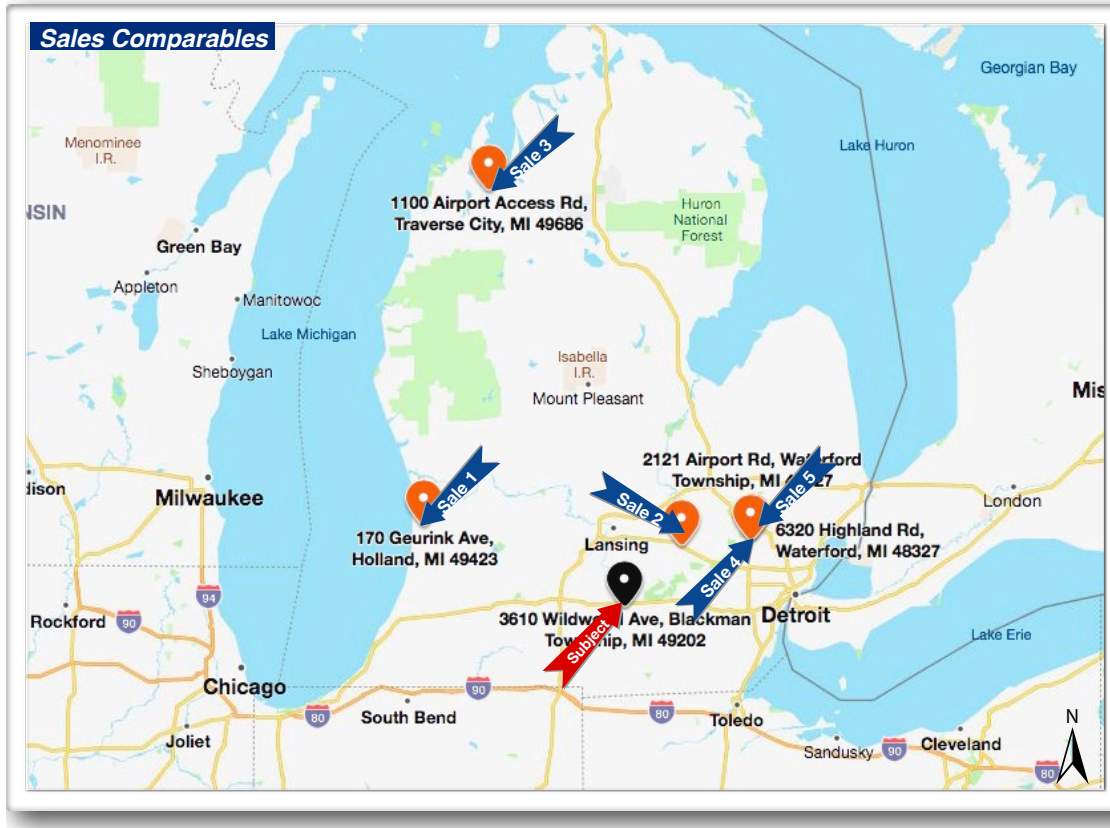
Physical Items

- Building Size
- Location
- Office Ratio
- Age
- Condition/Quality
- Height
- Fueling Facilities

Five aircraft hangar sales and listings were found in Michigan. Due to the dearth of sales within the Jackson County Airport, the appraisers had to extend their search over a wider area covering other airports. These sales are considered to be the best representatives of the subject's market, are provided in detail below and are summarized and adjusted in the Table, "Comparable Sales".

The adjustments to the comparable properties are clearly delineated in the following Table--where an element of comparison was considered superior to the subject, the comparable sale price was adjusted downward; where an element of comparison was considered inferior to the subject, the sale price was adjusted upward.

A location map is presented below followed by the comparable data.





Comparable 1

MARKET DATA Airport Hangar Sale



Photograph Date:

Location: 170 Geurink Boulevard, Holland, Allegan County, MI

Sale Date: May 2017

Sale Price: \$925,000 Cash

Purchaser: Tulip City Air Service, Inc.

Seller: Entity Partners, LLC (Ron Ludema)

Site: This is a level, rectangular site measuring a reported 47,081± square feet or 1.08± acres. It is located along the south side of South Geurink Boulevard, which is east of Washington Avenue and south of 48th Street. The appraisal property is located within the West Michigan Regional Airport. The site is ground leased from the West Michigan Airport Authority.

Improvements: The site is improved with an aircraft hangar measuring approximately 17,280± square feet, with a total of approximately 1,700± square feet or 10% office space. The building has concrete block and steel frame construction with painted concrete block and metal exterior with a shallow pitched gable roof design. The west wall of the hangar appears to be a shared, common wall with the adjacent hangar to the west. Features include an estimated hangar height of 24 feet, two grade-level overhead doors, an 84' x 20' hangar door on rails, 100% fire suppression and 2,300± square feet of unfinished, concrete storage mezzanine space. The hangar was built circa 1992 and is considered to be in average condition for its age.

Zoning: AGR, Agricultural District

Utilities: All Municipal

Tax Code: 03-50-53-200-778

Occupancy: Owner Occupied

Comments: Tulip City Air Service purchased the business operation and the leasehold improvements. The reported purchase price for the hangar represents an allocated purchase price that was reportedly based on a prior appraisal.

West Michigan Regional Airport is a general aviation, non towered airport with one runway: Runway 8/26 measures 6,200' long by 100' wide. Total aircraft operations reported by Airnav in 2014 were estimated at 35,040. Total fuel sales in 2018 were 657,254 gallons.

Source: Appraisal File #19847

Indicator: \$ 53.53 per square foot



Comparable 2

MARKET DATA Airport Hangar Sale



Photograph Date:

Location: 3800 W. Grand River Avenue, Howell Township, Livingston County, Michigan

Sale Date: November 2017

Sale Price: \$1,000,000 Cash to mortgage

Purchaser: BWG Aviation, LLC

Seller: Hawk Hollow Farm, LLC

Site: The subject site is rectangular in shape and contains approximately 0.50 acres or 21,668 sf with 135 feet of frontage on a service drive, which fronts W. Grand River Ave. The site measures 160.5 ft x 135 ft. The site has concrete paving, minimal landscaping and aircraft taxi access. The site is located on the south side of the Livingston County Spencer J. Harding Airport. Land to building ratio is 1.08 to one.

Improvements: The one story maintenance aircraft hangar consists of about 16,554 SF of hangar space and 3,446 SF (17.2%) of office area for a total of 20,000 SF. The hangar is pre-engineered steel frame with concrete block and metal siding. The eave height is 25 feet. There is one 20 foot by 80 foot wide automated aircraft door and the building is 100% sprinklered. The hangar shares a common wall with a duplex hangar to the north that is under different ownership. The facility was built in 2002, underwent a recent renovation, and is in very good condition overall.

Zoning: HC, Heavy Commercial District

Utilities: All Municipal

Tax Code: 4706-28-200-034

Occupancy: Owner Occupied

Comments: The site is part of the airport so it is subject to a land lease. The Spencer J. Harding Airport is owned by Livingston County. The general purpose airport is located 3 miles from the city of Howell and accommodates upwards of 45,000 takeoffs and landings per year. Total fuel sales in 2016 were 252,000. The airport is non-towered and includes one 5,002' foot runway. A new \$900,000 terminal was completed in Sept., 2013.

The property was not exposed to the market and the parties came together privately. The purchase price appears to be at market.

Source: File #18536

Indicator: \$ 50.00 per square foot

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Comparable 3

MARKET DATA

Airport Hangar Sale



Photograph Date: 1/9/19

Location: 1100 Airport Access Road, Traverse City, Grand Traverse County, MI

Sale Date: September 2018

Sale Price: \$2,365,000 Cash

Purchaser: 1100 Holdings, LLC.

Seller: Air Services, Inc.

Site: The site is reportedly comprised of 1.91± acres or about 83,200± square feet. The site has frontage on Airport Access Drive. The land to-building ratio is 3.23 to one.

Improvements: The site is improved with an aircraft hangar measuring a reported 25,965± square feet with a reported 4,185± square feet, or 16% office space. There is a reported 2,790± sf of main level office space and 1,395± sf of 2nd level office space. The hangar has steel-frame construction with a metal exterior, with some brick, and a pitched metal roof design. The office areas consists of multiple private offices, a conference room, restrooms and a large customer lounge. The building is also equipped with an elevator. The reported building height is 27 feet to the eaves. The hangar space is divided into two separate hangars by a metal wall. The southernmost hangar space also has additional finished office space that is not included in the overall administrative office percentage, along with a concrete mezzanine which runs the width of the building. The hangars are heated by a radiant tube system and suspended space heaters. The building appears to have limited fire suppression. The facility was reportedly built in 2006 and is in very good condition overall. The overall building size is based on the assessing sketch and the assessor's notes regarding the two-story administrative space.

Zoning: T, Transportation District

Utilities: All Municipal

Tax Code: 28-51-898-459-00

Occupancy: Owner Occupied

Comments: The site is owned by Grand Traverse and Leelanau County and leased to the owner under a long term lease. Cherry Capital Airport is a commercial and general aviation airport with two runways. Runway 10/28 is 7,016 feet long and Runway 18/36 is 5,378 feet long. Total aircraft operations in 2018 were 96,189.

According to the source, the sale price for the hangar was \$2,500,000, which included personal property (FF & E) with an allocated value of \$135,000. Thus, the sale price for the hangar was \$2,365,000. The property was not exposed to the market and the parties came together privately.

Source: Confidential

Indicator: \$91.08 per square foot



Comparable 4

MARKET DATA Airport Hangar Sale



Photograph Date:

Location: 2121 Airport Rd., Waterford Township, Oakland County, Michigan

Sale Date: November 2019

Sale Price: \$640,000 Cash to mortgage

Purchaser: Universal Flight Support, LLC

Seller: Arris, LLC

Site: The subject site is rectangular in shape and contains approximately 2.63 acres or 114,580 sf with 236 feet of frontage on the west side of Airport Rd. and about 467 feet in depth. The site has concrete paving, minimal landscaping and aircraft taxi access. The site is located near the northeast corner of the Oakland County International Airport. Land to building ratio is 5.71 to one.

Improvements: The one story maintenance aircraft hangar consists of about 17,382 SF of hangar space and 2,675 SF (13.3%) of office area for a total of 20,057 SF. The hangar is pre-engineered steel frame with concrete block and metal siding. The eave height is about 19 feet. There is one 17 foot by 80 foot wide automated aircraft door and the building is 100% sprinklered. The facility was built in c.1968 with an addition in 1998 and periodic renovation. There is a two story wood mezzanine used for parts storage, which is not included in the square footage. The hangar is in average condition overall.

Zoning: A-1, Airport District

Utilities: All Municipal

Tax Code: W-13-17-602-001

Exposure Time: 11 months

Occupancy: Owner Occupied

Comments: The site is part of the airport so it is subject to a land lease. The Oakland County International Airport is owned by Oakland County. The Oakland County International Airport is the 99th busiest airport in the nation, and the 13th busiest general aviation airport, second only to Detroit Metro in Michigan (2017 Airport Data). More than 554 private and corporate aircraft are based at the airport. Take offs and landings in 2018 were about 131,000.

According to the broker the property was originally listed for \$975,000 then lowered to \$870,000.

Source: Assessor, Mike Carl, Plante Moran CRESA, 248-603-5277

Indicator: \$ 31.91 per square foot

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Comparable 5

MARKET DATA Airport Hangar Sale



Photograph Date:

Location: 6320 Highland Road, Waterford Township, Oakland County, MI

Sale Date: May 2020

Sale Price: \$1,600,000 Cash to mortgage

Purchaser: EJB-OC, LLC

Seller: Mister Hangar, LLC

Site: This is a level site measuring a reported 78,974± square feet or 1.81± acres. The site is owned by the airport (Oakland County) and subject to a long-term land lease. The site is located along the north side of Highland Road west of Airport Road, toward the southeast corner of the Airport. Site improvements include paved parking, concrete sidewalks, privacy/sound barrier wall, chain link fencing and landscaping. The land-to-building ratio is 2.38 to one.

Improvements: The site is improved with an aircraft hangar measuring 33,044± square feet with a reported 6,054 ± square feet or 18% office space over two levels. It has steel frame construction with a metal and block exterior and a pitched roof design with metal decking. The office area included private offices, a conference room, an executive lounge, an employee lounge, a lobby, a maintenance shop and restrooms. The hangar areas along with some of the shop office have fire suppression. The hangar area is demised into two hangars measuring a reported 11,982± sf and 13,000± sf with heights reported to be 20 to 24 feet. The original building was constructed in 1986 with a 13,000 sf hangar addition in 2013. Overall, the hangar is considered to be in good condition for its age.

Zoning: A-1; Airport District

Utilities: All Municipal

Tax Code: W-13-17-604-005

Exposure Time: 15 months

Occupancy: Owner Occupied

Comments: The Oakland County International Airport is the 99th busiest airport in the nation, and the 13th busiest general aviation airport, second only to Detroit Metro in Michigan (2017 Airport Data). More than 554 private and corporate aircraft are based at the airport and the airport airport services virtually all the fortune 500 companies.

The property was originally listed for \$2,750,000 in early 2019.

Source: File #19560, Waterford Twp. Assessor, CoStar

Indicator: \$48.42 per square foot

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Comparable Sales						
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Title Interest Transferred	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold
Sales Price		\$925,000	\$1,000,000	\$2,365,000	\$640,000	\$1,600,000
Gross Square Foot	5,000	17,280	20,000	25,965	20,057	33,044
Office Ratio	28.0%	10%	17%	16%	13%	18%
Price per Square Foot		\$54	\$50	\$91	\$32	\$48
Date of Sale		May-17	Nov-17	Sep-18	Nov-19	May-20
Buyer Expenditures		\$0	\$0	\$0	\$0	\$0
Property Rights		0%	0%	0%	0%	0%
Financing Terms		0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%
Market Conditions		2.75%	2.08%	1.33%	0.08%	0.00%
Adjusted Price		\$55	\$51	\$92	\$32	\$48
Building Size	5,000	17,280	20,000	25,965	20,057	33,044
Adjustment		10.0%	10.0%	15.0%	10.0%	20.0%
Location	Wildwood	Geurink	Grand River	Airport	Airport	Highland
Airport	Jackson	West MI	Livingston	Cherry	Oakland Co.	Oakland Co.
Operations	40,000	35,000	45,000	90,000	131,000	131,000
County	Jackson	Allegan	Livingston	Gr. Traverse	Oakland Co.	Oakland Co.
Adjustment		0.0%	0.0%	-15.0%	-20.0%	-20.0%
Office Area	28%	10%	17%	16%	13%	18%
Adjustment		5.0%	2.5%	2.5%	5.0%	2.5%
Age	c.1960	1992	2002	2006	1968/1998	1986/2013
Adjustments		-10.0%	-15.0%	-15.0%	-5.0%	-15.0%
Condition/Quality	Average	Superior	Superior	Superior	Superior	Superior
Adjustments		-5.0%	-15.0%	-15.0%	-5.0%	-10.0%
Height	15'	24'	25'	27'	19'	22'
Adjustment		-15.0%	-15.0%	-20.0%	-5.0%	-10.0%
Fueling Facilities	Yes	No	No	No	No	No
Adjustments		1.0%	1.0%	1.0%	1.0%	1.0%
Gross Adjustments		46.0%	58.5%	83.5%	51.0%	78.5%
Net Adjustments		-14.0%	-31.5%	-46.5%	-19.0%	-31.5%
Adjusted Price						
Per Square Foot		\$47	\$35	\$49	\$26	\$33

Index of Comparable Sales

- 170 Geurink Blvd., West Michigan Regional Airport
- 3800 W. Grand River Ave., Livingston County Airport
- 1100 Airport Access Rd., Cherry Capital Airport
- 2121 Airport Rd., Oakland County Int'l Airport
- 6320 Highland Rd., Oakland County Int'l Airport

High
Mean
Median
Low

\$49
\$38
\$35
\$26



Adjustments

Buyer Expenditures - Buyer expenditures that are typically associated with hangar sales can include demolition of some improvements, remodeling of existing improvements, additions, build-out of unfinished space, or installing a fuel farm. These are costs that a purchaser must endure in order to adequately operate the facility for his own use. None of the Sales required additional expenditures.

Property Rights -- All the Sales are conveyed as leasehold. The subject is located on leased land and the leasehold title interest would be conveyed upon sale.

Financing -- All of the comparables sales were purchased with cash to the seller or short-term land contracts with typical market terms. Therefore, no adjustments are made.

Conditions of Sale -- All of the sales are reported to be arm's length transactions. Therefore, no adjustments are made.

Market Conditions -- The overall market for industrial and commercial real estate in the area has improved over the past several years. However, airport activity has declined in most areas over the past few years. Thus, minimal upward adjustments are made based on an annual appreciation rate of 1.0 percent or 0.08 percent per month to the end of 2019. No adjustment has been made during 2020 due to uncertainty created by COVID.

Building Area -- The subject contains 5,000 square feet while the comparable buildings range in size from 17,280 to 33,044 square feet. Generally, smaller buildings sell at a lower price. All of the Sales are larger and warrant upward adjustments.

Location - Location adjustments are made taking into consideration visibility, traffic patterns, accessibility, local economies, demographic trends, and neighborhood real estate values. The comparable hangar sales are all located on airport properties in lower Michigan. Sales 3, 4 and 5 are located at airports which are considered superior to the Jackson County Airport in terms of annual take-offs and landings. Therefore, these Sales were adjusted downward.

Office Percentage - Typically hangars with more supporting office space sell for a higher amount. The subject property has about 28% office space while the comparables range from 8% to 18%. All of the Sales are adjusted upward for their lower ratios.

Age - The subject property has an actual average age about 60-years old, but an effective age of about 25-years, while the comparable Sales are all newer and adjusted downward.



Condition & Quality - The subject property is block and steel construction designed for maintenance of small size aircraft and is in average condition overall. The subject is a typical hangar with a supporting office with average quality finishes. The subject does not have a mezzanine or other ancillary space and is not wet sprinklered. Sale 1, although in average condition, is superior because it has a storage mezzanine and is 100% fire sprinklered. Sale 2 is in very good condition, having undergone a recent renovation, and is 100% wet sprinklered. Sale 3 is considered superior because it has additional finished office space, not included in the square footage, along with a concrete mezzanine and an elevator. In addition, it is in very good condition. Sale 4, while also reported to be in average condition, has a two story mezzanine used for parts storage and is 100% wet sprinklered. Sale 5 is in good condition, with an office with high-end finishes, an engineering office mezzanine not included in the square footage and fire suppression. Thus, all of the comparable Sales are considered to be superior and are adjusted downward.

Building Height - Building and door height is an important factor in hangars because it can restrict the type and size of aircraft. Typically, hangars with higher clearance are most popular and have a greater demand by hangar users. The subject has 15-foot eave height. This is somewhat low, by today's standards. All of the Sales are superior in this regard and are adjusted downward.

Fueling Facilities - Hangars with fueling facilities have much greater flexibility in operation. In most cases, this would be considered an advantage. The subject has a 2,000-gallon above ground fuel tank, which is relatively small. None of the Sales have fueling facilities, so small upward adjustments are made.

Summary

The appraisers remind the reader that some of the adjustments such as condition, size, and building amenities are subjective and are based on judgment. These differentials are difficult to extract from the market; there is not enough sales data available to discern the impact of these items. The appraisers have made adjustments based on judgment and information on sales data over several years.

Once adjusted the Sales range from \$26 to \$49 per square foot with an average of \$38 and a median of \$35 per square foot. The two most recent Sales average \$30 per square foot. A very important factor when considering hangars is the eave height as this could limit the number of users. Sale 4 has the lowest eave height of all the Sales presented and sets the low end of the range. Given the data presented, the appraisers conclude that \$35 per square foot is applicable to the subject improvements. Thus,



5,000 sq. ft. @ \$35/sq. ft. = \$175,000 (Rounded)

In summary, the “as is” market value of the Leasehold interest in the subject property by the sales comparison approach, as of August 19, 2020, is:

**One Hundred Seventy Five Thousand Dollars
(\$175,000)**

Cost Approach

In this section, the cost new of the building, improvements to the site, and indirect costs are estimated. Depreciation, if any, from all causes is then estimated and deducted from reproduction or replacement cost to give an overall indication of value by the cost approach.

The cost new for replacement of the subject improvements will be estimated with use of the *Marshall Valuation Service* cost manual. These costs include average architect's and engineer's fees, plans, building permits, surveys, normal interest on building funds during the period of construction, sales tax on materials, normal site preparation including finish grading and excavation for foundation and backfill, utilities from structure to lot line figured for typical setbacks, and contractor's overhead and profit.¹⁴ These costs do not include indirect costs such as appraisal, entrepreneurial profit, legal fees or ad valorem taxes during construction; these are calculated separately.

The *Marshall Valuation Service* categorizes the subject as a “Average Class C Maintenance Hangar,” with an estimated cost of \$68.12 per square foot of ground floor area, after all refinements including time but prior to consideration of soft costs.

Detail regarding the replacement cost new for the building is provided at the table below, "Replacement Cost New for Building and Site Improvements."

¹⁴Marshall Valuation Services, Marshall and Swift, 1617 Beverly Boulevard, Los Angeles, California 90026-0307, page 4, section 5.

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Replacement Cost New For Building and Site Improvements

Building:

Building Type	Maintenance Hangar	Exterior Wall	Block
Quality of Construction	Average Class C	Ceiling Height	17
# Stories	1	Building Condition	Avg.
Building Size (sq ft)	5,000	Estim. Total Econ. Life:	
Second Floor/Mezz.	0	Building	40
Year Built	c.1960	Site improvements	20
Effective Building Age	25		
Effective Site Improvements Age	10		

Square Foot Costs Building	\$58.00
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Refinements

Add for Wet Sprinkler System	\$0.00	\$0.00
		\$58.00

Multipliers

Height	1.064
Perimeter	1.083
Current Cost	0.980
Local Multiplier	1.040

Total Refinement Mult.	1.174	x	\$58.00	=	\$68.12
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Final Square Foot Costs

Gross Building Area	5,000	x	\$68.12	=	\$340,587
Mezzanine	0	x	\$21.75	=	\$0

Building Replacement Cost New

\$340,587

Site Improvements

Item Description	Cost Per Unit	Units	Cost
Asphalt Surfacing	\$5.00	4,100	\$20,500
Concrete Paving	\$8.00	1,450	\$11,600
Landscaping	\$10,000.00	1	\$10,000

Replacement Cost New of Site Improvements	\$42,100
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Total Estimated Replacement Cost New	\$383,000
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The estimated replacement cost new for building and site improvements (direct costs) based on the *Marshall Valuation Service* is \$383,000 or \$76.60 per square foot.



Indirect Construction Costs

Indirect costs are expenditures other than material and labor costs and those fees already included in the replacement cost per square foot. They are appraisal, administration and legal fees, entrepreneurial profit and ad valorem taxes during construction. In the case of the subject there would be no taxes during construction since the underlying property is owned by the County. However ground lease payments would be capitalized during construction and have been estimated at \$2,807 over a six-month period. Entrepreneurial profit or loss is defined as "... the difference between the cost of development and the value of a property after completion."¹⁵ Entrepreneurial incentive (profit) is estimated at \$38,300 or 10% of total projects costs. This is the cost required entice a developer to complete a project similar to the subject.

The appraisal fee is estimated at \$2,700, and administration and legal fees are estimated at \$10,000. This is typical of similar facilities in the area and is summarized below.

<i>Indirect Construction Costs</i>	
Cost of Ground Lease- 6 months	\$2,807
Appraisal	\$2,700
Consulting & Legal Fees	\$10,000
Entrepreneurial Profit 10%	<u>\$38,300</u>
Sub-total	\$53,807

Accrued Depreciation

Accrued depreciation can be defined as the difference between an improvement's reproduction cost and its present value as of the date of the appraisal. Accrued depreciation is caused by three factors: physical deterioration, functional obsolescence, and economic or external obsolescence.

Structure: Physical deterioration

Physical deterioration as the name implies, is a measure of the reduced value of the improvements because of the wear and tear of age. The subject was constructed in c. 1960 and has an actual age of about 60-years. The building has been well-maintained with periodic renovations. Thus, the building has an estimated effective age of 25 years. Please note that Marshall Swift indicates a 40-year economic life expectancy

¹⁵The Appraisal of Real Estate, Appraisal Institute, Twelfth Edition, p. 360.



for a building of this type. Therefore, the building improvements are depreciated at a 62.5% factor.

Structure: Functional / Economic Obsolescence

Functional obsolescence is a decrease in value attributable to poor design or designs that, because of changes in attitudes is not in accordance with current standards. Lastly, external obsolescence is any loss in value attributable to negative factors from outside the boundaries of the appraisal property.

The subject facility is adequate for its intended use and does not suffer from any significant functional obsolescence. In addition, there is no evidence that the property's economic life will be shortened by any functional inadequacies.

Lastly, external obsolescence is any loss in value attributable to negative factors from outside the boundaries of the appraisal property.

The subject is an average quality hangar in average condition. As exhibited by the improved sales used in the Sales Comparison Approach, external obsolescence does not appear to be present.

The cost approach is summarized next:

*Gerald Alcock Company, L.L.C.**Analysis of Value 55*

Recapitulation

Cost New of Buildings & Equipment				\$340,587
Indirect Costs				\$53,807
				<hr/>
Improvements & Indirect Costs				\$394,394
Less Accrued Depreciation:				
Physical	62.5%		(\$246,496)	
External	0.0%		\$0	
			<hr/>	
Total Accrued Depreciation				(\$246,496)
				<hr/>
Basis net of Short-Lived and Long Lived Items				\$147,898
Site Improvements				\$42,100
Less Accrued Depreciation:				
Physical	50.0%		(\$21,050)	
External	0.0%		\$0	
			<hr/>	
Total Accrued Depreciation				(\$21,050)
				<hr/>
Basis of Site improvements				\$21,050
Value of Improvements (rounded)				\$170,000

Total project costs are estimated at \$170,000 or \$34.00 per square foot, which does not include land. The land is subject to a ground lease and is owned by Jackson County.

In summary, the indicated “as is” market value by the cost approach, as of August 19, 2020, is,

One Hundred Seventy Thousand Dollars
(\$170,000)



Reconciliation and conclusion of “As Is” Market Value

The value estimates for the subject property are as follows.

Sales Comparison Approach -	\$175,000
Cost Approach -	\$170,000

As indicated above, there is little disparity between the sales comparison approach and cost approach, about 2.9%. The appraisers have concluded that the highest and best use of the property is its current use as an aircraft maintenance hangar. Typically hangars are owner occupied and continue in use after a sale. We place greatest weight on the sales comparison approach, which is based on market factors, with additional consideration given to the cost approach, due to the special-purpose nature of the facility.

Therefore, it is our opinion that the “as is” market value of the leasehold interest of the subject property, as of August 19, 2020, is:

One Hundred Seventy Five Thousand Dollars
(\$175,000)

This value estimate is made subject to the “General Assumptions and Limitations of Appraisal” of this report noted at the eponymously titled section of this report and the following “Extraordinary Assumption” to this report. There are no “Hypothetical Conditions” to this report.

- The value herein presumes the ground lease with Jackson County will be renewed upon expiration. If not, the value may be impacted.

Sales History Analysis

The subject has been under the ownership of Jackson College in excess of three years. There have been no other relevant title transfers within the past three years and the property is currently not listed for sale.

**Estimated Marketing Period, Exposure Period**

As used herein, the definition of exposure time is as follows.

‘The time a property remains on the market. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal: a retrospective estimate based upon an analysis of past events assuming a competitive and open market’¹⁶

A discussion with area brokers and review of similar sales in our company database indicates that exposure times can range from 6 to 18 months depending on the age, size, and location of the facility. Given the current market conditions, location of the property and temporary decline in airport operations, the appraisers consider an exposure time of 12 to 18 months to be a reasonable estimate for the subject property.

As used herein, the definition of marketing period is as follows.

‘An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal....’¹⁷

While exposure time is retrospective, marketing period is prospective, and thus should consider current market trends and conditions as well as historical evidence. Assuming the subject property were aggressively marketed by a competent broker at a listing price close to the estimated market value, the appraisers estimate a marketing period of 12 to 18 months.

¹⁶ *The Dictionary of Real Estate Appraisal*, Fifth Edition, Appraisal Institute, Chicago, IL, 2010, page 73.

¹⁷ *Dictionary*, page 121.



ASSUMPTIONS AND LIMITATIONS OF APPRAISAL

This appraisal is for no purpose other than property valuation, and the appraiser(s) is neither qualified nor attempting to go beyond that narrow scope. The reader should be aware that there are also inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section to understand these limitations.

Appraisal Is Not A Survey

It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted in this appraisal report.

No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Any maps, plats, surveys, or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships or location. Sizes and dimensions should not be scaled from them. The reliability of the information contained on any such map or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments, or other survey matters.

The legal description given to the appraiser is presumed to be correct, but it has not been confirmed by a survey.

Appraisal Is Not A Legal Opinion

No responsibility is assumed for matters of a legal nature that affect title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable. The value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments. We are not usually provided an abstract of the property being appraised and, in any event, we neither made a detailed examination of it nor do we give any legal opinion concerning it.



It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in this appraisal report. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal.

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report. Information and analysis shown in this report concerning these items is based only on a rudimentary investigation. Any significant question should be addressed to local zoning or land use officials and/or an attorney.

It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimated contained in this report is based. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns on these items since we have not made a comprehensive examination of laws and regulations affecting the subject property.

Appraisal Is Not An Engineering Or Property Inspection Report

This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The appraisers are not construction, engineering, environmental, or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.

The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, and all mechanicals and construction is based on a casual inspection only and no detailed inspection was made. For instance, we are not experts on heating systems and no attempt was made to inspect the interior of the furnace. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless so stated in this report.

Some items such as conditions behind walls, above ceilings, behind locked doors, or under the ground are not exposed to casual view and therefore were not inspected. The existence of insulation, if any is mentioned, was found by conversation with others and/or circumstantial



evidence. Since it is not exposed to view, the accuracy of any statements about insulation cannot be guaranteed.

It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures that would render it more or less valuable. No responsibility is assumed for such conditions, or for the engineering that may be required to discover such factors. Since no engineering or percolation tests were made, no liability is assumed for soil conditions. Sub-surface rights (mineral and oil) were not considered in making this appraisal.

Wells, septic systems, and utility lines, if any, are assumed to be in good working condition and of sufficient size and capacity for the stated highest and best use.

The age of any improvements to the subject property mentioned in this report should be considered a rough estimate. We are not sufficiently skilled in the construction trades to be able to reliably estimate the age of improvements by observation. We therefore rely on circumstantial evidence, which may come into our possession (such as dates on architectural plans) or conversations with those who might be somewhat familiar with the history of the property such as property owners, on-site personnel, public records, or others. Parties interested in knowing the exact age of improvements on the land should contact us to ascertain the source of our data and then make a decision as to whether they wish to pursue additional investigation.

The appraiser(s) has observed those parts of the mechanical equipment and systems that constitute an integral part of the property and that are generally visible. From such observation, the appraiser(s) has reported any apparent conditions that the appraiser believes might bear on the conclusions of this report. The appraiser(s) has not, however, tested such mechanical equipment and systems, and thus assumes no responsibility for their operating performance (unless specifically so stated in this appraisal).

The appraiser(s) has not made a specific compliance survey and analysis of the subject to determine whether or not it is in conformity with the Americans with Disabilities Act ("ADA"). It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of ADA. If so, this fact could have a negative impact upon the value of the property. The appraiser has no direct evidence relating to this issue and did not consider possible non-compliance with the requirements of the ADA in estimating the value of the property.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal



report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a construction expert be hired for a detailed investigation.

Appraisal Is Not An Environmental Issues Or A Hazardous Materials Report

We are not environmental experts, and we do not have the expertise necessary to determine the existence of environmental hazards such as the presence of urea-formaldehyde foam insulation, toxic waste, asbestos, radon gas, PCB's, lead-based paint, contaminants such as petroleum products, or hazardous chemicals escaping from underground storage tanks, other potentially hazardous materials, or any other environmental hazards on the subject or surrounding properties. If we know of any problems of this nature, which we would believe would create a significant problem, they are disclosed in this report. Nondisclosure should not be taken as an indication that such a problem does not exist, however. An expert in the field should be consulted if any interested party has questions on environmental factors.

No chemical or scientific tests were performed by the appraiser(s) on the subject property, and it is assumed that the air, water, ground, and general environment associated with the property present no physical or health hazard of any kind unless otherwise noted in the report. It is further assumed that the property does not contain any type of dumpsite and that there are no underground tanks (or any underground source) leaking toxic or hazardous materials or substances into the groundwater or the environment unless otherwise noted in the report.

Appraisal Is Made Under Conditions Of Uncertainty With Limited Data

As can be seen from limitations presented above, this appraisal has been performed with a limited amount of data. Data limitations result from a lack of certain areas of expertise by the appraiser(s) (that go beyond the scope of the ordinary knowledge of an appraiser), the inability of the appraiser(s) to view certain portions of the property, the inherent limitations of relying upon information provided by others, etc.



There is also an economic constraint, however. The appraisal budget (and the fee for this appraisal) did not contain unlimited funds for investigation. We have spent our time and effort in the investigative stage of this appraisal in those areas where we think it will do the most good, but inevitably there is a significant possibility that we do not possess all information relevant to the subject property.

Before relying on any statement made in this appraisal report, interested parties should contact us for the exact extent of our data collection on any point, which they believe to be important to their decision-making. This will enable such interested parties to determine whether they think the extent of our data gathering process was adequate for their needs or whether they would like to pursue additional data gathering for a higher level of certainty.

Information (including projections of income and expenses) provided by local sources, such as government agencies, financial institutions, accountants, attorneys, and others is assumed to be true, correct, and reliable. No responsibility for the accuracy of such information is assumed by the appraiser(s).

The comparable sales data relied upon in this appraisal are believed to be from reliable sources. Though all the Comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.

Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.

All values shown in the appraisal report are based on our analysis as of the effective date(s) of valuation stated in this appraisal report. (The value[s] estimated in this appraisal report may change in the future because of changing local or national economic conditions or capital money market changes.) These values may not be valid in other time periods or as conditions change. We take no responsibility for events, conditions, or circumstances affecting the property's market value that take place subsequent to either the date of value contained in this report or the date of our field inspection, whichever occurs first.

Since projected mathematical models and other projections are based on estimates and assumptions, which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

This appraisal is an estimate of value based on an analysis of information known to us at the time the appraisal was made. We do not assume any responsibility for incorrect analysis



because of our incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice.

Opinions and estimates expressed herein represent our best judgment but should not be construed as advice or recommendation to act. Any actions taken by you, the client, or any others should be based on your own judgment, and the decision process should consider many factors other than just the value estimate and information given in this report.

Restrictions Upon Disclosure And Use Of The Appraisal

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which he is connected, or any reference to the Appraisal Institute or the MAI designation shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the appraiser.

The appraisal report may not be used for any purpose except substantiation of the value estimated without written permission from the appraiser. All valuations in this appraisal report are applicable only under the stated program of use. The valuation of a component part of the property is applicable only as a part of the whole property.

Neither the name of Gerald Alcock Company nor the name of the appraiser(s) nor this appraisal report nor any material contained in this appraisal report may be included in any prospectus, or used in any activities or transactions such as offerings or representations in connection with a real estate syndicate or syndicates, a real estate investment trust or trusts, or any securities-related exposures.

Neither this appraisal report nor any part of it may be submitted to the Securities and Exchange Commission or to any state securities regulatory agency without the express written permission of the appraiser(s).

Neither the name of the Gerald Alcock Company nor the name of the appraiser(s) nor this appraisal report nor any material contained in this appraisal report may be used for activities or transactions that are subject to the Employee Retirement Income Security Act of 1974, as amended, without the express written permission of the appraiser(s).



Appraisal Report Limitations

Appraisal reports are technical documents addressed to the specific needs of clients. Casual readers should understand that this report does not contain all of the information we have concerning the subject property or the real estate market. While no factors we believe to be significant but unknown to the client have been knowingly withheld, it is always possible that we have information of significance which may be important to others but which, with our limited acquaintance of the property and our limited expertise, does not seem to be important to us.

Appraisal reports made for lenders are technical documents specifically made to lender requirements. Casual readers are cautioned about their limitations and cautioned against possible misinterpretation of the information contained in these reports.

The appraiser should be contacted with any questions before this report is relied on for decision-making.



APPRAISER'S CERTIFICATIONS

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions;
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved;
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
7. Our analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice;
8. We have performed no service, as an appraiser and none in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
9. Susan Campbell made a personal inspection of the property that is the subject of this report. Michael Williams did not make a personal inspection of the subject property;
10. No one provided significant real property appraisal assistance to the author of this report;

Gerald Alcock Company, L.L.C.

Appraiser's Certification 66



11. The reported analysis, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;
13. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan; and
14. As of the date of this report, Michael T. Williams has completed the requirements of the continuing education program of the Designated Members of the Appraisal Institute.



Michael T. Williams, MAI



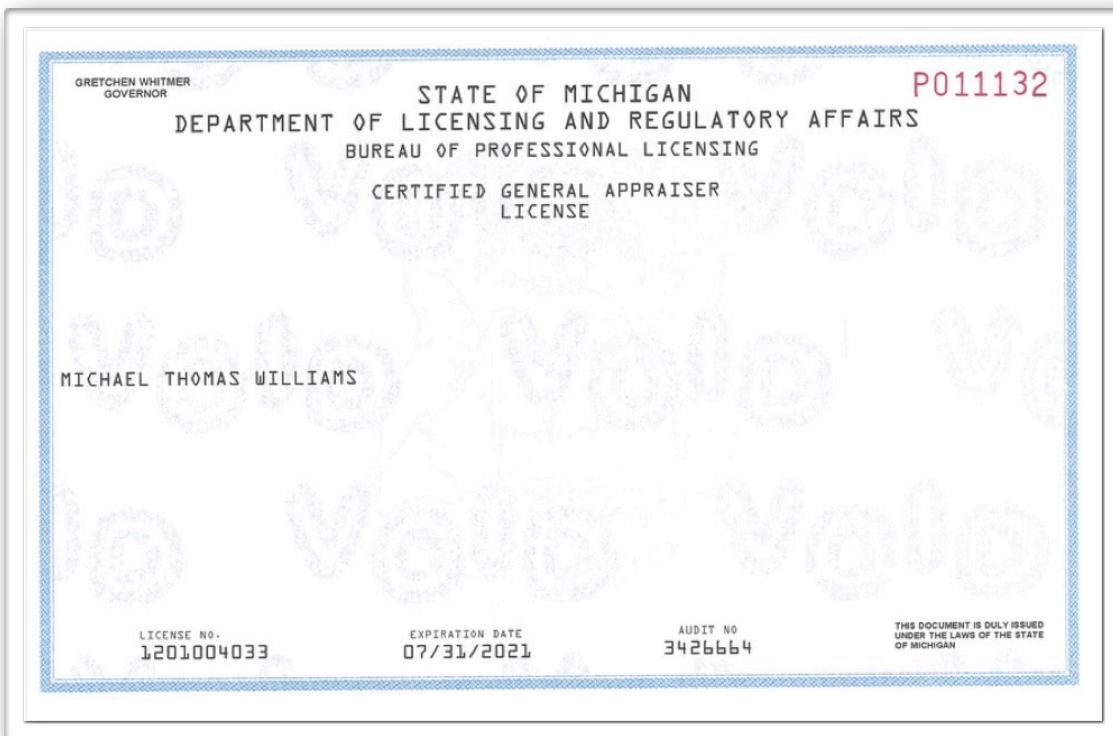
Susan B. Campbell, CPA



REQUIRED STATEMENTS

Licensure

In Michigan, appraisers are required to be licensed and/or certified, and are regulated by, the Michigan Department of Licensing & Regulatory Affairs, P.O. Box 30018, Lansing Michigan 48909. The appraiser(s) are (is) currently and properly licensed.





USPAP Competency Provision

The appraisers have experience with this property and the local market. This appraisal complies with the Competency Provision of the USPAP.

Appraisal Report

This report is classified as an Appraisal Report under the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, Standards Rule 2-2(a). Broadly defined, an Appraisal Report gives the contents of the report in a summary form and connotes a concise level of detail in the presentation of information.

Narrated Dates

Date of Appraisal Report

The date of this appraisal report is September 1, 2020.



Effective Date(s) of Value

The effective date of this appraisal for the “as is” market value is August 19, 2020, the date of inspection.

Date(s) of Inspection and Inspector(s)

Susan Campbell inspected the property on August 19, 2020.



PROFESSIONAL QUALIFICATIONS

MICHAEL T. WILLIAMS, MAI

Principal and President with the Gerald Alcock Company, LLC since 2003 and an associate since 1995 preparing and managing valuation and consulting assignments.

Valuations have been performed on various properties including, but not limited to, retail shopping centers, net leased retailers, general commercial properties, single and multi-tenant industrial buildings, high-tech office properties, professional and medical office buildings, mixed-use facilities, residential subdivisions, apartments, and vacant land for a variety of uses. Assignments for special purpose properties include public and private golf courses and country clubs, tennis and health clubs, gas station and convenience stores, car washes, bowling alleys, hotels, self-storage facilities, churches, schools, day care facilities, specialty-medical properties, and assisted living facilities.

Consulting assignments include appraisal reviews, lease recommendations, market studies, ground lease consultations, and buy-sell negotiations.

Assignments have been performed for financing, disposition and acquisition, estate planning, federal estate tax filing, tax appeal, condemnation, internal corporate planning, and foreclosure due diligence. Valuations and market studies have been completed for proposed, partially completed, renovated, and existing structures.

Clients served include commercial banks, life insurance companies, mortgage bankers, law firms, accountants, investment firms, developers, as well as private and public agencies.

EDUCATION:

UNIVERSITY OF MICHIGAN

School of Business Administration

Bachelor of Business Administration, 1993

Concentration in Finance and Real Estate

WALSH COLLEGE

Master of Science in Finance, 2002

Magna Cum Laude



Course work in Business Valuation, Real Estate Finance, and Lease Finance

APPRAISAL INSTITUTE

Courses Completed:

- Standards of Professional Practice, Part A, 1993
- Standards of Professional Practice, Part B, 1994
- Standards of Professional Practice, Part C, 1999
- Appraisal Principles, 1994
- Appraisal Procedures, 1993
- Basic Income Capitalization, 1993
- General Applications, 1994
- Advanced Income Capitalization, 1994
- Highest & Best Use/Market Analysis, 1994
- Advanced Sales Comparison & Cost Approach, 1996
- Report Writing & Valuation Analysis, 1996
- Advanced Applications, 1997
- Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets, 2012

Seminars Completed:

- Building Construction In Michigan, 1995
- Small Hotel/Motel Valuation, 1997
- Non-Residential Demonstration Report Writing, 1998
- Appraisal Office Management, 1999
- Attacking and Defending an Appraisal for Litigation, 1999
- Appraisal Review – General, 2001
- Effective Report Writing, 2002
- The Road Less Traveled: Special Purpose Properties, 2003
- Rates and Ratios, 2003
- Regression Analysis, 2003
- Uniform Standards For Federal Land Acquisitions, 2003
- National USPAP Update, 2004
- Michigan Appraiser Licensing Law & Rules, 2004
- Appraisal of Local Retail Properties, 2004
- Appraisals and Real Estate Lending, 2004
- Appraising Convenience Stores, 2005
- Business Practice and Ethics, 2005
- Mortgage Fraud, 2006



Reappraising, Readdressing, Reassigning, 2007
 Analyzing Distressed Real Estate, 2007
 National USPAP Update, 2007
 Appraisal Issues In Publicly-Funded Land Transactions, 2007
 Effective Bank - Appraiser Communication, 2007
 Appraisal Issues in Publicly Funded Land Transaction, 2007
 Capstone Realty Sources: Land Conservation Marketplace I, 2009
 Appraisal Curriculum Overview (Two-Day General), 2009
 Spotlight on USPAP: Common Errors and Issues, 2009
 Michigan Economy, 2009
 Online McKissock: Michigan Law, 2009
 Online McKissock: 2008-09 National USPAP Update, 2009
 Spotlight on USPAP: Confidentiality, 2010
 Business Practice and Ethics, 2010
 Data Verification Methods, 2010
 Spotlight on USPAP: Appraisal Review, 2011
 Michigan Economy, 2011
 Online McKissock: Michigan Law, 2011
 Online Analyzing Distressed Real Estate, 2011
 National USPAP Equivalent Course 2010-2011, 2011
 Spotlight on USPAP: Agreement For Services-Instructions, 2011
 Preparing Valuation Disclosures, Entire MI Tax Tribunal, 2011
 Supervising Appraisers, A Mentoring Process, 2012
 Michigan Economy, 2012
 National USPAP Equivalent Course 2012-2013, 2012
 Michigan Laws and Rules, 2012
 Contemporary Topics For Appraisers Involving the MI Tax Tribunal, 2013
 Michigan Economics, 2013
 Great Lakes Chapter Economic Summit, 2013
 Online Subdivision Valuation, 2013
 Contemporary Topics For Appraisers Involving the MI Tax Tribunal, 2014
 Great Lakes Chapter Economic Summit, 2014
 Michigan Economics, 2014
 Appraising Airports and Airplane Hangars, 2014
 National USPAP Equivalent Course 2014-2015, 2014
 Michigan Economics, 2015
 Online McKissock: Michigan Law, 2015
 Government and The Housing Market, 2015
 Great Lakes Chapter Economic Summit, 2015

**PROFESSIONAL AND TRADE AFFILIATIONS:**

Michigan State Certified General Appraiser #1201004033

Ohio State Certified General Appraiser #2011002568

Member, Appraisal Institute (MAI), Certificate No. 11570

Leadership Ann Arbor Program, Ann Arbor Chamber of Commerce, 2006-2007

Leadership Development and Advisory Council (LDAC), Appraisal Institute, 2014 and 2015

Treasurer, Southeast Michigan Subchapter of the Great Lakes Chapter of Appraisal Institute, 2001-2003

Board of Directors, Great Lakes Chapter of Appraisal Institute, 2007-2011

Chairperson, Membership Development, Retention and Development, Great Lakes Chapter of Appraisal Institute, 2007-2012

Assistant Regional Ethics Administrator For Region III, Appraisal Institute, 2004-2007

Regional Member Ethics Administrator For Region III, Appraisal Institute, 2008-2009

Chair, Ethics Administration Division, Appraisal Institute, 2010-2011

Chair, Ethics Appeals Panel, Appraisal Institute, 2012

Member, Professional Standards and Guidance Committee, 2013

Secretary, Great Lakes Chapter of Appraisal Institute, 2013

Treasurer, Great Lakes Chapter of Appraisal Institute, 2014

Vice President, Great Lakes Chapter of Appraisal Institute, 2015

President, Great Lakes Chapter of Appraisal Institute, 2016



SUSAN B. CAMPBELL, CPA

Staff Appraiser with Gerald Alcock Company, LLC since 2004 preparing valuation and consulting assignments.

Valuations have been performed on various properties, including, but not limited to, general commercial and industrial, properties, gas station/convenience stores, professional and medical office buildings, churches, hotels, both general retail and shopping center facilities, and vacant land for a variety of uses.

Assignments have been performed for financing, disposition and acquisition, estate planning, internal corporate planning and foreclosure due diligence. Valuations have been completed for proposed, partially completed, renovated, and existing structures.

Clients served include commercial banks, insurance companies, mortgage bankers, law firms, accountants, developers, individuals, and public agencies.

EDUCATION:

MICHIGAN STATE UNIVERSITY, East Lansing

Bachelor of Arts in Accounting

APPRAISAL INSTITUTE

Courses Completed:

Appraisal Principles and Procedures, 2004
 Basic Income Capitalization, 2002
 Statistics Modeling, 2007
 Advanced Applications, 2007
 Income Approach I & II, 2008
 Site Valuation and Cost Approach, 2010
 Sales Comparison Approach, 2009
 Market Analysis and Highest and Best Use, 2011
 7-Hour National USPAP, 2014
 Michigan Law, 2014

MCKISSOCK

Seminars Completed:

Land and Site Valuation, 2013
 Essential Elements of Disclosures and Disclaimers, 2014
 Appraisals of Self Storage Facilities, 2014



Appraisal of Owner-Occupied Commercial Properties, 2015
Appraisal of Assisted Living Facilities, 2016
Introduction to Legal Descriptions, 2016
7-Hour National USPAP, 2020
Michigan Law, 2020
Managing Appraiser Liability, 2020
Appraisal of Land Subject to Ground Leases, 2020
Complex Properties: The Odd Side of Appraisal, 2020

PROFESSIONAL AND TRADE AFFILIATIONS

Michigan State Certified General Appraiser #1201068455

Michigan State Certified Public Accountant #1101016361

EMPLOYMENT

Gerald Alcock Company, L.L.C.

Ann Arbor, Michigan, 1994 - Present

Commercial Real Estate Appraiser and Controller

Horiszney & Wahl, PC

Ann Arbor, Michigan, 1990 - 1994

Certified Public Accountant

Lowry Computer Products

Brighton, Michigan, 1988 - 1990

Controller

Touche Ross

Ann Arbor, Michigan, 1984 - 1988

Certified Public Accountant

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.2.3 Presenters for Commencement

Description:

Given the current health environment, and relative progress we are making within our community, state and nation, I am preparing to hold outdoor commencement ceremonies in the fall. I intend to use the north side of Walker Hall as the stage and the parking lot would be for physically-distanced seating.

This would occur on one Saturday (the following Sunday would be a rain date). In the morning we would celebrate the 2020 graduates, and in the afternoon, we would celebrate the 2021 graduates.

Given this, I would ask for recommendations for presenters for the 2021 ceremony. As a reminder, the Crocket Award and Distinguished Service Award recipients for 2020 have previously been designated by the Board (i.e., Woody Wilson, and Evelyn Jones and Al Krieger, respectively).

Resource Impact:

None

Requested Board Action:

Consideration of presenters for the 2021 graduation ceremony.

Action Taken:

Trustees Patterson and Mathein will present to the 2020 recipients and the Board will determine presenters for 2021 at a future meeting.

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.2.4 Distinguished Service Award Recipient

Description:

This time has been set aside to allow for recommendations for the Board's Distinguished Service Award for 2021. Enclosed is a list of prior year recipients as a reference for you.

Resource Impact:

None

Requested Board Action:

Discussion of Distinguished Service Award recipient for 2021

Action Taken:

This item will be brought forward to the next Board meeting for final consideration.

AWARD FOR DISTINGUISHED SERVICE**June 13, 1966**

Edward O. Marsh

(Posthumous)

John George (D)

Harold Steele (D)

Justin R. Whiting (D)

Norman E. Leslie (D)

Harvey T. Woodfield (D)

Jay F. Clark (D)

George L. Greenawalt (D)

Harold R. Leslie (D)

Ralph D. McLeary

Frederick A. Probert (D)

J. Sterling Wickwire (D)

June 12, 1967

Ray W. Herrick (D)

Lyle A. Tarrant (D)

W. Keith McNally (D)

Frank J. Dove (D)

June 9, 1969

James P. Graham (D)

Bert H. Walker (D)

Florence Jack Price (D)

Dr. William N. Atkinson (D)

Leona Atkinson (D)

May 10, 1971

Alphonse H. Aymond (D)

Leo J. Brannick (D)

J. Ward Preston (D)

Wilferd P. Rayner (D)

Harry G. Ziegler (D)

May 8, 1972

James N. Folks (D)

Theron B. (Rollo) Sims (D)

William J. Jefferson

March 12, 1973

Elwin T. Ruffner (D)

Louis H. Leggett (D)

Kae Marcoux (D)

Rep. Hal Ziegler (D)

1974

None

April 30, 1975

Yulah Barnes (D)

Charles O. Conrad

William J. Ogden (D)

Louise Riggs (D)

April 28, 1976

Anthony P. Hurst

Dr. William M. Lannik (D)

Arthur T. Dolan (D)

April 29, 1977

Ruth M. Day (D)

Betty L. Giguere/Desbiens

Harold Rosier (D)

Waunetta Rosier (D)

November 23, 1977

Al Cotton (D)

April 27, 1978

Robert E. Snyder (D)

E. Dean Edwards

Richard Cowley

May 2, 1979

J. C. Drake (D)

Marvin Raguse (D)

Hugh D. Federer (D)

Edwin C. Hetherwick (D)

April 30, 1980

John V. Kopplin (D)

Richard C. Deming (D)

1981

Harold Sheffer (D)

1982

None

1983

Maxwell E. Brail (D)

Richard Firestone

Donald P. Troyer	(D)	Frank Meyers	(D)
<u>1984</u>		<u>1994</u>	
Terry McLaughlin	(D)	Betsy W. Dolan	(D)
<u>1985</u>		<u>1996</u>	
John Selby		Dr. Roderick D. Riggs	(D)
Walter Berlet	(D)	<u>1997</u>	
Myrna Berlet		Mark K. Rosenfeld	
<u>1986</u>		<u>1998</u>	
Anthony Consolino	(D)	Lawrence L. Bullen	
Rep. Michael Griffin		George Raven	(D)
<u>1987</u>		Barbara Raven	(D)
Rep. Phil Hoffman		<u>1999</u>	
<u>1988</u>		Michael Baughman	
M. P. (Pat) Patten		Victor Cuiss	(D)
<u>1989</u>		<u>2000</u>	
Betsy W. Dolan	(D)	Clyde E. LeTarte	(D)
John Dabbert	(D)	<u>2001</u>	
<u>1990</u>		None	
William Maher	(D)	<u>2002</u>	
<u>1991</u>		Rick Davies	
Lois Franklin	(D)	<u>2003</u>	
Myer Franklin	(D)	Bill Sigmand	(D)
Howard Patch		Jerry Kratz	(Posthumously)
<u>1992</u>		Fred Slete	
Bernard H. Levy		<u>2004</u>	
<u>1993</u>		Georgia Fojtasek	
<u>1995</u>		<u>2005</u>	
Robert L. Johnson		John Crist	
Jacqueline Dulworth (Posthumous)		<u>2006</u>	
		Dale Smith	(D)

2007

George Potter

2008

R. Dale Moretz

Charles E. Anderson

2009

Dennis DaPra

Tony Dungy

Dr. Harish Rawal

2010

Rep Mike Simpson (Posthumously)

2011

Henry C. Zavislak

2012

Senator Mike Nofs

2013

Representative John Walsh

2014

Karen Dunigan (Posthumously)

2015

Reverend Frank Hampton (D)

2016

Christine Medlar

2017

Karen and Bart Hawley

2018

Kirk Mercer

2019

Senator Mike Shirkey

2020

Evelyne Jones

Al Krieger

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

6.2.5 Policy Review EL - 10 Access to Education

Description:

Following work on the EL – 10 Access to Education monitoring report, I am recommending some language modification to this policy to better fit the college's current practices.

Resource Impact:

None

Requested Board Action:

Approval of policy EL - 10 Access to Education.

Action Taken:

MOTION BY TRUSTEE PATTERSON "To approve the changes to the EL-10 Access to Education policy." **ROLL CALL VOTE: TRUSTEES MATHEIN, HOFFMAN, LAKE, PATTERSON, HEINS, CRIST AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**



Governance Process	Ends
Board-President Delegation	Executive Limitations

BOARD OF TRUSTEES POLICY

Policy Type: Executive Limitations

Policy Title: Access to Education

Policy Number: EL-10

Date Adopted: 11/11/19

Version: 1.0

Date Last Reviewed: 11/11/19

Office Responsible: President's

Reviewing Committee: Board of Trustees

The President shall not allow conditions that unnecessarily restrict student or potential student access to education.

Further, without limiting the scope of the above statement by the following list, the President shall not:

1. Cause or allow the setting of tuition and/or fees that do are not provide for a reasonable balance of fiscal responsibility between students and taxpayers, based on the nature and number of instructional hours, requirements for special services, do not consider forecasted enrollment, level of anticipated state appropriations, union contracts, major strategic initiatives, requirements for total cost recovery or a contribution to the overhead of the College, and a reasonable balance of fiscal responsibility between students and taxpayers, within the context of facilitating access to programs and courses.
2. Allow students and potential students to be without timely notice uninformed of plans for future tuition and fee increases, to allow students in credit programs to do long term financial planning.
3. Be without a consistent method that provides for appropriate recognition of learning outside of College programs.
4. Permit academically qualified students with disabilities, or insufficient economic means, to be without a supportive environment that, without compromising academic standards, wherever possible enables them to complete their programs.
5. Permit activities, circumstances, or decisions that jeopardize the ability of students to enroll in available courses or to obtain the instructional hours required to complete their course of studies.

Date Of Change	Version	Description of Change	Responsible Party
11.11.19	1.0	First release following Policy Governance consulting work.	Chief of Staff

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

7.1 Monitoring CEO Performance: EL-10 Access to Education

Description:

Enclosed for your review is the Monitoring Report for EL-10 Access to Education. You will note that the report indicates full compliance. T

I am happy to answer any questions you have about the report.

Resource Impact:

None

Requested Board Action:

The Board agrees with the Presidents interpretation as noted here within and that the President is in full compliance with EL – 10 Access to Education.

Action Taken:

MOTION BY TRUSTEE CRIST "That the Board agrees with Presidents interpretation as noted herein and that the President is in full compliance with EL-10 Access to Education." **ROLL CALL VOTE: TRUSTEES CRIST, HEINS, MATHEIN, PATTERSON, LAKE, HOFFMAN AND BARNES VOTING AYE. MOTION PASSED UNANIMOUSLY.**



Jackson College Board of Trustees

Monitoring Report: EL – 10 Access to Education

Report Date: 02.01.21

Note: Board Policy is indicated in bold typeface throughout the report.

I hereby present to the Jackson College Board of Trustees this monitoring report which addresses the Board's Executive Limitations Policy: "Access to Education". I certify that the information contained in herein is true and represents compliance, within a reasonable interpretation of the established policy, unless specifically stated otherwise. Please note that all of my interpretations of the policy remain unchanged from the previous report, unless otherwise noted.

02.01.21

Daniel J. Phelan, Ph.D.
President and CEO

Date

POLICY STATEMENT: The President shall not allow conditions that unnecessarily restrict student or potential student access to education.

INTERPRETATION:

I report full compliance with this policy statement unless specified within the following report.

Further, without limiting the scope of the above statement by the following list, the President shall not:

- 1. Cause or allow the setting of tuition and/or fees that do not provide for a reasonable balance of fiscal responsibility between students and taxpayers, do not consider forecasted enrollment, the level of anticipated State appropriations, union contracts, major strategic initiatives, requirements for total cost recovery, or a contribution to the overhead of the College.**

INTERPRETATION:

Compliance will be demonstrated when, prior to setting tuition and fees:

- a) Billing contact hours have been forecasted;

- b) State appropriations have been estimated;
- c) Requirements to meet union contracts have been calculated;
- d) Projected costs for major strategic initiatives have been estimated;
- e) Contribution to overhead has been calculated; and
- f) Tuition and fee comparisons against community colleges within our comparison group (i.e., ASC Group 2) have been completed.

This interpretation is reasonable because it ensures a solid process for determining an appropriate tuition and fee structure, and where possible, provides comparisons to like-sized peers in the State.

EVIDENCE:

- a) On January 26, 2021, the CFO confirmed that, as part of the annual budget planning process for FY 2021, a review of billing contact hour trends was completed to forecasted enrollment. The College's annual operating budget book is available [online](#).
- b) On January 26, 2021, the CFO confirmed that, as part of the annual budget planning process for FY 2021, estimated state appropriations were contemplated. The College's annual operating budget book is available [online](#).
- c) On January 26, 2021, the CFO confirmed that the financial contract requirements of both unions were considered during the FY 2021 budget planning process. The College's annual operating budget book is available [online](#).
- d) On January 26, 2021, the CFO confirmed that projected costs for major strategic initiatives were estimated as part of the FY 2021 budget planning process. The College's annual operating budget book is available [online](#).
- e) On January 26, 2021, the CFO confirmed that projected expenses/overhead were considered as part of the FY 2021 budget planning process. The College's annual operating budget book is available [online](#).
- f) On January 26, 2021, the CFO confirmed that, as part of the FY 2021 budget planning process, a review of Michigan peer group (i.e., ACS Group 2: Jackson, Kellogg, Lake Michigan, Muskegon, Northwestern, and St. Clair) community college tuition and fee rates were contemplated. The College's annual operating budget book is available [online](#).

2. Allow students and potential students to be without timely notice of future tuition and fee increases.

INTERPRETATION:

Compliance will be demonstrated when:

- a) The College has a communication process in place to share new tuition and fees rates with students.

This interpretation is reasonable because it ensures prompt communication with students to inform them of tuition and fee changes.

EVIDENCE:

- a) On 1/22/21, the College Controller confirmed that the following process is in place for communicating new tuition rates and fees following Board approval each year:
 - Providing the Marketing Department with the updates for the College website, and verification that these values are correct;
 - Communication is made to Student Services staff with the new rates so as to use for advising current and future students;
 - For students who have already registered for Fall classes, the College rebills their accounts with the new rates so they can access their new bill in JetStream;
 - College Board of Trustee minutes annually record Board action regarding tuition and fee setting, which are also placed on the College's web page.

3. Be without a consistent method that provides for appropriate recognition of learning outside of College programs.

INTERPRETATION:

Compliance will be demonstrated when:

- a) The College has a policy in place to recognize and award prior learning opportunities for students.
- b) The College has a policy in place to recognize the transfer of credits from other institutions.

This interpretation is reasonable because the college takes into consideration recognition of learning outside of the College's own instructional programs.

EVIDENCE:

- a) On January 26, 2021, the Chief of Staff confirmed that the College's Credit for Prior Learning (CLP) policy is up to date. This policy was last reviewed on 1/15/20 and is reviewed biennially. This policy is accessible online at <https://www.jccmi.edu/wp-content/uploads/1042.pdf>.
- b) On January 26, 2021, the Chief of Staff confirmed that the College's Transfer Credit Evaluation policy is up to date. This policy was last reviewed on 3/6/19 and is reviewed biennially. This policy is accessible online at <https://www.jccmi.edu/wp-content/uploads/2819.pdf>

4. Permit academically qualified students with disabilities, or insufficient economic means, to be without a supportive environment that, without compromising academic standards, wherever possible, enables them to complete their programs.

INTERPRETATION:

Compliance will be demonstrated when:

- a) The College provides services in place for students with disabilities to ensure they have opportunity for academic success.

- b) The College provides clear communication to students how they can receive financial aid assistance.

This interpretation is reasonable because it ensures support services and information is available to keep students from having barriers.

EVIDENCE:

- a) The College operates a Center for Student Success, housed in Walker Hall on the Central Campus, that provides accommodations for students with disabilities, tutoring support, mental health referral, temporary assistance with transportation as well as the Federal TRIO program. (i.e., a program that provides opportunities for academic development, assists students with basic college requirements, and works to motivate students toward the successful completion of their postsecondary education.
- b) On January 26, 2021, the Chief of Staff confirmed with the Associate Dean, Enrollment Management, that there is a communication plan in place to provide students with information on applying for financial aid. Specifically, as part of the admission process, immediately upon applying to the College, information is sent to the student providing them with the next steps on applying for financial aid assistance.

5. Permit activities, circumstances, or decisions that jeopardize the ability of students to enroll in available courses or to obtain the instructional hours required to complete their course of studies.

INTERPRETATION:

Compliance will be demonstrated when:

- a) The College has 'teach-out plans' when programs of study are cancelled which ensures that no student to be academically/instructionally stranded.
- b) Students are placed in alternative courses when a course is cancelled.
- c) A policy is in place that allows students, called to active military duty, support and guidance to withdrawal from classes in order to serve their country.

This interpretation is reasonable because it considers factors outside of the student's control that may impact their program completion.

EVIDENCE:

- a) During the monitoring period, the following instructional programs were closed (see following table). Notification was made to the Higher Learning Commission (HLC) as required. The following table summarizes the closed programs and the date that the Higher Learning Commission was notified.

Program	Date of HLC Notification
Health Administration/Insurance Specialist AAS	May 8, 2020

eCommerce/Web Tech Certificate	May 8, 2020
Law Enforcement Certificate	May 8, 2020
Computer Support Specialist AAS	May 8, 2020
Marketing Certificate	May 8, 2020
Automotive AAS	May 8, 2020
Paramedic AA	May 8, 2020
Culinary AAS	May 8, 2020
Aviation	October 30, 2020

- b) On January 26, 2020 the Chief of Staff confirmed that a process is in place for when a class is cancelled. The process is that when a course is cancelled, a class roster is pulled and each student receives a call from their Student Success Navigator to inform them of the cancellation and to help them find an alternative class that will fit in within their program requirements.
- c) On January 26, 2021, the Chief of Staff confirmed that the policy Military Withdrawal due to Orders is up to date and accessible online at:
<https://www.jccmi.edu/wp-content/uploads/3115.pdf>

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

8.1 Board Self-Monitoring of GP- 14 Handling Operational Complaints

Description:

As part of Policy Governance practice, the Board completes a Self-Evaluation survey of Governance Process and Board CEO Delegation policies at the time they are reviewed.

The intention is effort is to assist members in assessing the Board's compliance with Governance Process and Board CEO Delegation policies. The Board discussion at the meeting will consider aggregate responses from members and insights obtained from the compilation, relative to amending the policy in question, as well as points for consideration in future policy development and review.

Enclosed are the results to help guide the boards discussion.

Resource Impact:

None

Requested Board Action:

Review of the results to determine compliance with policy statements and any changes that might be needed.

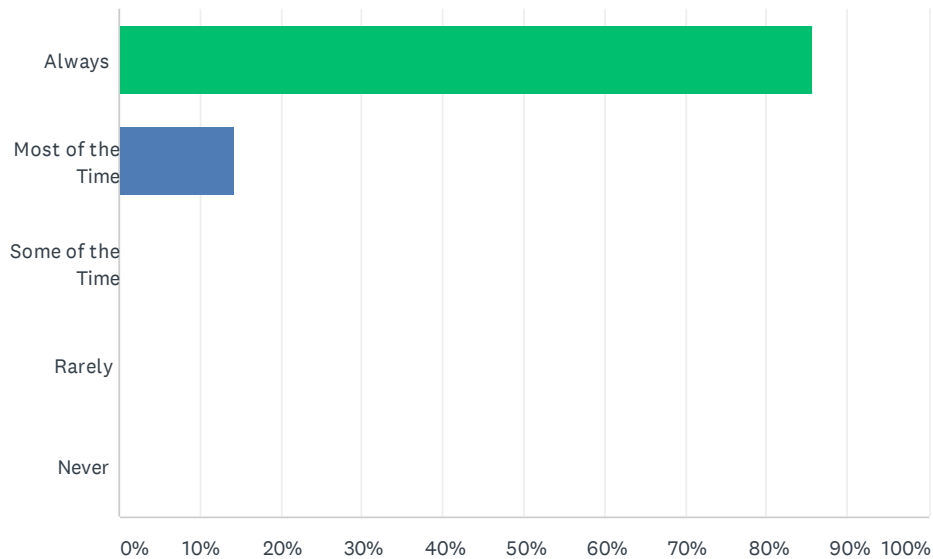
Action Taken:

None

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q1 POLICY STATEMENT: To ensure that the Jackson College Board of Trustees fulfils its accountability to the Ownership, but does not interfere in matters it has delegated to the President, the following process shall be followed in the case of a Trustee receiving a complaint regarding an operational matter.

Answered: 7 Skipped: 0



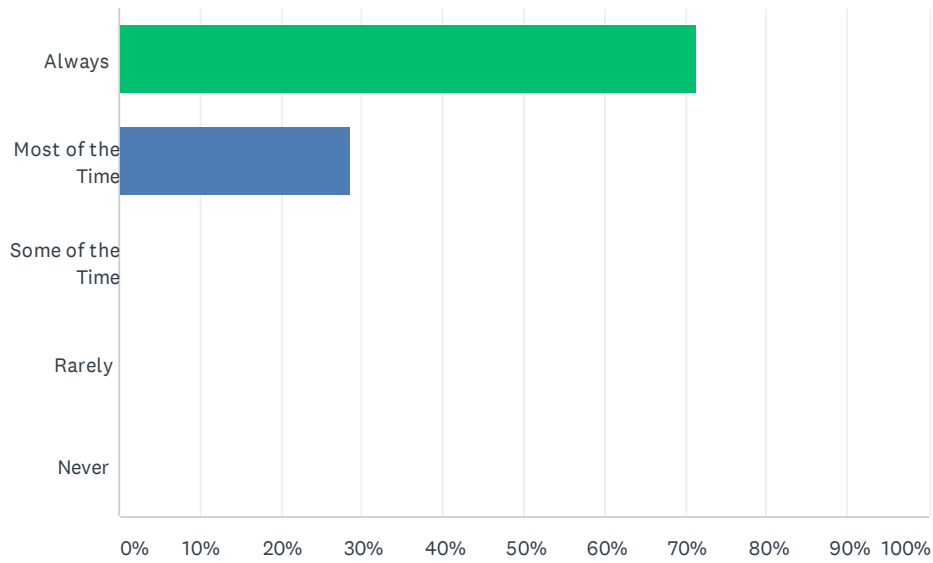
ANSWER CHOICES	RESPONSES
Always	85.71% 6
Most of the Time	14.29% 1
Some of the Time	0.00% 0
Rarely	0.00% 0
Never	0.00% 0
TOTAL	7

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE	DATE
1	I have that experience all the time. Due to my availability at an institution that employs numerous young people striving to improve themselves. Many of them attend JC as part time students and they all know of My position on the Board of trustees. When they run into situations where they feel stymied they come To me for help. It may be a problem getting answers, or a lack of a phone call, or an issue with a Navigator Where the relationship has soured. My first response is Let me check ,and I call Sara and explain.	1/31/2021 9:15 PM

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q2 1. The Trustee shall inquire if the proper internal communication protocol for registering concerns has been followed. If not, the individual shall be directed to the appropriate person, and the Trustee shall take no further action.

Answered: 7 Skipped: 0



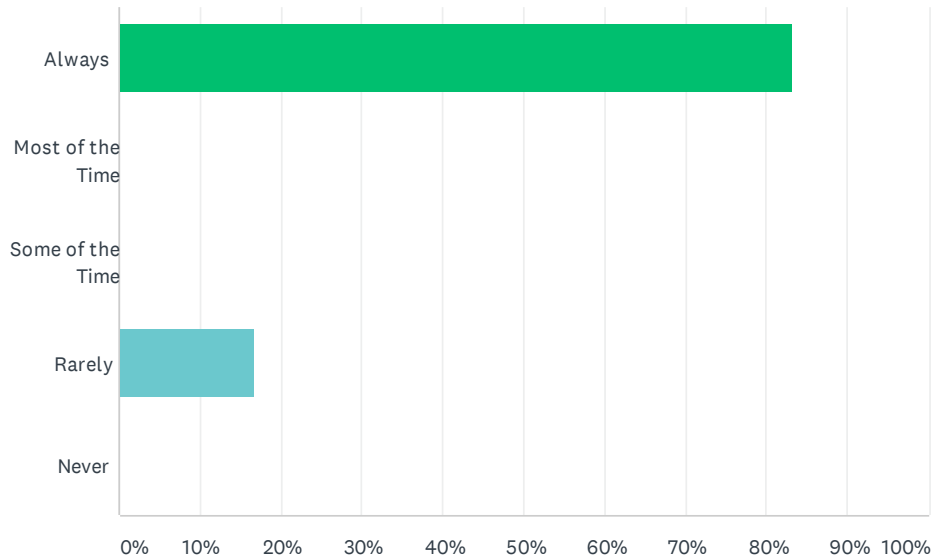
ANSWER CHOICES	RESPONSES
Always	71.43% 5
Most of the Time	28.57% 2
Some of the Time	0.00% 0
Rarely	0.00% 0
Never	0.00% 0
TOTAL	7

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE	DATE
1	See the answer above. And I'll add; I query the student as to the procedures they have followed	1/31/2021 9:15 PM
2	inquire of whom? I assume this means to ask the person with the complaint and not the President? If trustees are only to have contact with the President and we dont know who is the operationally correct person to talk to, would be direct them to the President? Otherwise we are digging into the staff/admin directly to find something out. This could become a slippery slope.	1/28/2021 9:16 AM

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q3 2. The Trustee shall not offer any evaluative comments or solutions.

Answered: 6 Skipped: 1



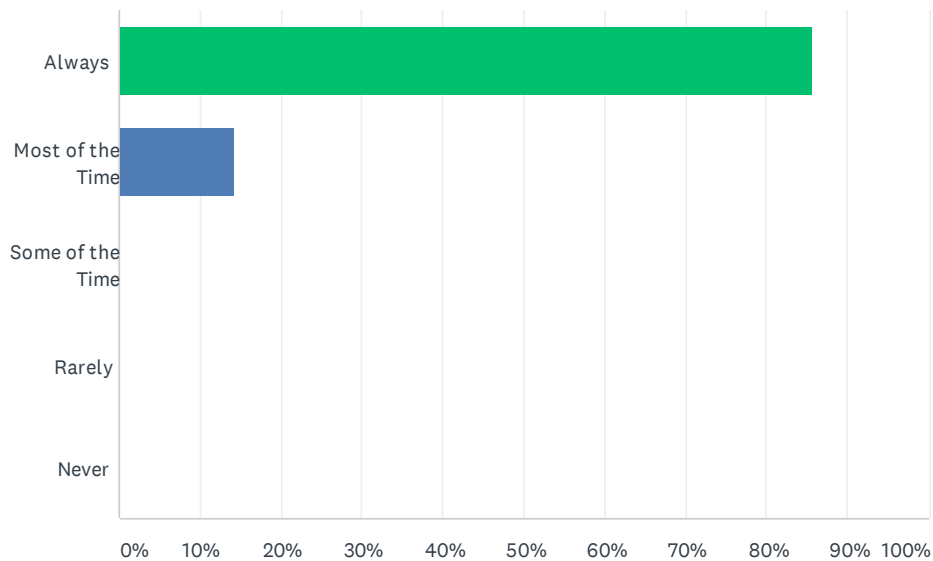
ANSWER CHOICES	RESPONSES	
Always	83.33%	5
Most of the Time	0.00%	0
Some of the Time	0.00%	0
Rarely	16.67%	1
Never	0.00%	0
TOTAL		6

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE)	DATE
1	I tell them I'll check and see if i can find answers, I don't offer answers or solutions	1/31/2021 9:15 PM
2	Need further clarification on what this means	1/28/2021 2:13 PM
3	I have not heard any feedback that we have offered comments or solutions.	1/28/2021 9:16 AM

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q4 3. If the internal protocol has been followed and the concern has not been resolved through that action, the Trustee shall explain to the individual that the Board has delegated certain responsibilities to the President, and that the Board holds the President accountable. Indicate that the President will be asked to ensure that the matter is looked into and respond directly or through a delegate.

Answered: 7 Skipped: 0



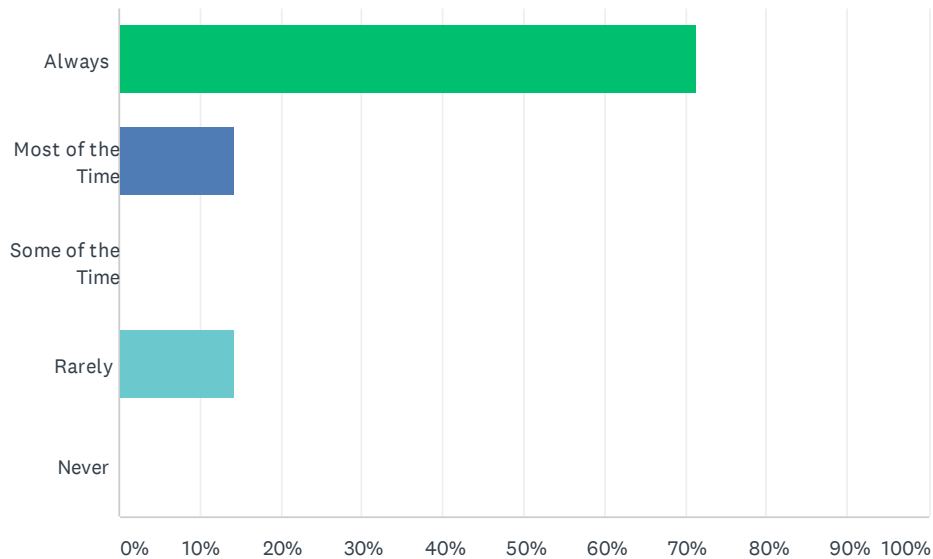
ANSWER CHOICES	RESPONSES	
Always	85.71%	6
Most of the Time	14.29%	1
Some of the Time	0.00%	0
Rarely	0.00%	0
Never	0.00%	0
TOTAL		7

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE	DATE
1	See answers above.	1/31/2021 9:15 PM
2	I would change "shall" to "may".	1/28/2021 9:16 AM

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q5 4. The Trustee may ask the individual to contact him or her again if the matter has not been addressed within a reasonable time period.

Answered: 7 Skipped: 0



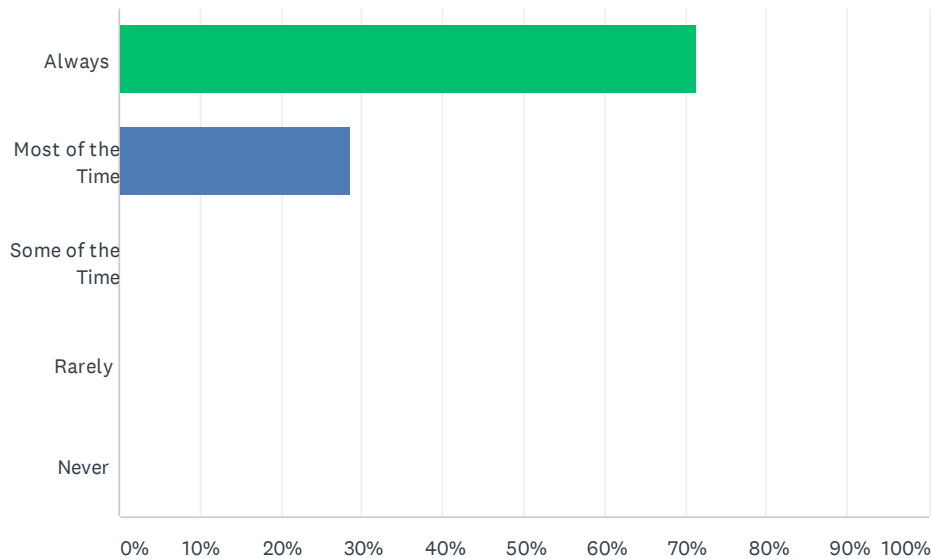
ANSWER CHOICES	RESPONSES	
Always	71.43%	5
Most of the Time	14.29%	1
Some of the Time	0.00%	0
Rarely	14.29%	1
Never	0.00%	0
TOTAL		7

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE	DATE
	There are no responses.	

JC Board Self Monitoring Worksheet: GP - 14 Handling Operational Complaints

Q6 5. The Trustee shall inform the President of the complaint, and request that it be addressed.

Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES	
Always	71.43%	5
Most of the Time	28.57%	2
Some of the Time	0.00%	0
Rarely	0.00%	0
Never	0.00%	0
TOTAL		7

#	PROVIDE SPECIFIC REPRESENTATIVE EXAMPLES TO SUPPORT YOUR RESPONSE WHEN APPLICABLE	DATE
1	It has to rise to a certain level before I involve the President. As a rule a call to Chief of staff will result in a Communication to or with the correct person with the direct responsibility to address the problem.	1/31/2021 9:15 PM
2	I'm not sure of the phrase "request that it be addressed. That is the responsibility.	1/28/2021 12:32 PM

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

9.1 College Update: Reintegration Task Force Updates

Description:

Executive Vice President Cindy Allen will be providing an update on the work of the Reintegration Task Force (RTF).

Resource Impact:

None

Requested Board Action:

None – information only

Action Taken:

None

May 19th, 2020 President Phelan created an eight-page charge to the Reintegration Task Force. Since that date, a group of 17 college employees including Leadership Members, both union leaderships, faculty, staff and administration have met every other week reviewing this work, communicating and collaborating and adapting our work based on the most recent CDC and Health Department guidelines along with our resident experts. Below you will find, in summary, the charge along with the work that has been completed to meet it. While this list is not exhaustive of the Presidents Charge to the RTF, we believe it will provide you with a good look into the immense amount of effort, collaboration and innovation that Jackson College is known so well for:

- **All persons on campus must adhere to our safety and security protocols and non-compliance would result in being asked to leave campus.** To respond to these requests the Reintegration Task Force created the following protocols to provide clear and consistent directives: Face Covering Protocol and Policy, Temperature Scanning Protocol, Academic Protocol, Communicable Disease Policy and the Self Screening and Reporting Protocols. Each of these were communicated in the Reintegration Manual as well as a Town Hall and subsequent follow up trainings specific for administrators, faculty and staff.
- **All campus sites must have a daily screening protocol and temp screening.** To meet this requirement the Reintegration Task force, more specifically Jen Dobbs, created a Daily Screening App which collects data on the name of those attending campus, screens them for COVID-19 symptoms and provides them an approval and denial response at the conclusion if they may proceed to campus that day. The results are then instantaneously sent to the COVID-19 Screening Checkpoint which they then review at arrival. Those who answer in a way that indicated they have been exposed to or may have COVID-19 are flagged at the checkpoint using their tool and are denied access to campus. This screening also provides a way to look at who has been where on any day so we can do proper contact tracing as the need arrives.
- **Non-essential visits are prohibited. Provide a functioning and financially sustainable means by which all persons who are recalled to college campuses are routinely tested, safe, and able to pursue work and education.** RTF along with Leadership council provide a list to the check point of the only people allowed on campus, this includes ABC Academy, JPEC, Vendors, students, faculty, administration and staff. Anyone outside of that list is prohibited from making it beyond the checkpoint.
- **A picture ID and Badge showing the person has been screened must be worn and visible at all times.** To this RTF along with our marketing department created a badge to be handed out at the checkpoint only. Once someone has passed the screening at the checkpoint and verified their identity and purpose for visit the checkpoint issues a Jackson College branded badge for the day to the visitor to adhere to their Jackson College ID.
- **Wearing a mask at all times on campus.** To this end the RTF created a Face Covering policy along with providing masks for those that may not have them at several points on campus and at the checkpoint.
- **Employees will be required to sanitize their own workspaces.** Regular, effective, and thorough cleaning and sanitizing practices Availability of hand sanitizing, antibacterial soap, Kleenex, and PPE for all employees, students, and guests and responsibility for

same Facilities, RTF and the Cleaning Department worked to create a cleaning plan along with safe cleaning procedures, including high touch points that all employees are given and trained on prior to be able to return to campus. Work areas have “stations” with masks, sanitize and soap all across campus. In addition, we have purchased additional equipment like the Clorox 365 machine.

- **Notification to Safety & Security when an employee believes that their health has been compromised. Creation of a common “dashboard”** We have since launched our Self Reporting tool that any student or employee who has been exposed to or has COVID-19 self-report. This tool then emails our safety and security department and Senior Vice President who contact the individual, to follow up with quarantine guidelines and contact tracing. This data also feeds into our COVID-19 dashboard, so we can keep track of how many people have been exposed to COVID-19, have been diagnosed with it and how many of them were on campus during their contagious period.
- **Safety Orientation and training must be required for all employees, students and guests in order to be at the College. A signed agreement to return to campus and ahead to our polices and education on COVID 19 prior to entering campus.** RTF utilized our Learning Management tool to undertake this request and within it created a course specific for student and employees. Once a student is enrolled in an approved course or an employee is deemed essential, they are enrolled into the course. This course teaches them and assesses them on the basics of COVID-19, how to properly wear a mask, proper cleaning, campus entry procedures and policies and how to report a case to safety and security. At the conclusion of the course they are issued a completion badge, and their name is sent to the Screening Checkpoint that they are approved to enter campus. We have also required the same training and agreement from all of our JPEC teaching staff and coaches.
- **Reorientation of spaces with a minimum of 6 feet of physical distancing. New classroom and instructional models must also be considered, not only for traditional lab spaces, but also for lecture spaces. Consideration of adjusting traditional weekly and daily scheduling of work, meals, breaks, bathroom use, course start times, etc. so as to eliminate high person densities.** RTF recognized this meant different things for office spaces then it did classrooms, and more specifically some labs needed different set ups then lecture halls. So to address this RTF works with each instructor along with the Dean, Facilities and Safety and Security to walk through the spaces, plan for clear barriers in places where they were needed, dedicated seats, entries, exits, limited enrollment size and instructional need and addresses these on a case by case basis. These plans and layout are then shared with students prior to their arrival so they are also aware. Hallway markers and directional signage are also placed throughout our learning spaces.
- **Ensure that the ground-based reintegration plan includes not only the continued deployment of virtual-based instruction and operations, but also a phased returning provision.** Any class that is considered for in person instruction must first present the Reintegration Task Force a plan for Infection Control, Physical Distancing, Entry and Exit procedures and classroom procedures and cleaning protocol. Once approved this goes

to President Phelan and the students and instructor are notified, and at that time asked to complete the training. At the conclusion of the course the students and faculty are asked to complete a survey in which RTF uses to reassess the class being on campus and guide the prototyping for the next classes which may be considered. President Phelan has provided RTF with the priority list of in person instruction as well.

- **Student Housing opening in staged phases, and priority given to our most vulnerable students, following strict protocols** RTF working closely with the housing staff to make sure that the students moving in were adequately trained and aware of campus procedures, this included creating their own class in Jet Net as well as additional protocols for health screening and reporting. We also worked closely with Food Services to ensure students in housing had access to meals. To this end we ensured there was also adequate room and access to food if those in housing had to be isolated or could not return home.
- **Consideration of reopening athletics and student life activities must also be included in the plan.** Many of the same things RTF required of housing was required of athletics, in addition we asked for travel plans and safety protocols for practices in games that would be taken along with following the decisions of NJCAA (National Junior College Athletic Association) and MCCA.

What are our employees saying? Our communication, protocols, support to our employees at home has not went unnoticed. A recent survey of 205 employees shows that 44% of our employees are satisfied with the effective communications from Leadership and Administration and 36% are very satisfied. When asked what we are doing well 170 respondents took the time to comment on their experience including:

- Communications
- The decision to close early and stay closed keeping everyone safe
- Support from their supervisors
- Safety on Campus- including screening and PPE on campus

When we asked our Students and Employees on campus about their experience in the classroom of the 54, we surveyed, 100% said they clearly understood the behavior that was expected of them when they came to campus and when asked if they felt safe on campus (1- Very Unsafe 5- Very Safe) the average score was 4.85.

To date we are proud of the work of RTF and the job that was undertaken, it is because of this work and our Leadership we have been able to accomplish the following:

- 20, 000 + Health Screenings
- 22 approved in person courses (including Dental, EMS, Welding and others at our ISD partners)
- 504 students that were able safely to attend classes in person
- 121 employees who are trained to safely visit campus as the need arises
- 6 new policies to guide our COVID-19 operations
- 5 new protocols for a safe campus operation

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

10.1 Principles of Policy Governance

Description:

This time has been set aside for the Board, as part of our continuous improvement work, in order to assess the Board's work and commitment towards the ten Policy Governance principles, as well as its governance practice.

The URL link below will provide an overview of the principles that you can use for determining the effectiveness and efficacy of the Board's work both in terms of this meeting and in general governance practice.

<https://governforimpact.org/resources/principles-of-policy-governance.html>

Resource Impact:

None

Requested Board Action:

Evaluation of the effectiveness of the board meeting relative to Policy Governance practice.

Action Taken:

None

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: February 1, 2021



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President

Subject to be Discussed:

11.0 Meeting Content Review

Description:

This item on the agenda provides the Board the opportunity to give the Chairman and me feedback on the quality of the content provided during this meeting, and suggesting where improvements could be made.

Resource Impact:

None

Requested Board Action:

Provide feedback on quality of meeting content.

Action Taken:

None. Trustee Mathein shared he felt that the content was very thorough and that the Board progressed well through the agenda.