

CITY OF STERLING HEIGHTS  
Regular Meeting of the  
LOCAL DEVELOPMENT FINANCE AUTHORITY  
6633 18 Mile Road, Sterling Heights  
VELOCITY BUILDING  
April 24th  
8:00 AM

**MEETING CALLED TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**In Attendance:**

**Not in Attendance:**

**Also in Attendance:**

**APPROVAL OF AGENDA**

Approval of special meeting minutes on 4/15/2025

**CONSENT AGENDA**

NEW BUSINESS

- 1.) Consider the approval of a budget amendment to build out the former Microcide unit 2G
  - a. Consider the approval of the budget transfer to complete this project

**OLD BUSINESS**

**PUBLIC COMMENT**

**ADJOURNMENT**

## **VELOCITY UPDATES**

CITY OF STERLING HEIGHTS  
LOCAL DEVELOPMENT FINANCE AUTHORITY  
MINUTES OF THE REGULAR MEETING  
April 24<sup>th</sup> , 2025  
6633 18 Mile Road, Sterling Heights, MI 48314  
Velocity Building

### **New Business**

- 1.) **Consider the approval of a budget amendment to build out the former Microcide unit 2G**
  - Scott Kalinowski to discuss



Business of the Local Development Finance  
Authority  
Sterling Heights, Michigan

Meeting: 4.24.25

AGENDA STATEMENT

**Item Title:** Consider the approval to hire Prestige Construction Consultants LLC to perform the renovations on unit 2G

**Submitted By:** Office of Economic Development

**Contact Person/Telephone:** Scott Kalinowski

**Administration (initial as applicable)**

**Attachments**

<input type="checkbox"/> City Clerk	<input type="checkbox"/> Resolution	<input type="checkbox"/> Minutes
<input type="checkbox"/> Finance & Budget Director	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Plan/Map
<input type="checkbox"/> City Attorney (as to legal form)	<input checked="" type="checkbox"/> Contract	<input type="checkbox"/> Other
<input type="checkbox"/> City Manager		
<input type="checkbox"/> Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office		

**Executive Summary:**

We've received an exciting tenant referral from Jeanne via the ILZ—an innovative defense company seeking to occupy the former Microcide unit. This represents not only a strong addition to our tenant mix but also a positive economic development story for Sterling Heights.

The prospective tenant is aiming for a May 1st move-in, which places us on a tight timeline, especially since this is one of the two remaining units that have not yet been remodeled. Quote attached for changes.

**Unit Details:**

- Suite 2G
- 1,554 SF
- \$2,201.50/month base rent (\$17/SF)
- \$777/month CAM
- Total Monthly: \$2,978.50
- Term: 1-year minimum commitment

**Suggested Action:** Approve contract with Prestige Construction Consultants LLC for \$20,067.50 to renovate unit 2G.

MOVED BY:

SECONDED BY:

**Suggested Action:** Approve budget amendment transfer of \$20,067.50 to pay for the renovation from the general LDFA fund to buildings and improvement account (250-728-003-975-000).

MOVED BY:

SECONDED BY:



**Prestige Construction  
Consultants LLC**

3227 Camden Dr, Troy MI 48084  
586-484-3927  
<https://www.prestigeconcon.com>  
marki@prestigeconcon.com

**ESTIMATE**

EST0046

**DATE**

04/15/2025

**TOTAL**

USD \$20,067.50

**TO**

**Scott Kalinowski Velocity**

Scott  
6633 18 Mile Rd, Sterling Heights, MI 48314  
✉ (586) 945-7295  
Scott@mivelocity.com

DESCRIPTION	RATE	QTY	AMOUNT
MICROCIDE UNIT	\$9,500.00	1	\$9,500.00

- Replace flooring with 20 mils, color of choice, LVL waterproof flooring
- Floor reducers at doors
- Remove and replace new cove molding

Approx 1,600 sqft  
Labor and materials

•Install new stud walls to divide rooms between the kitchenettes	\$6,800.00	1	\$6,800.00
•install new drywall ,tape and mudd			
•prime walls			
•paint two coats			
•Electrician needed to relocate 2 switches where new dividing walls meet existing switches			
•Demo kitchen cabinets and shelving along wall	\$750.00	1	\$750.00
•Patch/repair imperfections on walls			

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DESCRIPTION	RATE	QTY	AMOUNT
Add privacy film over windows/glass	\$400.00	1	\$400.00
<hr/>			
SUBTOTAL			\$17,450.00
OVERHEAD & PROFIT (15%)			\$2,617.50
<hr/>			
TOTAL			USD \$20,067.50

Payment terms:  
• 1st draw: 50%

## **Mando Construction Inc.**

(586) 222-3990 Phone / (586) 226-3050 Fax  
75 Lafayette Street, Suite 100, Mount Clemens, MI 48043  
E-mail – [keith@mandoinc.com](mailto:keith@mandoinc.com)

## PROPOSAL

**Velocity Building  
6633 18 Mile Road  
Sterling Heights, MI 48314**

4/21/2025

Attn: Scott Kalinowski

**Description: Interior Buildout Suite 2G**

- Mando Construction to provide labor and materials to do the following
  - Demo existing cabinets, counters, base etc.
  - Frame steel stud walls to grid to create two separate suites-
  - Drywall and finish with breakaway bead at ceiling- repair all walls
  - Provide and install (2) new 30/68 solid core birch doors with KD frames and lever handled locking hardware.
  - Provide and install tinted film over (2) doors and (1) window.
  - Prime all new walls
  - Paint all doors and trim
  - Paint all walls 2 colors chosen by owners
  - Provide and install approx. 1552 sq ft of LVT flooring over existing flooring
  - Provide and install approx. 400 lineal ft of new vinyl base\_color chosen by owner.
  - Debris to be placed in owner provided dumpster
  - Final clean up upon completion

**\*\*WE ARE LICENSED & INSURED-SATISFACTION GUARANTEED\*\***

We propose hereby to furnish material & labor. — Complete in accordance with the above specifications, for the sum of:

**ACCEPTANCE OF PROPOSAL** – the above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Quasar is responsible for providing permits. Mando Construction will provide permits if desired by Quasar for the additional cost of the permit(s) required. Payment will be made as stated below.

Net 30

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Alexander Contracting

**ESTIMATE**

#EST13

Issued 4/22/2025

FROM

**Alexander Contracting**  
(586)-212-5869  
shanechunn1999@gmail.com

BILL TO

**Velocity/ Room 2G**  
18 Mile Rd  
Sterling Heights, MI 48314  
United States

Description	QTY	Price, USD	Amount, USD
<b>Demo/ Installation</b> -remove cabinets as specified by customer - install four walls and two doorways - Remove & Dispose of old flooring - Install new flooring - Install new base boards - prep/ repair walls for paint	1	\$26,340.00	\$26,340.00
Total			<b>\$26,340.00</b>

**NOTES & PAYMENTS INSTRUCTIONS**

Building Materials will be provided by contractor

01/09/2025 BUDGET REPORT FOR CITY OF STERLING HEIGHTS  
Calculations as of 12/31/2024

GL NUMBER AND ACCOUNT	DESCRIPTION	2023-24 ACTIVITY	2024-25 AMENDED BUDGET	2024-25 ACTIVITY THRU 12/31/24	2024-25 PROJECTED ACTIVITY	2025-26 PROPOSED BUDGET
Dept 040.000 - OPERATING TAXES						
250-040.000-420.001	PROPERTY TAXES - TIF - BAE	0	0	0	0	0
250-040.000-420.002	PROPERTY TAX REFUNDS - TIF	0	0	0	0	0
250-040.000-420.003	LDFA - SMARTZONE CAPTURE	861,699	940,900	636,300	941,950	1,037,450
250-040.000-420.004	LDFA - GENERAL CAPTURE	839,327	961,650	864,100	956,550	1,052,300
Totals for dept 040.000 - OPERATING TAXES		1,701,026	1,902,550	1,500,400	1,898,500	2,089,750
Dept 050.000 - FEDERAL/STATE/LOCAL RETURNS						
250-050.000-529.000	FEDERAL GRANT - OTHER	0	600,000	0	0	0
250-050.000-540.000	STATE GRANTS	182,824	850,000	181,049	1,053,500	907,900
250-050.000-581.000	COUNTY & OTHER LOCAL GRANTS	0	120,000	0	0	0
Totals for dept 050.000 - FEDERAL/STATE/LOCAL RETURNS		182,824	1,570,000	181,049	1,053,500	907,900
Dept 066.000 - OTHER REVENUES						
250-066.000-665.000	INTEREST ON INVESTMENTS	151,969	94,000	81,469	146,150	124,200
250-066.000-665.014	INTEREST INCOME-LDFA TIF	0	0	0	0	0
250-066.000-667.006	RENTAL INCOME SMART INCUBATOR	296,543	291,000	218,573	420,000	400,000
250-066.000-667.009	VELOCITY ROOM BOOKING	0	0	682	0	0
250-066.000-670.001	UNREALIZED GAIN/LOSS	0	0	0	0	0
250-066.000-674.006	CONTRIBUTIONS & DONATIONS	0	0	0	0	0
250-066.000-676.000	REIMBURSEMENTS	0	0	0	0	0
250-066.000-677.000	MISCELLANEOUS REVENUE	0	0	0	0	0
Totals for dept 066.000 - OTHER REVENUES		448,512	385,000	300,724	566,150	524,200
Dept 931.000 - OTHER FINANCING SOURCES						
250-931.000-699.244	TRANSFER FROM EDC FUND	0	0	0	0	0
Totals for dept 931.000 - OTHER FINANCING SOURCES		0	0	0	0	0
ESTIMATED REVENUES - FUND 250		2,332,362	3,857,550	1,982,173	3,518,150	3,521,850
		728.003		2,360,750		1,590,800
		728.005		26,000		357,000
		728.007		913,500		767,900
	EXPENSES			3,300,250		2,715,700
	CHANGE IN FUND BALANCE			217,900		806,150
	FUND BALANCE @ 6/30/24 PER AUDIT					1,869,180
	INCREASE/(DECREASE) IN FB FYE 2025					217,900
	ESTIMATED FUND BALANCE @ 6/30/25					2,087,080
	INCREASE/(DECREASE) IN FB FYE 2026					806,150
	ESTIMATED FUND BALANCE @ 6/30/26					2,893,230