1. Council Meeting Agenda

   Documents:

   12-19-17 FINAL AGENDA.PDF

2. Council Meeting Packet

   Documents:

   DECEMBER 19TH COUNCIL PACKET.PDF

3. Council Action Minutes

   Documents:

   ACTION MINUTES 12-19-17.PDF

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, DECEMBER 19, 2017
7:00 p.m.

I. CALL TO ORDER –

II. ROLL CALL –

Council Member Bashert	P A	Council Member Robb	P A
Mayor Pro-Tem Brown	P A	Council Member Vogt	P A
Council Member Murdock	P A	Mayor Edmonds	P A
Council Member Richardson	P A		

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –

VI. INTRODUCTIONS –

VII. PRESENTATIONS –

- Ypsilanti Housing Commission – Executive Director Zachary Fosler
- 2017-18 Snow Removal Program – Public Services Director Stan Kirton
- STAR Communities – Keith Michalow and Emily Drennen

VIII. AUDIENCE PARTICIPATION –

IX. REMARKS BY THE MAYOR –

X. PUBLIC HEARINGS -

XI. CONSENT AGENDA – Resolution No. 2017-292A

1. Resolution No. 2017-292, approving minutes of November 28, December 5, and December 8, 2017.

2. Resolution No. 2017-293, approving amended 734 Brewery application for liquor license.

3. Resolution No. 2017-294, approving the appointment of Patricia Berry to the Ethics Board.

4. Resolution No. 2017-295, recognizing the Ypsilanti International Elementary School Parent Teacher Organization (YIES) PTO as a non-profit organization operating in the City of Ypsilanti.

5. Resolution No. 2017-296, waiving penalties for failure to file Property Transfer Affidavits.

6. Resolution No. 2017-297, supporting the reinstatement of the Michigan Historic Preservation Tax Credit.

XII. ORDINANCES – FIRST READING –

Ordinance 1299

1. An ordinance to Amend Chapter 2, "Administration", Article VI, Contracts and Purchasing, of the Ypsilanti City Code.

   A. Resolution No. 2017-298, determination
   B. Open public hearing
   C. Resolution No. 2017-299, close public hearing

Ordinance 1300

2. An ordinance to Amend Chapter 30, Article VI, "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 11 and 12 renumber the remaining Divisions and Sections of the Article; and other changes.

   A. Resolution No. 2017- 300, determination
   B. Open public hearing
   C. Resolution No. 2017-301, close public hearing

XIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2017-302, approving STAR Communities Annual Subscription and Certification.

2. Resolution No. 2017-282, approving cooperative agreement between the City of Ypsilanti and the Huron River Watershed.

3. Resolution No. 2017-303, approving Downtown Development Association (DDA) staffing contract.

XIV. LIAISON REPORTS –

A. SEMCOG Update
B. Washtenaw Area Transportation Study
C. Urban County
D. Ypsilanti Downtown Development Authority
E. Eastern Washtenaw Safety Alliance
F. Friends of Rutherford Pool
G. Housing Equity Leadership Team
H. Economic Development Coordinating Committee

XIV. COUNCIL PROPOSED BUSINESS –

XV. COMMUNICATIONS FROM THE MAYOR –

XVI COMMUNICATIONS FROM THE CITY MANAGER –

- Schedule Work Sessions for Mandatory Recycling Ordinance and Relocation of Recycling Drop-off Center
- Schedule Goal Setting Sessions

XVII. COMMUNICATIONS –

- Memo from Beth Ernat regarding the sidewalk gap on Washtenaw Ave. near Dom's Bakery

- Road Diet Project Status Report
- Report on Recommendations on Use of Parking Fine Revenue
- Report on Status of Marketing Plan for Water Street
- Report on Heritage Bridge Status
- Report on Status of Replacement or Repair of Depot Town Clock

XVIII. AUDIENCE PARTICIPATION –

XIX. REMARKS FROM THE MAYOR –

XXII. CLOSED SESSION –

Closed Session to discuss collective bargaining pursuant to MCL 15.268(c).

XXIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2017-304, approving COAM 2017-19 Collective Bargaining Agreement.

2. Resolution No. 2017-305, approving POAM 2017-19 Collective Bargaining Agreement.

3. Resolution No. 2017-306, approving AFSCME 2017-19 Collective Bargaining Agreement.

4. Resolution No. 2017-307, approving IAFF 2017-20 Collective Bargaining Agreement.

XXIV. ADJOURNMENT –

Resolution No. 2017-308, adjourning the City Council meeting.

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XXIV. ADJOURNMENT –

Resolution No. 2017-308, adjourning the City Council meeting.

Resolution No. 2017-192A
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the following items be approved:

1. Resolution No. 2017-292, approving minutes of November 28, December 5, and December 8, 2017.
2. Resolution No. 2017-293, approving amended 734 Brewery application for liquor license.
3. Resolution No. 2017-294, approving the appointment of Patricia Berry to the Ethics Board.
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6. Resolution No. 2017-296, waiving penalties for failure to file Property Transfer Affidavits.
7. Resolution No. 2017-297, supporting the reinstatement of the Michigan Historic Preservation Tax Credit.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Resolution No. 2017-192
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

THAT the minutes of November 28th, December 5th, and December 8th, 2017 be approved.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, NOVEMBER 28, 2017
7:00 p.m.

I. CALL TO ORDER –

The meeting was called to order at 7:05 p.m.

II. ROLL CALL –

Council Member Bashert	Present	Council Member Robb		Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	(7:49)	Present
Council Member Murdock	Present	Mayor Edmonds		Present
Council Member Richardson	Present			

III. INVOCATION –

Mayor Edmonds asked all to stand for a moment of silence.

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –

Council Member Bashert moved, seconded by Mayor Pro-Tem Brown to approve the agenda.

Mayor Edmonds stated there will be a presentation regarding 800 Lowell and the Employee Benefits Contribution presentation will occur at the time of that item on the agenda. Council Member Murdock asked if the Mayor was adding a presentation that was not noticed on the agenda. Economic Development Director Beth Ernat stated the 800 Lowell presentation was on the November 14th agenda but postponed until tonight's agenda. However, it was not included on this agenda. Council Member Murdock asked if the presentation could be made during the December 5th meeting. Ms. Ernat informed Council the individuals are here to present tonight.

Council Member Murdock removed Resolution No. 2017-272, approving purchase of two (2) 2018 Ford Police Interceptors from the Consent Agenda and as the ninth item under Resolutions/Motions/Discussions.

On a roll call, the vote to add a presentation regarding 800 Lowell was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	No
Council Member Murdock	No	Mayor Edmonds	No
Council Member Richardson	No	Council Member Vogt	Absent
Council Member Bashert	No		

VOTE:

YES: 1 NO: 5 (Edmonds, Richardson, Murdock, Robb, Bashert) ABSENT: 1 (Vogt) VOTE: Failed

On a voice vote, the motion carried, and the agenda was approved as amended.

VI. INTRODUCTIONS –

Mayor Edmonds introduced the following individuals; City Manager Darwin McClary, City Clerk Frances McMullan, City Attorney John Barr, Assistant City Attorney Dan DuChene, Police Chief Tony DeGiusti, Human Resources Manager Rebecca Craigmile, Economic Development Director Beth Ernat, Washtenaw County Community and Economic Development Director Andrea Plevek, Washtenaw County Housing and Community Infrastructure Manager Teresa Gillotti, and Fiscal Services Director Marilou Uy.

VII. PRESENTATIONS –

- Affirmatively Furthering Fair Housing Report – Teresa Gillotti, Housing and Community Infrastructure Manager

Economic Development Director Andrea Plevek and Washtenaw County Housing and Community Infrastructure Manager Teresa Gillotti provided a presentation on fair housing.

Mayor Edmonds asked if the data could be differentiated by City and Township. Ms. Gillotti responded the data is categorized using zip codes and would be difficult to make that distinction.

Mayor Edmonds asked if some of the higher density buildings were removed as a variable how it would affect the data. Ms. Gillotti responded the data used for this analysis was provided by HUD and it would be difficult to remove those variables.

Mayor Edmonds asked if employment includes self-employment. Ms. Gillotti responded in the affirmative if is reported as such.

Council Member Bashert asked if the diagram includes where the jobs are located, or where the employee is located. Ms. Gillotti responded where the jobs are located.

Council Member Richardson commented that the hour commute to and from work does not include time spent waiting for the bus.

Mayor Edmonds asked if the training the Convention and Visitors Bureau is giving in the hospitality industry is factored into this data, and if this is considered possible upward economic mobility. Ms. Gillotti responded it is important to know if those taking that training are getting higher paid jobs, prior making that assumption.

Mayor Edmonds asked for recommendations for the Master Plan revision regarding housing. Ms. Gillotti responded possible park improvements in the Leforge neighborhood, or after school programs. Pedestrian linkages at Leforge and Huron River across from Eastern Michigan University, and integrate commercial retail.

Council Member Bashert stated there is greater poverty on the eastside of the county while greater employment opportunities on the westside of the county. People choose to live here because of affordable housing, which accelerates the economic imbalance in the county. She asked how it can shift so that there is a greater mix of affordable housing and economic opportunities. Ms. Gillotti responded the City of Ann Arbor should be increasing its affordable housing stock by 140 units each year for twenty years and Ypsilanti should have more college educated households. Ms. Gillotti stated many would think this is supporting gentrification, but her organization sees it as maintaining college graduates from EMU. There are not many large businesses moving into the eastern part of the county, however, there are small business moving to this area.

Council Member Murdock stated affordability in Ann Arbor is different than affordability in Ypsilanti. Ms. Gillotti responded her organization defines affordable as 60% of the median average income of the county. Mr. Murdock replied 60% of the median average income is around $80,000. Ms. Gillotti stated it is not that high. Council Member Robb stated it is $80,000 for a family of four and $54,000 for a single person. Ms. Gillotti responded it is up to that amount but it does not need to be at that threshold, and explained it is a balancing act. Mr. Murdock stated the way the system is designed is the areas that accept vouchers are in the economically depressed areas rather than spread throughout the county.

Council Member Murdock stated there are two census tracts, or neighborhoods, in Ypsilanti that are considered in the poverty threshold. Starting in 1960 there were policy which created the current racial demographic composition of those neighborhoods. He asked what these neighborhoods will look like if the county's recommendations are implemented. Ms. Gillotti responded it would be great to ask that neighborhood what they would want it to look like, but the intention is to have higher household incomes, not change the racial composition of neighborhoods.

Council Member Richardson asked if Section 8 Vouchers can be used for home purchase. Ms. Gillotti responded in the affirmative. She explained there is a voucher to purchase program provided by the Ann Arbor Housing Commission. The purchaser still needs to qualify for a loan but they can use their voucher to pay their mortgage payment. Ms. Richardson asked if there is assistance available for people who have purchased a home and are unable to make mortgage payments. Ms. Plevek responded it depends on income level for what options are available, the best point of contact for those options is the county treasurer.

Council Member Robb stated he sees this as an observational report that makes recommendations, but does not provide insight into how to accomplish those recommendations. He asked how to use these tools outlined to increase owner occupied homes. Mayor Edmonds responded Ypsilanti Township works closely with Habitat for Humanity to stabilize neighborhoods. Mr. Robb responded the city has been using its Community Development Block Grant funds for twelve years to install ADA ramps, with no plans to commit that money to other things. He asked if Ypsilanti Township is using its CDBG funds for their neighborhood stabilization program, or are they applying for funds through this county program. He asked what the city is not doing to take advantage of these programs. Ms. Edmonds responded the city could implemented the same tax foreclosure-Habitat for Humanity strategy. Mr. Robb stated it was his understanding Habitat wanted to concentrate on new construction, rather than rehab projects. Ms. Gillotti replied Habitat will do a rehab project as long as it makes economic sense. She added Ypsilanti Township has used General Fund dollars to subsidize Habitat in acquisition development-rehab program. In turn Habitat will apply for county home dollars and use those funds in Ypsilanti Township. Mr. Robb asked who manages the metrics of this strategies for effectiveness. Ms. Gillotti responded the County Office of Community and Economic Development and Urban County. Mr. Robb asked how Ypsilanti would be rated on any of these strategies. Ms. Gillotti replied analysis will begin in 2018 when reports are made regarding these goals.

- ~~Employee Benefits Contributions – Rebecca Craigmile, HR Manager~~ **(Moved to Section XII)**

- Roadside Marijuana Testing – Tony DeGuisti, Police Chief

Police Chief Tony DeGiusti provided a presentation regarding roadside marijuana testing.

Mayor Pro-Tem Brown asked for what five drugs are being tested. Chief DeGiusti responded he does not have the list but will forward that information to Council.

Council Member Bashert asked how the long is the pilot. Chief DeGiusti responded one year. Ms. Bashert asked how it will be decided to continue the program. Chief DeGiusti responded the program is being run by the state police, and they will decide the metrics. Mayor Pro-Tem Brown asked when the test year begins. Chief DeGiusti responded the test begin at the beginning of November.

Mayor Edmonds stated only Sargent Anderson is able to perform this test. Chief DeGiusti responded in the affirmative. Ms. Edmonds asked if a person can refuse the test. Chief DeGiusti responded in the affirmative, but like the preliminary breath test it is a civil infraction to refuse. He added when a person is given their driver's license they give implied consent to alcohol and drug testing.

Mayor Pro-Tem Brown asked if the program works well and it is implemented statewide will every officer need to go through training. Chief DeGiusti responded he does not have the answer to that question.

Mayor Edmonds asked how this will affect a person with a medical marijuana card. Chief DeGiusti responded a medical marijuana card does not give you the right to drive while intoxicated.

Mayor Edmonds asked how the results will be categorized. Chief DeGiusti responded there will be a range. Ms. Edmonds asked are there legally acceptable levels. Chief DeGiusti responded in the State of Michigan there are not acceptable levels.

Council Member Murdock stated with minimal staff levels he can think of better uses of staff time. He is worried about potential abuse of this program, in terms of profiling. Chief DeGiusti responded this will not take any time away from other duties, the test only takes minutes to perform. He said this could in fact save time because rather than needing to administer a blood test for drugs, which needs to be complete in a hospital, this can be done on the road. Mr. Murdock stated several years ago a charter amendment was passed which directed the police department to not actively seek out those abusing marijuana, and asked what this test would do to the application of that amendment. Chief DeGiusti responded a person does not have a medical marijuana card it is still illegal to possess. He added there is nowhere to look to see if a person has a medical marijuana card in order to profile. Mayor Edmonds asked if Council Member Murdock was referencing racial profiling. Mr. Murdock responded in the affirmative, and said he understands it is the behavior is what gets a person pulled over, but a person can be pulled over for a taillight being out and tested for this. Chief DeGiusti replied a person being pulled over for a taillight would not necessarily be tested. What is important is what the officer observes during that traffic stop, there must be some indication the driver is intoxicated. Mr. Murdock asked if other officers would be trained. Chief DeGiusti responded not at this time.

Mayor Edmonds asked if there are datasets for this testing that could be reviewed by the newly approved Police Advisory Commission. Chief DeGiusti responded the department doesn't really collect traffic stop data, but since this is a pilot program there will be reports Sgt. Anderson is create.

Council Member Murdock asked if there is a test for texting and driving. Chief DeGiusti responded he wishes there was.

Council Member Robb asked how many times this equipment has been used since its implementation twenty-eight days ago. Chief DeGiusti responded once.

Council Member Bashert is concerned that a person with a medical marijuana card is pulled over for an unrelated incident and a police officer feels a need to administer the test. They are a number of drugs in the cannabis plant, some that cause intoxication and some that do not. She asked if this machine will differentiate between those different substances.

Chief DeGiusti responded the instrument reads levels of THC, which is the intoxicant in the cannabis plant. Ms. Bashert replied she is not certain if that answers her concern because she is not an expert on the matter.

- Police Recruiting – Tony DeGuisti, Police Chief

Chief DeGiusti presented on police recruiting tactics, and possible strategy alternatives.

Mayor Edmonds asked what other departments in the state have are allowing individuals to apply without having graduated from the police academy. Chief DeGiusti responded Grand Rapids.

Council Member Bashert asked if a goal could be made to hire from within the city. Chief DeGiusti responded the department would like to attract the best applicants as possible, and currently the department recruits EMU students. Ms. Bashert stated she isn't recommending this because of loyalty to the residents of the city, but to increase longevity in officer's time with the city. Also, there is a high level of unemployment in the city and a need for jobs. Chief DeGiusti replied a person with familiarity to the city would have an edge on applicants the do not. He added the department could employee similar point structure as it does with veterans for local applicants. Ms. Bashert stated hiring local would assist in keeping money in the city, and help a family in the city. Chief DeGiusti stated he is not opposed to the suggestion, however, it is more common for a younger hire to not stay with that organization for the tenure of their career.

Council Member Robb stated if the city funds a person to attend the academy they will need to work with the Ypsilanti Police Department for a certain number of years. Chief DeGiusti responded the Attorney's Office is already looking into what can be legally done in that scenario.

VIII. AUDIENCE PARTICIPATION –

1. David Blakley, President of AFSCME Local 623 and employee of the Department of Public Services, stated the city is currently engaged in contract negotiations and have been told there is no way Council would approve of a wage increase for its members. The bargaining unit has not seen a wage increase in the past several years even while other bargaining units have seen an increase. He said DPS currently has five supervisors for sixteen workers, the Clerk/Treasury has three supervisors to one worker, Fiscal Services ratio is one to one, and the Police Department has eleven supervisors to thirteen road patrol. The DPS has been paying a contracted employee $20,000 a year for eight years. He was told recently the city is considering a $125,000 software purchase, and if there is funding for this access he asked Council to grant a wage increase for the bargaining unit.

2. Greg Swafford, Contract Negotiator and Union Steward for AFSCME and Parking Enforcement Officer, stated he recognizes and is understanding of the city's financial condition. The healthcare aspect of the contract has helped to justify not receiving wage increases, and now the city is proposing to reduce these benefits. He asked Council to take careful consideration when making decisions on healthcare later on this agenda.

3. Quinn Phillips, Ypsilanti Resident, concerned with testing methods for marijuana. It is historically not accurate that Millennials are loyal. She explained it is difficult to recruit because of the racism found in police departments. Supported moving forward with the community benefits ordinance and providing affordable housing. Encouraged using funds created by the passage of the recent millage for mental health and public safety for a warming center. Opposed working with Amy Foster and a large scale development for Water Street. Asked when the public will be updated regarding the investigation of funding for the China trip.

4. Rae stated LED lights disrupts melatonin and can cause issues with sleep. Stated the Fair Housing Report states it is illegal to discriminate people based on race and disability, but it is legal to

discriminate based on income. Landlords require a person make three to four times the amount of rent, which is especially difficult for people with disability.

5. Lee Tooson, 107 Middle, stated the city cut down a tree at 317 E. Ainsworth and damaged her fence, and has since been trying to get the city to repair her fence. The individual living at 459 E. Ainsworth has requested a tree limb protruding over her home that is rotting her roof. These are the same individuals he had to convince to vote for a millage, and are not being provide services. The people should know how city funds are used. Years ago a City Manager left Council Chambers because allegations, however, he did return, but Council dealt with him. Last meeting the City Manager left a meeting and there were things on the agenda that concerned him. He expects Council to treat him just like the City Manager was treated years ago. He said he voted for the Non-Discrimination Ordinance and fought to have it approved, and the City Manager needs to have thicker skin. The same can be said for elected officials.

6. Amy Shrodes, Ypsilanti Resident, stated she would like to see the funds created by the recent millage for mental health and public safety for a warming center. The investigation into the funding of city official's trip to China is still ongoing, and asked why the Police Chief's salary was not questioned because he was paid while on this trip.

7. Liz Dahl-MacGregor, 103 N. Lincoln, thanked Council for moving forward with the community benefits ordinance. She stated commissions should be able to select their own delegate to represent that commission for the CBO. She added the city should put that into regular practice.

8. Kyle Hunter, Ypsilanti Resident, stated the former Farmer Jacks building at Golfside and Washtenaw has been abandoned for more than a decade. He asked Council to reach out to the township in order for that building to be used again as a grocery store.

9. Nathanael Romero expressed support for the community benefits ordinance. Stated boards and commissions need to be empowered, and applauded the mayor for appointing a number of great individuals to those bodies.

IX. REMARKS BY THE MAYOR –

— Informed Mr. Hunter she would be happy to discuss the need for grocery store in the Ypsilanti area.

— Appreciated comments about warming centers and the community benefits ordinance.

Council Member Bashert stated there are eight warming centers either in, or on the edges of the City of Ypsilanti. However, none of the centers are overnight which is a massive gap. She informed Mr. Tooson she was the chair of the Non-discrimination Ordinance Campaign twenty years ago and remembers exactly what he did twenty years ago. She said both the yes and no sides thought Mr. Tooson supported them. However, she appreciates his support now.

X. PUBLIC HEARINGS -

1. Approving a request for a new Class C License with a Dance/Entertainment permit for Harmony Lane, LLC located at 17 N. Washington.

   A. Resolution No. 2017-264, determination.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, Melinda Ann O'Neill, owner of Harmony Lane, LLC has applied to the Ypsilanti Downtown Development Authority, City of Ypsilanti and Michigan Liquor Control Commission requesting the following:

Approval of a New Class C license with a Dance/Entertainment permit, A New Class C license, as defined by MCL 436.1521(a)(1)(b), is a place licensed to sell, at retail, beer, wine, mixed spirit drink, and spirits for consumption on the premises, at 17 North Washington St, Ypsilanti, MI 48197, Washtenaw County; and

WHEREAS, a public hearing to consider the application to New Class C for Harmony Lane, LLC was duly noticed and held on November 28, 2107

NOW, THEREFORE, BE IT RESOLVED THAT the request of Melinda Ann O'Neill owner of Harmony Lane, LLC for the property located at 17 North Washington, be approved contingent upon approval by the Washtenaw County Health Department, Building Department and Fire Department Review.

OFFERED BY: Mayor Pro-Tem Brown
SECONDED BY: Council Member Vogt

Ms. Ernat introduced Melinda O'Neill, and stated staff is excited to have a business moving into 17 N. Washington in the downtown.

Ms. O'Neill stated she is very familiar with the city and was children in the Ypsilanti School Soon. She explained her business plan for the former club divine space.

Mayor Edmonds was pleased to see the business plan includes using local suppliers and hiring locally.

B. Open public hearing.

1. Amy Shordes, Ypsilanti Resident, asked if a night could be sent aside in which alcohol is not served to be used as a community space.

C. Resolution No. 2017-265, close public hearing.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

THAT the public hearing to consider the proposed Redevelopment Liquor License for Harmony Lane, LLC located at 17 North Washington be officially closed.

OFFERED BY: Mayor Pro-Tem Brown
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the public hearing was closed.

Council Member Murdock asked if a redevelopment liquor license must stay with the building. Ms. Ernat responded in the affirmative, and explained if the license holder were to leave this location it would be available to another tenant. Mr. Murdock asked if the Downtown Development Authority would need to reapprove the license. Ms. Ernat responded in the

affirmative. Mr. Murdock asked if a redevelopment liquor license could be sold. Ms. Ernat responded no. Mr. Murdock asked if the building owner would have any control over the license. Mr. Ernat responded no.

On a roll call, the vote to approve Resolution No. 2017-264 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

XI. CONSENT AGENDA – *Resolution No. 2017-266*

1. Resolution No. 2017-267, approving Ordinance 1296, an ordinance to amend Ypsilanti City Code Chapter 6, "Alcoholic Liquor" to be consistent with State Law and setting forth the penalties. ***(Second Reading)***

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   That an ordinance entitled " AN ORDINANCE TO AMEND YPSILANTI CITY CODE CHAPTER 6 "ALCOHOLIC LIQUOR" TO BE CONSISTENT WITH STATE LAW AND SETTING FORTH THE PENALTIES" be approved Second and Final Reading.

2. Resolution No. 2017-268, approving Ordinance 1297, an ordinance to amend Chapters 14 "Animals"; Chapter 22 "Businesses", and Chapter 102 "Traffic and Vehicles" of the Ypsilanti City Code relating to internal references to Chapter 122 "Zoning". ***(Second Reading)***

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   That an ordinance entitled "An ordinance to amend Chapters 14 "Animals", 22 "Business," and 102 "Traffic and Vehicles" of the Ypsilanti City Code relating to internal references to Chapter 122, "Zoning" of the Ypsilanti City Code" be approved on Second and Final Reading.

3. Resolution No. 2017-269, approving Ordinance 1298, an ordinance to amend Chapter 7, "Medical Marijuana" of the Ypsilanti City Code. ***(Second Reading)***

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   That an ordinance entitled "An ordinance to amend Chapter 7 "Medical Marijuana" of the Code of Ordinances of the City of Ypsilanti" be approved on Second and Final Reading.

4. Resolution No. 2017-270, approving the minutes of November 13th and November 14th, 2017.

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   THAT the minutes of November 13th and November 14th, 2017 be approved.

5. Resolution No. 2017-271, authorizing the Finance Department to proceed in processing payments to cover the Ypsilanti Fire Department's YFD Engine-3 equipment damages.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, The City of Ypsilanti Fire Department Engine-3 damages have all been repaired from the accident that occurred on May 29, 2017; And,

WHEREAS, The City of Ypsilanti received an insurance reimbursement check on August 7, 2017 from the Michigan Municipal League in the amount of $190, 344.48 for the damages and towing of the Ypsilanti Fire Department Engine-3; And,

WHEREAS, The total amount of $190,344.48 was deposited in account # 641-4-9340-682-00; And,

WHEREAS, The total amount of $185,850 will be paid to Spartan Motors USA, Inc. DBA Spartan ER to cover Engine-3's complete body replacement from 641-4-9340-682-00; And,

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council authorizes the Finance
Department to proceed in processing payments to cover the Ypsilanti Fire Department's YFD Engine-3 equipment damages.

OFFERED BY: Council Member Bashert
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the Consent Agenda was approved.

6. ~~Resolution No. 2017-272, approving purchase of two (2) 2018 Ford Police Interceptor.~~ **(Moved and Heard During Section XII)**

XII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2017-276, approving an extension to the purchase agreement for 400 N. River (Thompson Block).

RESOLUTION TO APPROVE ENTERING INTO AN AMENDMENT TO PURCHASE AGREEMENT FOR THE SALE OF CITY-OWNED RIGHT-OF-WAY

WHEREAS, The City of Ypsilanti approved a Real Estate Purchase Agreement dated May 17, 2017 for the purpose of conveying its rights-of-way for the redevelopment of a historic building; and

WHEREAS, the subject parcels are located on or about 400 N. River Street, ID#11-11-04-495-024; and

WHEREAS, a purchase agreement has been approved and outlines an access easement for public sidewalk to be reserved, use restrictions on the property, the sale price of $1, and the reversion of the property if the development is not completed within five year; and

WHEREAS, the amendment to the purchase agreement extends no later than December 31, 2017; and

WHEREAS, this redevelopment of the property known as the Thompson Block would not be historically accurate without the additional rights-of-way.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that the City Council authorizes the Mayor of the City of Ypsilanti to enter into the amendment to the purchase agreement with The Original and Only Thompson Block, LLC.

OFFERED BY: Council Member Murdock
SECONDED BY: Council Member Richardson

Ms. Ernat provided a synopsis of the reason for the request.

Council Member Murdock asked what will happen to the parking spaces along River St. Ms. Ernat responded those spaces will be removed. Mr. Murdock stated the parking requirements were waived for this project, and now two additional spaces will be removed.

On a roll call, the vote to approve Resolution No. 2017-276 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

2. Resolution No. 2017-277, directing staff to install speed bumps on Ferris Street between W. Ainsworth and S. Hamilton.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

Whereas residents have complained about cut through and speeding traffic on Ferris Street between W. Ainsworth and S. Hamilton; and

Resolved by the City Council of the City of Ypsilanti that speed bumps be placed on Ferris Street between W. Ainsworth and S. Hamilton.

OFFERED BY: Council Member Richardson
SECONDED BY: Mayor Pro-Tem Brown

Mayor Edmonds asked what the reasoning was behind selecting speed bumps over a stop sign. Council Member Richardson stated the Department of Public Services felt a stop sign was not necessary, however she disagreed. She said Chief DeGiusti informed her speed bumps would be more effective for speed control at that location.

On a roll call, the vote to approve Resolution No. 2017-277 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

3. Resolution No. 2017-278, approving Request for Proposal (RFP) for parking support and infrastructure.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI THAT:

WHEREAS, the Ypsilanti City Council amended Ypsilanti City Code Section 102-81 to establish a Parking Violations Bureau for the purpose of handling all alleged parking violations within the City of Ypsilanti pursuant to the Revised Judicature Act, Public Act 154 of 1968, as amended (MCL 600.8395); and

WHEREAS, the Ypsilanti City Council adopted resolution No. 2016-005, approving the rules of the Parking Violations Bureau; and

WHEREAS, since its inception, the Parking Violations Bureau and enforcement officers have been utilizing Courts and Law Enforcement Management Information System ("CLEMIS") for its hardware and software needs; and

WHEREAS, CLEMIS has advised that they are phasing out its hardware for parking violations and has encouraged agencies to find other solutions to the parking needs; and

WHEREAS, the City is interested in contracting with a third-party capable of supporting the Parking Violations Bureau's need for hardware and software support, particularly to provide handheld devices and printers; software to track, find, store and share data between devices and agencies within the City, Courts and State of Michigan; and for increased efficiency, including the issuance of notices for payment of outstanding violations;

NOW THEREFORE BE IT RESOLVED that staff of the City and the Parking Violations Bureau is directed to issue the attached request for proposals to locate a third-party to provide such services, with a proposed contract from the successful bidder to be approved by City Council.

OFFERED BY: Council Member Robb
SECONDED BY: Council Member Vogt

Council Member Robb stated he wants this RFP to written that is clear the fee they receive will not come out of the city's money. Assistant City Attorney Dan DuChene responded the fee schedule will need to be amended. Mr. Robb understood, but the RFP needs to be drafted so it is clear what the city wants. Mr. DuChene responded he will make the amendments to the RFP, but cannot dictate how companies will submit their proposals. Mr. Robb responded what will happen if none of the proposals fit what the intended process. Mr. DuChene asked if Council wanted a per ticket fee schedule. Mr. Robb stated the majority of companies want a percentage of the fine collected, and he wants to make sure that does not come from the city's revenue. Council Member Vogt stated that intention should be expressed to potential bidding companies.

Mayor Edmonds asked if the city changes parking meter technology would this system link. Mr. DuChene responded the process should be the same regardless of technology. Parking Enforcement Officer Sandi Rogala suggested the handhelds include a camera to assist in recording evidence for ticket appeals.

Council Member Bashert asked that parking enforcement have a backup handheld device in case one is damaged. Mr. DuChene stated he would make that change. Ms. Bashert stated there is a problem with broken meters in the city. Mr. DuChene relied that would be a different issue.

On a roll call, the vote to approve Resolution No. 2017-278 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

4. Resolution No. 2017-279, approving proposed 2018 Council meeting schedule.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

The Ypsilanti City Council will hold Regular Meetings at 7:00 p.m. in the City Council Chambers, located at One South Huron Street, Ypsilanti, Michigan 48197, for the year 2018 on the following dates:

January 9	**July 17**
January 23	**August 14**
February 6	**August 28**
February 20	**September 11**
March 6	**September 25**
March 20	**October 2**
April 3	**October 16**
April 17	**November 12 (Organizational)**
May 1	**November 13**
May 15	**November 27**
June 5	**December 4**
June 19	**December 18**

The City of Ypsilanti encourages persons with disabilities to participate and will provide necessary reasonable auxiliary aids and services, such as signed for the hearing impaired, Limited English Proficiency (LEP) services, and audios of printed materials being considered at the meeting to individuals with disabilities upon two

(2) days notice to the City. Individuals with disabilities requiring auxiliary aids or services should contact the City by writing or calling the following:

City Clerk's Office
One South Huron Street
Ypsilanti, Michigan 48197-5420
(734) 483-1100

All persons are welcome to attend. Additional information may be obtained at the City Clerk's Office and written comments may be sent to the City Clerk's Office at the above listed address.

OFFERED BY: Mayor Pro-Tem Brown
SECONDED BY: Council Member Vogt

City Clerk Frances McMullan noted the August dates were moved to the second and fourth Tuesdays because of an election and carried it on through October. Ms. McMullan suggested either moving the November meeting from the 6th to the 8th or the 13th.

Mayor Edmonds asked when the Council Organizational Meeting would be held. Ms. McMullan responded it is not a part of this approval it would be scheduled at a later date. Ms. Edmonds suggested scheduling the meeting as a part of this approval.

Council Member Richardson preferred to meet on the first and third Tuesdays except when it is necessary hold meetings on different dates. Ms. McMullan responded in the affirmative. Mayor Edmonds suggested keeping the second and fourth Tuesdays in September because of Labor Day.

Mayor Edmonds suggested striking the July 3rd meeting.

On a roll call, the vote to approve Resolution No. 2017-279 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

5. Resolution No. 2017-280, approving FY 2018-19 Budget Preparation Calendar.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti FY 2018-19 budget preparation process will commence in December 2017; and

WHEREAS, it is necessary to adopt a budget preparation schedule to assist in maintaining an appropriate schedule to ensure that all tasks related to the preparation and adoption of the budget are completed timely and in compliance with city charter and state law;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the city council does hereby adopt the FY 2018-19 Budget Preparation Calendar as prepared and presented by the City Manager.

OFFERED BY: Council Member Bashert
SECONDED BY: Mayor Pro-Tem Brown

On a roll call, the vote to approve Resolution No. 2017-280 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

6. Resolution No. 2017-282, granting The Plato Law Firm City Council's power to issue subpoenas, administer oaths, take testimony, and require production of documents and other evidence as part of the investigation of the China trip.

RESOLUTION TO DELEGATE SUBPOENA POWER TO THE PLATO LAW FIRM FOR INVESTIGATION OF THE TRIP TO CHINA BY CERTAIN CITY COUNCIL MEMBERS AND EMPLOYEES

IT IS RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI THAT:

WHEREAS, the City Council has the authority to issue subpoenas, administer oaths, take testimony, and require the production of documents and other evidence pursuant to MCL 117.4j(3) and sections 2.06 and 2.07 of the Charter of the City of Ypsilanti; and

WHEREAS, the City Council has retained The Plato Law Firm to investigate the trip to China taken by Mayor Amanda Edmonds, Mayor Pro-Tem Nicole Brown, Police Chief Tony Deguisti, and Economic Development Director Beth Ernat in late-September through early-October 2017 ("the China trip"); and

WHEREFORE, IT IS RESOLVED THAT the City Council hereby grants and delegates to The Plato Law Firm the City Council's power to issue subpoenas, administer oaths, take testimony, and require the production of documents and other evidence on the Council's behalf as part of its investigation of the China trip. The Plato Law Firm is also hereby directed and granted permission to use the attached subpoena form while investigating the China Trip on behalf of the City Council.

BE IT FURTHER RESOLVED THAT, subpoenas are to include, but are not limited to:

1) Deposits and expenditures regarding China trip from Michigan First Credit Union including, but not limited to the Chinese Student and Scholars Association of Wayne State and Youngs Travel and the Chinese Student and Scholars Association of Wayne State and Global Capital Group, LLC.

2) Receipts from Youngs Travel between, but not limited to the Chinese Students and Scholars Association of Wayne State and Global Capital Group, LLC

3) Deposits and expenditures regarding China trip between, but not limited to Global Capital Group, LLC and the Chinese Consulate.

4) Email or any communications relative to the transactions previously mentioned sent or received by Youngs Travel, the Chinese Students and Scholars Association of Wayne State (and their representatives), Ms. Amy Xue Foster, and Wayne Hoffman.

OFFERED BY: Council Member Bashert
SECONDED BY: Council Member Richardson

Council Member Murdock asked when Council will receive an update on the investigation, and when will it become involved in the process. City Attorney John Barr responded he received a communication requesting the firm be granted subpoena power, for non-city employees. Interviews are being scheduled for the beginning of December for city employees. He added special counsel, at this point, has reviewed written material. Council Member Robb stated Council takes action through resolution, and has approved no resolution directing the investigation. He asked what is Plato Law Firm investigating and when does Council get involved and provide direction. He is reluctant to provide blanket subpoena power without providing direction for the investigation. He asked should Council submit a resolution during the December 5th meeting approving that direction. Mr. Barr replied Council could approve a resolution, but the direction at this time is to investigate funding of city officials trip to China.

Council Member Murdock stated the Mayor and Mayor Pro-Tem could not participate in discussion regarding discussion on this investigation. He asked why they are allowed to participate in discussion regarding approving subpoena power for special counsel. Mr. Barr replied if Council is concerned he recommends the Mayor and Mayor Pro-Tem recuse themselves from the vote. Mr. Murdock stated he was hoping the Mayor and Mayor Pro-Tem would have offered to do that prior to discussion. Mayor Edmonds responded she asked prior to the beginning of discussion. Mayor Pro-Tem Brown interjected she already informed Council she would abstain from the vote. Ms. Edmonds agreed.

Council Member Robb stated this is Council's investigation and he has no idea the status and Council has not been involved.

Council Member Richardson stated when Council first discussed hiring an outside firm to perform this investigation prior to the releasing of a Request for Proposals (RFP) Council outlined what it wanted special counsel to do. Her understanding was Council would have subpoena power and it could extend that power to special counsel. She does not understand why Council Members Murdock and Robb do not know what special counsel will investigate. Council Member Bashert agreed. Council Member Robb stated the specifics of the investigation were never codified.

Council Member Bashert stated she is also confused by Council Members Robb and Murdock's questions regarding the investigation. Council performed hearings on the city officials who went on the trip and the City Manager and an outside law firm was hired to complete the investigation. She said it should be clear what special counsel is investigating and it should be moved forward. Council Member Robb stated a resolution was only passed to release an RFP. Ms. Bashert stated Council would have had more input into the process of the law firm had it voted to select a law firm, however, the resolution failed to be approved. That failure took City Council out of the process and now the investigation is staff generated.

Council Member Richardson reiterated Council wanted an outside counsel to investigate.

City Manager McClary stated during the October 3rd Council meeting a resolution was adopted directing the RFP to be prepared and issued, and the City Manager be charged to hire an outside law firm. After its approval he expressed he had concerns selecting the law firm because he was being investigated. Because of that he submitted a resolution to select a law firm for Council's approval, however, Council subsequently took no action. Since no action was taken he was subject to the previously approved resolution and he moved forward with special counsel selection.

Council Member Vogt asked if language could be added to this resolution that would satisfy the Council Members who take issue with this resolution.

Council Member Richardson Called the Question.

On a roll call, the Call the Question for Resolution No. 2017-282 was as follows:

Mayor Pro-Tem Brown	Abstain	Council Member Robb	No
Council Member Murdock	No	Mayor Edmonds	Abstain
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 3 NO: 2 (Robb, Murdock) ABSENT: 0 ABSTAIN: 2 (Edmonds, Brown) VOTE: Failed

Council Member Robb agreed with Council Member Vogt he could be satisfied if language were added to this resolution. He said what he cares about are the financial transaction, who knew what and when doesn't matter because Council only has power is if there was an ethical violation. He said he would be willing to being a resolution during the December 5th meeting granting Plato Law Firm specific subpoena power.

Council Member Richardson proposed to draft a resolution now so this doesn't lengthen the investigation.

Council Member Vogt moved, seconded by Council Member Bashert to extend the meeting to midnight.

On a voice vote, the motion carried, and the meeting was extended.

Council Member Robb suggesting adding the following to the resolution; "*BE IT FURTHER RESOLVED THAT, subpoenas are to include, but are not limited to: 1) Deposits and expenditures regarding China trip from Michigan First Credit Union including, but not limited to the Chinese Student and Scholars Association of Wayne State and Youngs Travel and the Chinese Student and Scholars Association of Wayne State and Global Capital Group, LLC. 2) Receipts from Youngs Travel between, but not limited to the Chinese Students and Scholars Association of Wayne State and Global Capital Group, LLC 3) Deposits and expenditures regarding China trip between, but not limited to Global Capital Group, LLC and the Chinese Consulate."* He asked if there is any other information that should be added to resolution. Council Member Murdock suggested adding emails and other communication from the already listed organizations.

Council Member Vogt stated what is decided now does not limit authority given to Plato Law Firm for this investigation. Council can approve additional subpoena authority if needed for the investigation.

Council Member Richardson suggested adding "any other pertinent information pertaining to the China Trip" as language to the resolution. Council Member Vogt stated he is concerned that addition would be undefinable, it is broad and the subpoenas should be limited to financial transactions. Ms. Richardson responded she does not want to narrow the investigation, which could cause some evidence to go unfound.

Council Member Robb moved, seconded by Council Member Murdock to add the following language to the resolution "BE IT FURTHER RESOLVED THAT, subpoenas are to include, but are not limited to: 1) Deposits and expenditures regarding China trip from Michigan First Credit Union including, but not limited to the Chinese Student and Scholars Association of Wayne State and Youngs Travel and the Chinese Student and Scholars Association of Wayne State and Global Capital Group, LLC. 2) Receipts from Youngs Travel between, but not limited to the Chinese Students and Scholars Association of Wayne State and Global Capital Group, LLC. 3) Deposits and expenditures regarding China trip between, but not limited to Global Capital Group, LLC and the Chinese Consulate. 4) Email or any communications relative to the transactions previously mentioned sent or received by Youngs Travel, the Chinese Students and Scholars Association of Wayne State (and their representatives), Ms. Amy Xue Foster, and Wayne Hoffman.

Mr. McClary stated he is confused to why Council wishes to limit the scope of special counsel's investigation. He asked if Council has made a determination as to whether there was any impropriety on the part of city staff or the two Council Members because the integrity of those individuals have been called into question. He does not feel the scope of special counsel should be limited because he wants to know who knew what and when they knew it and who funded the trip. He believes this investigation will show no one within the City of Ypsilanti did anything improper. He believes a complete investigation would assist in repairing the public trust of city officials.

Council Member Vogt proposed to include any emails or communications from the five city officials. Council Member Robb replied Council has already been given those communications. Mr. Vogt responded he suggested that to allow special counsel the ability to subpoena anything it feels is missing. Mr. Robb responded his amendment does not limit the investigation, he just wants to be certain these specifics are answered.

Council Member Bashert stated she finds the amendment redundant and a waste of time, however, she will vote for it to move the process forward.

Council Member Murdock stated there is nothing in the amendment that limits Plato Law Firms subpoena power, it just provides direction to find answers to these particular issues.

On a roll call, the vote to amend Resolution No. 2017-282 was as follows:

Mayor Pro-Tem Brown	Abstain	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Abstain
Council Member Richardson	No	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 4 NO: 1 (Richardson) ABSENT: 0 ABSTAIN: 2 (Edmonds, Brown) VOTE: Carried

Council Member Richardson moved amendment to allow special counsel freedom to investigate what is needed and not impose a limit.

There was no support for the amendment.

Council Member Richardson stated she is disappointed in Council. Council claims to want answers to this issue but just voted to limit the investigation. She stated to let special counsel do its job. Council Member Vogt responded this is one step in a process and not the only step, nor necessarily the final step.

On a roll call, the vote to approve Resolution No. 2017-282 was as follows:

Mayor Pro-Tem Brown	Abstain	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Abstain
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 5 NO: 0 ABSENT: 0 ABSTAIN: 2 (Edmonds, Brown) VOTE: Carried

7. Discussion - Community Benefits Ordinance.

Mr. DuChene provided a brief synopsis regarding the community benefits ordinance.

Mayor Edmonds stated the CBO would cover city owned property plus other developments asking for incentives. She asked if it would cover property not asking for incentives. Mr. DuChene responded no, and explained if a purchaser is paying market rates the CBO would not apply. Ms. Edmonds stated she would like to see Water Street be added explicitly to the ordinance. Mr. DuChene responded in the affirmative, but if a fair market rate is given for Water Street it would be difficult to ask for additional benefits.

Council Member Murdock asked if the city will have community benefits agreements for all the projects awarded Obsolete Property Rehabilitation Act (OPRA) grants in the downtown. Council Member Robb responded he hopes this ordinance could be written and Council could waive the CBA.

Mayor Edmonds stated the scale of some of the rehabilitation projects occurring in the downtown require a decent amount of investment. She hopes the ordinance would be scaled appropriately.

Council Member Murdock stated a lot of research he has completed CBOs are based on investment not incentives. Mr. DuChene responded the triggering mechanism he researched was based on incentives requested. Mr. Murdock suggested a CBO based on a combination of both investment and incentives. Ms. Ernat stated she has a list of incentives that could be awarded by Council.

Mayor Edmonds stated the next step is to provide Council the list of incentives and what the city can legally do. Then provide some examples for each scenario.

Council Member Murdock stated the Downtown Development Authority can award $15,000 grants to complete a project. Ms. Ernat responded that is not an incentive from the city. Mr. DuChene the city has no authority of approval for that grant.

Council Member Bashert asked if a ratio between the investment and incentive could be used as a trigger. Ms. Ernat responded it would be difficult to quantify. Mayor Edmonds stated she is concerned in getting in that type of valuation. Ms. Ernat stated the best mechanism they have found is a sliding scale. The request should match the incentives. Ms. Bashert asked how much of an investment is being made for the Thompson Block project. Council Member Robb responded around $1 million. Ms. Bashert stated a CBO could have been a great project to use this. Ms. Ernat responded the city's incentive for that project was relatively low. She explained a brownfield TIF is an incentive but it is reimbursement only, so it must include an eligible project. It essentially reimburse the developer for investment into the cleanup of the site.

Mayor Edmonds suggested the representation should be specifically specified, including geographical neighbors to the project. Ms. Ernat responded representation would need to come from that district.

Council Member Bashert felt it would be too confusing to focus on both incentives and investment. She suggested consider only incentives act as triggers for the CBO. Mr. DuChene responded he does not disagree, but Council will need to provide direction on the incentive amount. Mayor Edmonds replied Council would need to see a list of examples in order to provide the direction. Ms. Bashert added a clause could be added that would provide Council could not apply the ordinance if it is not appropriate.

Ms. Ernat provided a synopsis of what possible triggers there could be for a CBA.

Council Member Robb stated the $75,000 in investment for a redevelopment liquor license is in a span of five years not necessarily an upfront cost. The investment could have been completed by the previous owner.

Council Member Murdock stated if the city requires hiring local there must be a way to monitor that.

Mayor Edmonds asked if the city has any influence over free market tax credits. Ms. Ernat responded, no the state has authority.

Council Member Bashert stated it would be up to the CBA Committee to build in systems of reporting. Mr. DuChene responded in the affirmative, and said it would be included in the CBA how that would function.

Council Member Bashert stated she does not have a sense in how large incentives need to be in order to trigger a CBA. Ms. Ernat responded triggers would vary from project to project. Ms. Bashert asked if the city had a bottom level and then on an individual basis decided by Council. Mr. DuChene responded not every triggering event will initially come to Council. Secondly it could increase the timeframe for a project. Thirdly, he is concerned about an arbitrary application of the ordinance. Mayor Edmonds stated if the ordinance does not function as intended it can always be amended. Ms. Ernat stated if a bottom level is created the bar could easily be lifted to $25,000. There is not many projects that would fall into the $10,000 range.

Council Member Bashert stated she likes the idea of creating an Ad Hoc board by project. Mayor Pro-Tem Brown agreed.

Council Member Richardson asked why a representative of the Housing Commission is on the committee. Mr. DuChene responded it was an idea, but ultimately it is Council to create the structure. Ms. Richardson replied she would not recommend that because of the divide between the city and the Housing Commission. Instead add an additional community member. Mr. DuChene asked if that is agreeable to Council. Mayor Edmonds stated the Housing Commission is a smaller body, but the commission is one of the best tools for affordable housing, and could be an asset. Ms. Richardson responded this needs to be more community centered. Ms. Edmonds responded the members of the YHC are all community members. Council Member Bashert added they YHC Board works and represents a segment of the Ypsilanti community. Council Member Murdock added the YHC could be a potential beneficiary of a CBO. Mr. DuChene responded they would not see a personnel benefit, however, the organization might receive a benefit. Ms. Ernat responded that is one of the reason for the recommendation. Ms. Edmonds stated she is okay if they are not a part of the committee, but would like to see them as a part of the process. Ms. Richardson stated it is a community benefits agreement and it needs more community representation than input from city staff. She added the committee can be more than seven, and does not need to be limited.

Council Member Richardson suggested changing the notice timeline be changed from fourteen days to seven to enable the committee to move quicker. Mr. DuChene responded in the affirmative, he asked what medium should be used from noticing. Mayor Edmonds responded a mailing, similar to for Planning Commission issues.

Mr. DuChene asked for insight on a timeline in which the Ad hoc committee would need to provide direction to Council. Council Member Richardson suggested a thirty day deadline. Mr. DuChene asked how long the ordinance would allow a developer to respond to that recommendation. Mayor Edmonds responded this seems like there might be a great deal of compromise in-between the city and possible developers. Mr. DuChene understood but the purpose of this is to provide a structure of the ordinance.

Council Member Richardson stated the ad hoc committee is subject to the Open Meetings Act, and would like to see that meetings be held when it is the most convenient for the community to provide input. Mr. DuChene agreed, and asked if the suggestion is that meetings be held in the evening. Ms. Richardson responded in the affirmative. Mayor Edmonds stated she would not that specified in the ordinance. Council Member Bashert agreed. Ms. Richardson stated she is not suggested the ordinance read meetings must be held in the evening, but that they are held at a time when it is convenient for the public to attend.

Mr. DuChene asked if Council would like a public hearing when approving a CBA for a development. Mayor Edmonds responded she would like a public hearing.

Ms. Ernat asked if Council wants staff to bring forward a final draft, or another draft of the ordinance. Council Member Bashert responded she does not believe this is at the final draft stage.

8. ~~Discussion regarding the allocation of funds that will be created by the Washtenaw County Community Mental Health and Public Safety Preservation millage approved during the November 7th Special Election.~~ **~~(Added)~~ (Postponed until December 5, 2017)**

9. Resolution No. 2017-272, approving purchase of two (2) 2018 Ford Police Interceptors.

RESOLVED BY THE CITY COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti Police Department desires to replace two (2) Patrol Vehicles with 2018 Ford Police Interceptors, and

WHEREAS, the City of Ypsilanti Police Department has been allocated funds in the FY 2017-18 budget for the purpose of purchasing these vehicles, and

WHEREAS, Gorno Ford of Woodhaven, Michigan has provided State of Michigan bid pricing in the amount of $50,410.00.

THEREFORE BE IT RESOLVED, that the Chief of Police be authorized to sign all necessary documents needed to execute the vehicle purchase.

OFFERED BY: Council Member Bashert
SECONDED BY: Mayor Pro-Tem Brown

Council Member Murdock asked if hybrid vehicles were available. Chief DeGiusti responded there are however, they will not be available until the summer, and a bid prices have not been released. Also, hybrid Interceptors will not be available.

Council Member Robb stated Police Interceptors is not a vehicle it is a classification of a vehicle.

On a roll call, the vote to approve Resolution No. 2017-272 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

XIII. LIAISON REPORTS –

A. SEMCOG Update - None
B. Washtenaw Area Transportation Study - None
C. Urban County - None
D. Ypsilanti Downtown Development Authority - None
E. Eastern Washtenaw Safety Alliance - None
F. Friends of Rutherford Pool - None
G. Housing Equity Leadership Team - None
H. Economic Development Coordinating Committee - None

XIV. COUNCIL PROPOSED BUSINESS –

Murdock

- During the next meeting he would like to submit a resolution in support of a prevailing wage.

- Asked if there was anything to report regarding the Department of Environmental Quality's inspection of the Border to Border Trail.

  Ms. Ernat responded not at this time.

Bashert

- She will be submitting a resolution regarding the Nexus Pipeline during the next meeting.

Richardson

- She would like to see a letter of support for the people of Puerto Rico and the Virgin Islands written.

  Ms. Ernat stated she requested to schedule a work session on Thursday, November 30th and has only received only one no response. Council Member Bashert replied she will clear her schedule for that meeting. Council Members Richardson and Murdock stated they would be unable to attend that night. Ms. Ernat suggested Monday, December 11th. Mayor Pro-Tem Brown stated Mondays are usually difficult to schedule meetings.

  Council Member Murdock stated there was discussion regarding a neighborhood meeting and asked if this would be that meeting. Ms. Ernat responded no, this meeting is to discuss options.

  Council Member Bashert suggested Wednesday, December 13th. Council Members Murdock and Robb relied they are holding a town hall on that night. Ms. Ernat replied the presentation could be done at the town hall, adding the project would occur in Ward 3. Mr. Robb and Mr. Murdock stated they would have an answer on Wednesday, November 29th.

XV. COMMUNICATIONS FROM THE MAYOR –

- The Clerk's Office will be working on a press release and website page for the Police Advisory Commission.

- She will be out of town for the December 5th Council Meeting.

Nominations:

Sustainability Commission
Sam Stroud
210 Oak St.
Ypsilanti, MI 48198

Human Relations Commission
Devika Chourhuri
2116 Roosevelt
Ypsilanti, MI 48197

Huron Watershed
Anne Brown
2125 Collegewood
Ypsilanti, MI 48197

Ethics
Patricia Berry
616 Collegewood
Ypsilanti, MI 48197

Tax Review Board
Andy Fanta
1221 Westmoorland
Ypsilanti, MI 48197

Roberta Andrews
7 N. Normal
Ypsilanti, MI 48197

Historic District Commission
Ron Rupert
421 N Huron
Ypsilanti, MI 48197

Erika Lindsay
317 Prospect
Ypsilanti, MI 48197

LDFA
Phil Tepley **(non-resident)**
752 E. Grand Blvd
Ypsilanti, MI 48198

Housing Commission
Ariel Moore
1 Oakwood
Ypsilanti, MI 48197

XVI COMMUNICATIONS FROM THE CITY MANAGER –

- City staff is meeting with MDOT on December 8th to discuss possible street projects.
- Council should have received an invitation to Amtrak's Experience the Rails event.
- He provided background on the County Public Safety and Mental Health Millage funding.
- He highlighted his recommendation for excess parking revenues, possibly used for parking related needs.
- The cooperative agreement and scope of work for the Peninsular Park Dam will be on next week's meeting. The Friends Group has offered to fund 50% of the excess cost.
- He apologized to Council for leaving after a comment was made during Audience Participation at meeting in November. He explained disparaging remarks were made about the LGBT Community, and while he does have thick skin when his family is attacked it makes him emotional. The comments made were comments that caused him to not be able to sit through the meeting.

XVII. COMMUNICATIONS –

- Police Department Bench Warrant Report *(distributed)*

XVIII. AUDIENCE PARTICIPATION –

1. Desiree Simmons, 407 Charles, stated meetings this long make it difficult for community members to participate and stay informed. If Council Members could improve how they work together it would assist in the meetings running more efficiently. Community members can bring more of a community voice to discussions of CBA Committee regarding the community benefits agreement.

2. Heather Charles, N. Washington, requested drafts of the Community Benefits Ordinance be shared with the Human Relations Commission, Sustainability Commission, and Planning Commission. Stated she is doing a report on CBOs and will share that information with Council and city staff.

3. Cheryl Farmer, 214 N. Huron, stated Mayor Edmonds asked if she should recuse herself prior to discussion of Resolution No. 2017-282, regarding Plato Law Firm subpoena power. The Attorney responded it would not be necessary as it is just a house keeping matter. Mayor Edmonds and Mayor Pro-Tem Brown voluntarily recused themselves even though the City Attorney did not think it was necessary. This made it difficult even for Council to vote even to call to question. It deserves mentioning Council Member Murdock also has a conflict of interest in this matter, and should recuse himself especially if it is necessary to censure Mayor Edmonds. Council Member Murdock wants to be Mayor, and has ran against former Mayor Schreiber in 2010 and Mayor Edmonds in 2014 and lost both times. Shortly after winning his primary in August of 2017 he began his campaign for Mayor in 2018, by posting on social media sites at every opportunity. Anything that makes Mayor Edmonds look bad will assist him in this pursuit. He has a conflict of interest because he would benefit from making her look bad. Three decades ago Council Member Murdock was Mayor, and because of the job he did when he ran for reelection a republican was elected mayor instead of him. That was the last republican ever elected in Ypsilanti.

4. Kim Jones, representing Local 623, stated the city has 24 members and 21 of those members are fulltime employees and benefit eligible. The average salary is $42,000 a year, which is $10,000 less than the average salary of POAM. She asked Council to consider a raise for AFSCME membership.

5. Amy Shordes, Ypsilanti Resident, asked why meetings run so late when considering community centered issues. She asked why the community benefits ordinance was not discussed at the top of the agenda. She asked that members of Ward 3 be able to respect the opinions of Council Member Richardson.

   Council Member Murdock stated he would like to speak with Ms. Charles regarding the community benefits ordinance.

XIX. REMARKS FROM THE MAYOR –

XX. CLOSED SESSION -

Closed Session for the purpose of discussing collective bargaining strategy, pursuant to MCL 15.268(c)

Mayor Pro-Tem Brown moved, seconded by Council Member Bashert to adjourn to Closed Session.

On a roll call, the vote to adjourn to Closed Session was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

The meeting adjourned to Closed Session at 11:37 p.m.

XXI. RESOLUTIONS/MOTIONS/DISCUSSIONS –

10. Resolution No. 2017-273, approving Health Care Employee Contribution Limits – PA 152 of 2011.

Council Member Robb stated in October of each year Council selects healthcare plans. Staff has selected healthcare this time and essentially has created policy. It is up to Council to select a healthcare plan.

Council Member Murdock moved, seconded by Council Member Mayor Pro-Tem Brown to select 80/20 healthcare option.

Council Member Richardson stated it seems like this resolution is opposite of what was just discussed.

Council Member Murdock stated the numbers for the hardcopy do not seem to jive correctly. The 80/20 is what the city has been doing since the inception of the law, and it is what people are used to.

Council Member Bashert asked what employees are paying now for healthcare per month. Mr. McClary responded he does not have the 2017 numbers at the moment. Ms. Bashert stated the city saves money either by the hard cap or the 80/20. The hard cap would cost the city more and the 80/20 would cost the employee more. Ms. Bashert stated she is not feeling comfortable making a decision at this point in the night. She would be willing to return for an early meeting

sometime this week once complete information is provided. Council Member Robb asked what additional information is needed in order to make a decision.

Council Member Bashert moved, seconded by Council Member Vogt to table this item until Friday, December 1st at 7:30 a.m.

On a roll call, the vote to Table Resolution No. 2017-273 was as follows:

Mayor Pro-Tem Brown	No	Council Member Robb	No
Council Member Murdock	No	Mayor Edmonds	Yes
Council Member Richardson	No	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 3 NO: 4 (Brown, Murdock, Richardson, Robb) ABSENT: 0 VOTE: Failed

Council Member Bashert moved, seconded by Mayor Pro-Tem Brown to extend the meeting until 1:00 a.m.

On a voice vote, the motion carried, and the meeting was extended.

Council Member Robb stated last year's numbers are $114.62 for a single, $269.37 for a two person, and $335.76 for a family. Mayor Edmonds responded it would be a marginal decrease in cost.

Council Member Murdock asked how restrictive the hard cap is. He suggested if the city wanted to decrease its cost it could reduce what it pays and have the employees pick up the difference. It would not be as drastic as the 80/20 in terms of the change. Employees would still see a reduction in cost.

Mayor Edmonds asked if there would still be an option to change the share of the hard cap. Human Resource Director Rebecca Craigmile stated that would be the option to opt out. Council Member Robb stated that could put the city at risk for state shared revenue. Mr. McClary replied according to the labor attorney there is no penalty for opting out. Council Member Murdock stated if the city choses to opt out the union contracts prevail in their current state.

Mayor Edmonds asked if the hard cap is going to be better than initially forecasted. Mr. McClary responded in the affirmative. Council Member Murdock stated the city's costs are going up either way.

On a roll call, the vote to approve Resolution No. 2017-273, 80/20, was as follows:

Mayor Pro-Tem Brown	No	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	No
Council Member Richardson	Abstain	Council Member Vogt	No
Council Member Bashert	No		

VOTE:

YES: 2 NO: 4 (Brown, Vogt, Edmonds, Bashert) ABSENT: 0 ABSTAIN: 1 (Richardson) VOTE: Failed

11. Resolution No. 2017-274, approving amendment to Employee Handbook.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti provides health insurance plans for city employees; and

WHEREAS, the premium costs for the city's existing health insurance plan, Blue Cross/Blue Shield Community Blue PPO, are expected to increase by 32% on average for all employee for benefit plan year 2018; and

WHEREAS, the city cannot afford to remain in the current health insurance program and must begin transitioning employees to a more cost effective plan; and

WHEREAS, it is necessary to amend the City of Ypsilanti Employee Handbook to approve the switch to the city's new Blue Care Network HMO plan with Health Savings Account contribution by the city effective January 1, 2018;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the city council does hereby amending Section 3.16 – HEALTH INSURANCE – of the City of Ypsilanti Employee Handbook to add the following paragraph:

"Effective January 1, 2018, all eligible current and future non-union employees shall participate in the Blue Care Network HMO health insurance plan with $3,000/$6,000 deductibles and a Health Savings Account into which the city shall contribute $2,000/$4,000 annually. Prescription drug coverage shall be provided through the plan with $10/$60/$80 copays for generic, preferred, and non-preferred brands respectively. As an alternative, employees may opt to participate in the Blue Cross/Blue Shield Simply Blue PPO plan with the employee to pay 100% of the difference in cost from the HMO plan. The complete details of both plans shall be outlined in the benefits summary booklets available through the Human Resources Department."

OFFERED BY: Council Member Bashert
SECONDED BY: Mayor Pro-Tem Brown

Council Member Robb stated in the current handbook healthcare is not specified, and asked why Council is being asked to approve this.

On a roll call, the vote to approve Resolution No. 2017-274 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	No
Council Member Murdock	Abstain	Mayor Edmonds	Yes
Council Member Richardson	Abstain	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 4 NO: 1 (Robb) ABSENT: 0 ABSTAIN: 2 (Murdock, Richardson) VOTE: Carried

XXII. <u>ADJOURNMENT</u> –

Resolution No. 2017-281, adjourning the City Council meeting.

OFFERED BY: Mayor Pro-Tem Brown
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the meeting adjourned at 1:00 a.m.

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, DECEMBER 5, 2017
7:00 p.m.

I. CALL TO ORDER –

The meeting was called to order at 7:00 p.m.

II. ROLL CALL –

Council Member Bashert	Present	Council Member Robb	Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Absent
Council Member Richardson	Present		

Council Member Richardson moved, seconded by Council Member Vogt to excuse the absence of Mayor Edmonds.

On a voice vote, the motion carried, and the absence was excused.

III. INVOCATION –

Mayor Pro-Tem Brown asked all to stand for a moment of silence.

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –

Council Member Bashert moved, seconded by Council Member Vogt to approve the agenda.

City Manager Darwin McClary stated DPS Director Stan Kirton would not be present for the meeting, and asked for the 2017-18 Snow Removal Presentation to be removed from the agenda.

Council Member Murdock moved, seconded by Council Member Richardson to remove Resolution No. 2017-282, approving Scope of Work and Fee Estimate for the Huron River Watershed Restorative Services from the agenda.

Council Member Murdock explained this request is to allow Council to analyze the most current data. Council Member Bashert disagreed with removing the item. Mr. Murdock responded regardless of if this project is approved tonight it will not begin by the next Council meeting in two weeks.

On a roll call, the vote to remove Resolution No. 2017-282 from the agenda was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	No		

VOTE:

YES: 5 NO: 1 (Bashert) ABSENT: 1 (Edmonds) VOTE: Carried

On a voice vote, the motion carried, and the agenda was approved as amended. Council Member Bashert dissented.

VI. INTRODUCTIONS –

Mayor Pro-Tem Brown introduced the following individuals; City Manager Darwin McClary, City Clerk Frances McMullan, Fiscal Services Director Marilou Uy, Police Chief Tony DeGiusti, DDA Director/Community Development Director Joy Meyers, and members of the Fire Department.

VII. PRESENTATIONS –

- 800 Lowell Update – Louie Gramer, UCC Developer and Anne Jamieson, UCC Developer

DDA Director/Community Development Director Joy Meyers introduced Anne Jamieson and Louie Gramer who provided an update on the development process of 800 Lowell.

Council Member Murdock stated when this project was last brought to Council a brownfield and a PA 210, Commercial Rehab. Ms. Jamieson responded that is still a possibility for this project, Council will be provided a feasibility study regarding need for gap financing. Mr. Murdock asked if the developer is aware of Council has been discussing creating a community benefits ordinance. Mr. Jamieson responded in the affirmative. Mr. Murdock asked if the development is expecting to apply for a brownfield. Ms. Jamieson responded in the affirmative. Mr. Murdock stated the brownfield and the commercial rehab amounted to around $7 million. Ms. Jamieson replied that was the first estimate but she foresees a decrease. Mr. Murdock asked what the timeline will be for what is being proposed. Ms. Jamieson responded the developers will be back mid to late January to ask for approval of both the brownfield and the community rehab. Mr. Murdock stated Council would require a meeting to discuss possible incentives. Ms. Jamieson agreed. Mr. Murdock stated in order for a commercial rehab to be approved Council would first need to create a commercial district. Ms. Jamieson responded in the affirmative.

- Audit Presentation - Alan Panter, CPA Principal, Yeo & Yeo, CPA and Business Consultant

Fiscal Services Director Marilou Uy introduced Alan Panter who provided a presentation on the city's audit.

Council Member Murdock asked if the revenues included transfers into the fund balance. Mr. Panter responded in the affirmative.

Council Member Murdock stated GASB Statement 77, on tax abatements is claimed to be insignificant, and asked what is insignificant about it. Mr. Panter responded the tax abatements were reviewed and they were not material. Mr. Murdock asked the funding percentage for OPEB has decreased to 57.9%, and the state is supposed to take over if it drops below 60%. Mr. Panter responded he isn't sure the state will take over, especially since it is only slightly under 60%.

Council Member Robb asked if the pension fund is decreasing because more retirees are drawing out, poor investments, or a combination of both. Mr. Panter responded the retiree pool is growing, but investment performance has been good especially over the past year or two.

Council Member Murdock asked if there were any issues communicated to staff this year. Mr. Panter responded no, it was a very clean audit.

- ~~2017-18 Snow Removal Program – Stan Kirton, DPS Director~~ **(Removed)**

VIII. AUDIENCE PARTICIPATION –

1. Ken Hobbs, President of the Local 41 Ypsilanti Fire Department Union, asked Council to readdress the city's contribution to healthcare. The 80/20 plan has always been the most fair to the employees who have taken pay cuts during the city's financial troubles. However, and the city's economic condition improves it is unfair to employees to be asked to take a decrease in the quality of healthcare.

2. Nate Darling, YFD Local 401, stated he has been in fire service for eighteen years, four years with Ypsilanti. When he started his career he was told he would be making $60,000 a year in five years. His copays were $2 for prescriptions and $5 for a doctor's visit. In that eighteen years there have not been much cuts, but the salaries have been stagnate opposed to increase in costs. To take another dime out of the firefighters pockets. He said he makes $15 an hour and goes into burning buildings for a living.

3. Jameson Shultz, Treasurer YFD Local 401, stated he has been with the city for slightly less than twelve years. He said if the hard cap is selected it would be a 14% pay cut to him. The cost it will put on the employee would not be sustainable. There are a lot of firefighters who are eligible for retirement, and he would not be surprised to see those firefighters leave. That would be a disservice to the city to force firefighters out, but essentially that would happen losing the institutional knowledge.

4. Amber Fellows, Ypsilanti Resident, thanked Council Member Murdock for asking the developers of 800 Lowell about possible tax incentives, and announcing a standalone meeting for that project. She asked having presentations prior to audience participation not be made a precedent. She sees it as a way to discourage citizen engagement. She is disappointed the Mayor is not present for the meeting because the public has a message regarding the community benefits ordinance memo. The memo does not acknowledge in anyway the efforts of many residents, community organizations, or faith based institutions that have worked on its development. The way the CBO is currently presented it does not include the three components all CBOs should.

5. Andrea Pierce, 1188 Juneau, asked Council to approve the resolution regarding the Nexus Pipeline. The construction is currently tearing up the community and Nexus is trying to remove the egg smell when there is a leak to reduce cost. DTE and Enbridge is trying to put the cost on the customers. Something needs to be done to stop this.

6. Nathanael Romero, Ypsilanti Resident, agreed audience participation prior to presentation. The Council Member Richardson hosted a Town Hall meeting on September 25th regarding a community benefits ordinance. The only other community benefits ordinance that has been passed is in Detroit, which included a long community process. Two proposals were developed and the one that passed was not preferred by the public which is now trying to get the community driven CBO in place. He suggested having a community benefits agreement for current possible developments but would not rush to approve a CBO.

7. Annette Coppick, Ypsilanti Police Department, stated she is concerned with their healthcare benefits. When she began with the Department there were sixty employees, which has decreased considerably. There are a lot of dedicated officers that do a lot of work, and the Chief does a good

job shifting responsibilities to make sure things are done properly. The officers are a value to public safety and deserve good healthcare.

8. Robert Pito, Retired Ypsilanti Police Officer, stated the Fire Department, Department of Public Service, and the Police Department provide excellent service from a limited amount of people. Concessions have been given in multiple past negotiations and now another is being asked considering healthcare. These departments do not deserve to have anything to be taken away from them. If there is it is possible that seasoned officers and firefighters will leave the city.

9. Mike Auerbach, Ypsilanti Residents, excited to see Council is pursuing a community benefits ordinance but for it to be meaningful it needs to be more robust.

10. Nathan Phillips, 509 N. Washington, stated he sometimes is harassed by the police in Ypsilanti. The police claimed he stole a lawnmower, which was not true. The Fire Chief once told him he could not burn a sacred fire. No matter his personal issues, he lives here, and he depends on these departments to keep him safe. It's not right to take away their benefits.

11. Kyle Hunter, 430 S. Adams St., asked where the Mayor is.

IX. REMARKS BY THE MAYOR –

Council Member Bashert stated from her perspective it was very difficult to discuss what to do about healthcare. Before she served on Council she was involved in four tax revenue campaigns to raise funds. Three of them were specific to saving jobs of Police and Fire. All of Council has a deep respect for the work of both the Fire and Police Departments and every decision is incredibly difficult. She believes the City is at the beginning stage of an economic turnaround.

Council Member Richardson thanked the police officers and firefighters in the audience. When the resolution was brought forward concerning healthcare last meeting she found it to be a confusing resolution. Council was also asked to vote on that resolution at 12:30 a.m. was not appealing. She would have preferred to postpone the vote another day to have more time. There are faithful employees that work for this city that have stuck with the city in the good times and the bad times. Council needs to do right by its employees. She asked one of the Council Members that voted to approve the healthcare recently approved to motion to reconsider.

Mayor Pro-Tem Brown asked since she vote to approve the hard cap, could she motion to reconsider since she is chairing the meeting. If the will of Council is to reconsider he would put together legislation as such. Council Member Murdock interjected the motion should be made during this meeting. Council Member Robb asked that a motion wait until Section XVII where insurance is listed as a communication.

Mayor Pro-Tem Brown thanked the Police, Fire, and Public Services Departments for their comments. Some things have been brought to her attention and agreed the discussion occurred very late at night during the last meeting.

Council Member Bashert stated healthcare is changing for everyone in the country. Everyone's rates and copays are increasing and coverage is decreasing. She apologizes but that is a fact, but understands people feel badly about this situation.

X. PUBLIC HEARINGS -

XI. RESOLUTIONS/MOTIONS/DISCUSSIONS –

~~1. Resolution No. 2017-282, approving Scope of Work and Fee Estimate for the Huron River Watershed Restorative Services (Peninsular Dam).~~ **(Removed)**

2. Resolution No. 2017-283, approving extension of Memorandum of Understanding (MOU) with Washtenaw Community College for Educational and Community Training Programs at Parkridge Center.

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:

   The First Extension of the Memorandum of Understanding between Washtenaw Community College and the City of Ypsilanti Regarding Parkridge Center be approved and the Mayor and City Clerk are authorized to sign for and on behalf of the city, subject to the approval of the city attorney.

OFFERED BY: Council Member Richardson
SECONDED BY: Council Member Bashert

Council Member Richardson stated as a member of the Parkridge Community Center Advisory Board she would like to mention the members of the Washtenaw Community Center of Parkridge were not notified this item was on the agenda. Over the last year several improvements were made due to the participation of WCC, both academic and recreation. The programing includes activities for children and adults. The city needs to continue the memorandum and maintain the building for this community.

Council Member Bashert supports the resolution, and asked if funds have been received by Mr. Barfield. Mr. McClary responded in the affirmative.

On a roll call, the vote to amend Resolution No. 2017-283 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

3. Resolution No. 2017-284, approving appointments to Boards and Commissions.

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   THAT, the following individuals be appointed to the City of Ypsilanti Boards and Commissions as indicated below:

NAME	**BOARD**	**TERM EXPIRATION**
Sam Stroud (Youth) **210 Oak St.** **Ypsilanti, MI 48198**	**Sustainabiity Commission**	**12/5/2018**

Devika Chourhuri **2116 Roosevelt** **Ypsilanti, MI 48197**	**Human Relations Commission**	**12/5/2020**
Anne Brown **2125 Collegewood** **Ypsilanti, MI 48197**	**Huron Watershed Council**	**12/5/2019**
~~**Patricia Berry**~~ ~~**616 Collegewood**~~ ~~**Ypsilanti, MI 48197**~~	~~**Ethics Commission**~~	~~**12/5/2022**~~
Andy Fanta **1221 Westmoorland** **Ypsilanti, MI 48197**	**Tax Review Board**	**12/31/2019**
Roberta Andrews **7 N. Normal** **Ypsilanti, MI 48197**	**Tax Review Board**	**12/31/2019**
Ron Rupert **421 N Huron** **Ypsilanti, MI 48197**	**Historic District Commission**	**1/31/2021**
Erika Lindsay **317 Prospect** **Ypsilanti, MI 48197**	**Historic District Commission**	**1/31/2021**
Ariel Moore **1 Oakwood** **Ypsilanti, MI 48197**	**Housing Commission**	**12/31/2022**

OFFERED BY: Council Member Vogt
SECONDED BY: Council Member Bashert

Council Member Murdock asked when appointments are made can the Mayor provide information on who they are replacing and what the vacancy is.

Council Member Murdock moved, seconded by Council Member Robb to split the question to vote separately on the appointment of Patricia Berry to the Ethics Commission.

On a roll call, the vote to split the question Resolution No. 2017-284 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

On a roll call, the vote to approve Resolution No. 2017-284 as amended was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

Council Member Murdock stated the Ethics Board has been a concern of controversy and he would like a better idea of who he is appointing to that board. Especially since there might be possible ethics charges filed by that committee.

Council Member Bashert asked if ethics violations are charge to a Council Member would that go through the Ethics Board. City Attorney Barr responded it could but would depend on the circumstance. Council Member Murdock stated a person could file a complaint through the Ethics Board. Ms. Bashert stated the Mayor nominates and Council approves, this is a question of if Council wants an Ethics Board or not. She knows Patricia Berry and she is fair, pragmatic, direct, and intelligent individual. She would trust were to serve the position well. Council Member Robb asked if this could be postponed until the next meeting so the application could be provided.

Council Member Vogt moved, seconded by Council Member Richardson to table the appointment of Patricia Berry until the December 19, 2017 meeting.

On a roll call, the vote to table the appointment of Patricia Berry until December 19th was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

4. Resolution No. 2017-285, approving non-resident appointment to LDFA.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

THAT, the following individuals be appointed to the City of Ypsilanti Boards and Commissions as indicated below:

NAME	**BOARD**	**TERM EXPIRATION**
Phil Tepley (non-resident) **752 E. Grand Blvd** **Ypsilanti, MI 48198**	**LDFA**	**6/30/2021**

OFFERED BY: Council Member Vogt
SECONDED BY: Council Member Bashert

Council Member Richardson stated some time ago Council approved a resolution to only have city residents serve on boards and commissions. She asked if that resolution was rescinded. Council Member Murdock replied it takes a supermajority to approve a non-resident, which is why this approval was separated. Ms. Richardson asked why a non-

resident is being appointed when the city has qualified residents. Council Member Robb responded Mr. Tepley works for the Michigan Small Business and has been on the board for some time. He has a wealth of knowledge and that is the reason he has been nominated for appointment. He is sure a resident could do the job, but Mr. Tepley is an asset to the city and LDFA.

On a roll call, the vote to amend Resolution No. 2017-285 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

5. Resolution No. 2017-286, opposing repeal of Michigan's Prevailing Wage Law.

WHEREAS, Michigan's Prevailing Wage Law has been in existence since 1965, and

WHEREAS, the City of Ypsilanti has enacted a prevailing wage ordinance, and

WHEREAS, an initiative petition has been filed to repeal the prevailing wage law, and

WHEREAS, Paying a prevailing wage attracts skilled, safe and productive workers who ensure projects are done on time and on budget, saving costs for taxpayers; and

WHEREAS, Prevailing wage laws ensure our tax dollars are used to create jobs for local workers; and

WHEREAS, Michigan's Prevailing wage provides a critical foundation for construction trades apprenticeship programs; and

WHEREAS, there is little evidence that prevailing wage increases costs; and

WHEREAS, prevailing wage policies mean that the state will have a more skilled and educated workforce <u>skilled and educated workforce</u>, as well as safer local construction jobs for Michigan men and women.

THERFORE BE IT RESOLVED that the Council of the City of Ypsilanti opposes the repeal of Michigan's prevailing wage law.

AND FURTHER RESOLVED that in the event that the initiative petition is certified that the legislature place the issue on the 2018 November ballot to let the people decide,

AND FURTHER RESOLVED that this resolution be sent to the entire membership of the Michigan House of Representatives and Senate as well Kirk Profit, the City's lobbyist.

OFFERED BY: Council Member Murdock
SECONDED BY: Council Member Richardson

On a roll call, the vote to amend Resolution No. 2017-286 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

6. Resolution No. 2017-287, opposing the Nexus Natural Gas Pipeline.

Resolution Opposing the Nexus Natural Gas Pipeline

Whereas the health and safety of the residents of our neighboring townships are vital to area schools, economy, property values and other shared resources, and

Whereas Enbridge Energy Corporation, Nexus and DTE Energy Co. are building a 250 mile long 36 inch diameter pipeline to carry natural gas to a Canadian refinery primarily for export, which will not benefit local residents, and

Whereas DTE has petitioned the Michigan Public Service Commission to pass on the costs of this pipeline to customers through rate increases, causing Ypsilanti residents to pay for a Canadian corporation's natural gas exports, and

Whereas Enbridge Energy Corporation has a long history of environmental violations as documented by the nonprofit Corporate Research Project, and

Whereas pipelines have a history of safety issues, which include but are not limited to leaks of natural gas and explosions caused by leaks from seam failures, faulty welding, or materials failure, and

Whereas the Nexus pipeline is being constructed in areas that include residences, schools and businesses that are within the blast radius, putting residents and their property at risk, and

WHEREAS, odorization of natural gas is required by the Pipeline Safety Regulations of the Department of Transportation in 49 CFR 192.625 to provide safety and warning to the public; and WHEREAS, odorization is a standard measure to protect public safety, health and welfare by allowing detection of potential leaks by passers-by; and

WHEREAS, in January 2016, Nexus applied with PHMSA for a waiver of the federal odorization requirements presented in 49 CFR 192.625; and

WHEREAS, the requirement for odorization is a critical federal requirement for mitigating the known danger to public safety, health and welfare of such a facility not only to the citizens of the State of Michigan and Washtenaw County, but also to people working in the vicinity of the pipeline; and

Whereas the residents of Michigan and Washtenaw County will bear the risks and possible costs of a pipeline with little to no gains and which will benefit a Canadian corporation and its shareholders,

Now therefore be it resolved that the City of Ypsilanti deems the Nexus Pipeline to be a danger to the health, safety, and economy of city residents and those of our neighbors in Washtenaw County

Now therefore be it resolved that the City of Ypsilanti requests that all work be halted on the Nexus Pipeline and that DTE and Nexus be required to use other means to transport natural gas to Canadian residents

Copies of this Resolution will be sent to:

Federal Energy Regulatory Commission
Michigan Public Service Commission
Senator Debbie Stabenow
Senator Gary Peters
Representative Debbie Dingell
State Legislator Ronnie Peterson
State Senator Rebekah Warren
Governor Rick Snyder

OFFERED BY: Council Member Bashert
SECONDED BY: Council Member Murdock

Council Member Bashert stated when she drafted the resolution she was approached by individuals affected by the pipeline. One of the individuals was a farmer that had to give up a significant portion of her farm that was in her family for 138 years for construction for easement. She drove the length of the pipeline through the county and it is devastating. If there is a leak in the pipe and the natural gas is not given an odor there would be no way to tell if there is a problem until it becomes serious. There is no benefit for residents only risk.

Council Member Robb stated he will support this but he grew up in coal country in Pennsylvania and the great thing about cheap natural gas is it is destroying the coal industry. He agrees with the resolution for a lot of reasons, but it is the unintended consequences and having coal fire power plants is not something that is good for this country.

On a roll call, the vote to amend Resolution No. 2017-287 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

7. Resolution No. 2017-288, supporting the people of Puerto Rico and the U.S. Virgin Islands.

WHEREAS, the fifth strongest storm ever to strike the U.S. hit Puerto Rico and the U.S. Virgin Islands on September 20, 2017; and

WHEREAS, many Americans are desperate for help in order to recover from this disaster; and

WHEREAS, the people of Puerto Rico and the U.S. Virgin Islands are American citizens and deserve the same assistance and respect that our government would provide to any U.S. State; and

WHEREAS, the City of Ypsilanti urges the White House to do whatever is necessary to save lives and rebuild Puerto Rico and the U.S. Virgin Islands.

NOW THEREFORE BE IT RESOLVED THAT the City of Ypsilanti stands in solidarity with San Juan Mayor Carmen Yulen Cruz, Puerto Rican Governor Rossello, U.S. Virgin Islands Governor Kenneth Mapp, and the other municipal officials who were elected to be the voice of the people in requesting that the U.S. rise and meet the needs of the people of Puerto Rico and the U.S. Virgin Islands.

BE IT FURTHER RESOLVED THAT a copy of this resolution be sent to the Governor of Puerto Rico, the Mayor of San Juan, and the Governor of U.S. Virgin Islands.

OFFERED BY: Council Member Richardson
SECONDED BY: Council Member Bashert

Council Member Richardson stated she would like to asked the resolution read "…the fifth strongest storm ever to strike the U.S. hit Puerto Rico and the U.S. Virgin Islands…" She asked also the resolution to read "…San Juan Mayor Carmen Yulen Cruz, Puerto Rican Governor Rossello, U.S. Virgin Islands Governor John de Jongh…". She also asked for the resolution to read "…this resolution be sent to the Governor of Puerto Rico, the Mayor of San Juan, and the Governor of U.S. Virgin Islands…"

Council Member Richardson offered these as friendly amendments. Council member Bashert agreed to the friendly.

Council Member Richardson stated both Puerto Rico and the U.S. Virgin Islands are territories of the United States and deserve the same care as the residents of Texas and Florida when hurt of hurricanes. Now after three months these areas are still suffering from lack of electricity, efficient water, and people are dying. It is abominable this nation has not been able to help these people. Mayor Pro-Tem Brown agreed, and added her mother is an immigrant and gained her citizenship from the US Virgin Islands. She has family that still resides on the islands of St. Croix, St. Johns, and St. Thomas and it is still difficult to communicate with them. Those family members are still without many things already listed by Council Member Richardson.

On a roll call, the vote to amend Resolution No. 2017-251 was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	Yes		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

8. Discussion regarding the allocation of funds that will be created by the Washtenaw County Community Mental Health and Public Safety Preservation millage approved during the November 7th Special Election.

Council Member Richardson asked for this item to be on the agenda because she has been asked what the city will do with the money. She would like to be able to provide answers on where those funds will be expended. There is a large number of people with mental health issues living on the streets in Ypsilanti.

Council Member Bashert asked what the parameters are for what the city is allowed to do with these funds. Council Member Murdock responded anything the city sees fit. Mr. McClary replied his understanding from the ballot language is this millage is for mental health and public safety. 38% of the funds collected by the millage are to be allocated to the county for mental health services, 38% are to be allocated to the County Sheriffs, and 24% is to be allocated to jurisdictions with their own local police forces. The decision is Council's on how it would like to allocate the funds provided to the city, he suggested the funds be used for law enforcement services. He expressed concerns over using those funds to take on routine expenses because if this millage is not renewed in eight years the city has created a problem for itself. He believes these funds should be used for building improvements, technology improvements, equipment, and anything that could be a one time expense for the police department. However, if Council would like to use these funds to increase staffing levels in the Police Department with the understanding those positions are tied to the millage he would not object. The fund should be in its own account so those revenues and expenditures can be easily tracked. Mr. Murdock responded funds the city is given from the county are not designated for anything, which is how Ann Arbor is installing bike paths. He spoke with a County Commissioner who informed him those funds would be unrestricted, but he agrees the funds should be allocated to one time expenses. Chief DeGiusti stated he and the City Manager agree these funds could be used for staff, and have calculated retirements and would not have to lose hires from this millage. He has a list of many onetime expenses these funds could be used plus possible training opportunities for officers considering mental health. It is true these funds can be allocated how Council sees fit, but jurisdictions such as Ann Arbor which has a fully funded department are not having the staffing issues Ypsilanti is.

Council Member Bashert understands the needs of the Police Department facility, but if files were converted to digital would streamline a lot of work freeing up staff time.

Council Member Richardson stated she would like to see the funds used to finance training for police officers in terms of mental health.

Council Member Vogt stated he would like to see two additional officers hired and additional training, technology, maintenance and repair. That is what people voted for and should be priority.

Council Member Bashert agreed with Council Member Richardson and mentioned the Fire Department interact with people who need mental health services and could benefit from training.

Council Member Murdock stated there are two millages the city has not yet decided how they should be allocated. The Water Street millage will be used to pay that debt and free up funds to do other things. His thought is to allocate funds to get the city's operating budget to levels it should be and try to things the city has not been able to do. Possible using those funds for capital improvements. Also, the city should examine creating a housing fund to augment some problems in the city. Such as homelessness issues; warming centers or more permanent solutions. Or possible use some of that millage to finance the Police and Fire Pension Fund.

Council Member Richardson asked what happened to the Blue Print to end homelessness. Council Member Bashert responded the keystone to the blue print was a housing first model. The idea was to provide a home rather than help to solve the problem that caused homelessness. Once housing was addressed then the reason for homelessness would be addressed.

Mayor Pro-Tem Brown stated she would like to see some police services restored, mental health training, and issues of homelessness. She liked the idea of having a public safety fund in order to track those funds. The next step is to decide exactly how these funds shall be spent.

XII. LIAISON REPORTS –

A. SEMCOG Update - None
B. Washtenaw Area Transportation Study - None
C. Urban County - None
D. Ypsilanti Downtown Development Authority - None
E. Eastern Washtenaw Safety Alliance – None
F. Friends of Rutherford Pool - None
G. Housing Equity Leadership Team - None
H. Economic Development Coordinating Committee – None

XIV. COUNCIL PROPOSED BUSINESS –

Richardson

- She was able to take advantage of the train ride offered by Amtrak, which was a great experience. She would have like it if more Council Members and staff were able to take advantage of the opportunity. The trip was around thirty minutes and ended in Dearborn.

Murdock

- People entered the train the same way they did years ago by using a foot stool. If the city can devise a way for ADA compliance it could save $2 million.

- Asked when the city will repeal the Cross Street Village PILOT.

- Asked when the working session for the development of the Boys and Girls Club will be held.

  Mr. McClary responded he believes Ms. Ernat was still waiting on availability of several Council Members. He said the date proposed was December 14th.

- He asked what the plans are to market the Water Street site.

  Mr. McClary responded he will provide an update.

Bashert

- Was very excited about the visibility from all levels of government considering the train stop in Depot Town.

- Congratulated the city on the work done on Summit and Congress.

- EMU is considering a dockless bike share program.

- Asked if there a repairs needed on the Heritage Bridge.

  Mr. McClary replied he would look into that matter.

XV. COMMUNICATIONS FROM THE MAYOR –

None

XVI COMMUNICATIONS FROM THE CITY MANAGER –

- The labor Attorney can meet at 7:00 a.m. on either Thursday, December 7th or Friday, December 8th.

- He provided Council a report on the health insurance issue.

  Council Member Richardson asked what will be the change in the coverage. Mr. McClary responded the main difference is an HMO will require a referral to see a specialist and employees will have a deductible cost as well as a copay for prescription. Other than that the insurance will not be the different.

  Council Member Bashert asked if the HMO can be used outside of the state. Mr. McClary responded it is true it is not offered outside of Michigan but retirees do not participate in the HMO. Ms. Bashert asked if an employee has an emergency on vacation what would happen. Mr. McClary responded HMOs will cover an emergency. Ms. Bashert asked if the city stays with the 80/20 will employees have a deductible. Mr. McClary responded in the affirmative.

  Council Member Richardson asked if the city stays with the existing plan would there be deductibles. Mr. McClary responded no, everything would stay the same, however, the cost to the city would be $108,000 more than the proposed program.

  Council Member Murdock asked if the plan is changed to the HMO and an employee retirees and moves out of state how they would get coverage. Mr. McClary responded they would need to be moved into a plan they could take out of state.

  Mayor Pro-Tem Brown asked how it would work if an employee were to choose the Simply Blue PPO. Mr. McClary responded the proposal to the unions is they could buy up to the plan if the paid 100% of the premium cost. Ms. Brown asked if non-union employees have been offered the same possibility. Mr. McClary responded in the affirmative.

  Council Member Richardson asked if the HMO would provide the same benefits and services employees have now, such as doctor selection or retention. Mr. McClary responded the physician would need to accept the HMO insurance.

  Mayor Pro-Tem Brown asked why the hard cap HMO is the recommendation. Mr. McClary responded his hope was to keep insurance as affordable as possible for employees but still contain costs to the city. Council Member Richardson stated under the hard cap employees would need to pay an additional $304 out of pocket. Mr. McClary responded if they chose the PPO opposed to the HMO. Ms. Richardson stated the numbers provided do not consider the additional money employees would need to cover their deductible. Council Member Vogt responded there is a much lower monthly amount, which offsets the additional cost for the deductible. He said the city can no longer afford to provide a PPO and will need to start to offer a HMO. His experience is doctors in a major urban area will accept an HMO and more doctors are participating.

  Council Member Robb disagreed with Council Member Vogt, and said what he cares about is cost. Insurance buy for the city was $1.69 million for 2017 and Council is being told that amount will increase. Included in the proposed tabulation is the amount the city would contribute to employee health savings accounts (HAS). He thinks the data is a "double dip" into the city's calculations, and the data is skewed. He said based on the numbers it appears healthcare is decreasing.

Council Member Richardson moved, seconded by Council Member Vogt to extend the meeting until 11:00 p.m.

On a voice vote, the motion carried, and the meeting was extended until 11:00 p.m.

Council Member Vogt asked if the 2018 HMO HSA include the city's contribution under the 80/20. Mr. McClary responded no because the current plan has the EHIM wrap. Mr. Vogt asked if there would be any costs to the city that have not been included. Mr. McClary responded no, it is a different structure of plan which could have caused the confusion.

Council Member Bashert asked if the savings account will be put in place by the city. The employee would need to create an account through their personal bank. Council Member Robb stated the HSA is a great idea, but the numbers do not compare correctly. Mr. McClary responded the Wrap costs go away and are replaced with the HSA contribution.

Council Member Robb stated providing $224,000 for HSA under the HMO is not an accurate comparison to the PPO. That should be removed from the 2017 comparison. He said there is $198,000 that should not be included in the $1.22 million estimate. Mr. McClary stated there are no HSA cost included in the estimate in the Simply Blue PPO. Mr. Robb stated a discrepancy in the numbers given for 2017. Council Member Bashert asked if Mr. McClary is confident in the numbers that have been presented. Mr. McClary responded in the affirmative. Mr. Robb stated if there were no contracts up this year the city would be deciding to change healthcare, or continue the same healthcare currently provided.

Council Member Murdock stated if the current plan is continued the cost would go down.

Council Member Vogt stated he doesn't see it making a difference, the current PPO is going to cost more than the simply PPO and more than an HMO. Based on what is happening in the market place these numbers make sense.

Council Member Robb stated he does not understand why different spreadsheets are being used to do comparisons, they should follow the same formula. Mr. McClary responded the spreadsheet is for the Simply Blue plan which only included five to seven employees. He said you would need to ask the Fiscal Services Director why there are these discrepancies.

Council Member Bashert asked if the 80/20 has the same deductible as the hard cap. Mr. McClary responded in the affirmative. Ms. Bashert asked if prescription copays were also the same. Mr. McClary responded in the affirmative. Ms. Bashert responded she is comfortable with the decision. Council Member Robb stated the spreadsheets are not comparable, and that a decision should not be made in this manner. He asked to be forwarded the specification sheets provided by Blue Cross Blue Shield.

— Work sessions for the recycling center will be held sometime soon as requested by Council Member Murdock.

Council Member Murdock asked if the policies have been compiled regarding rubbish collection. Mr. McClary responded neither he nor the Clerk's Office have been able to locate said policies. He does not believe past practice was to adopted formal administrative policies. Mr. Murdock stated those issues most have been established at some time. He can only assume practices are established by ordinance language and contract. He wants to know what to tell people when the contractor is not picking up their rubbish. Mr. McClary responded these are discussion that need to be had to determine an equitable policy.

XVII. COMMUNICATIONS –

- Snow Removal Program Status Report
- Report on Cross St. speed limits and flashing signs
- Report on status of street light out at corner of 400 River St.
- Status report on lights out on N. Washington St.
- Status Report on bushes at Hamilton and Ferris
- Report on Employee Health Insurance contribution comparisons

XVIII. AUDIENCE PARTICIPATION –

1. Ken Hobbs, President of the Local 41 Ypsilanti Fire Department Union, stated the HSA is not a benefit to him because he will retire in three years. The union is not opposed to negotiate health insurance, and asked to investigate other options. The HMO does not provide the service employees need for themselves and their families.

2. Robert Pito, Retired Ypsilanti Police Officer, stated there is a lot to be negotiated and he does understand retirees are not included in this contract, but essentially it would dissolve the group their insurance operates. He asked Council make informed decisions and be sure they have all the same information. The unions have always been willing to negotiate what the city wants to address. If the PPO increase the increase in cost needs to be shared by the employee and the city.

3. Annette Coppick, Ypsilanti Police Department, stated insurance is confusing and what is frustrating is if the unions do not make a decision on contract insurance rates will increase to $1,200 a month.

4. Adam Gainsley, 409 N. Adams, stated at the end of 2015 the city and the DDA signed a contract included a stipulation the city would provide a DDA district specific officer. Now the city is improving its financial situation he would like to see that officer restored. He added the Cross Street Village are not being friendly to their neighbor in terms of campaign signs, and are violating the sign ordinance and HDC requirements. Thanked Council for what they are doing for the contract negotiation, and good luck to all involved.

5. Heather Charles, 116 N. Washington, provided an update on the CBO process, and her paper. It is good to roll the HSA into the PPO.

6. David Blakely, AFSCME, stated the union current plan could have saved over $156,000 by simply switching from the EIHM to BCBS.

XIX. REMARKS FROM THE MAYOR –

None

XXII. ADJOURNMENT –

Resolution No. 2017-289, adjourning the City Council meeting.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the City Council Meeting be adjourned, on call, by the Mayor or two (2) members of Council.

OFFERED BY: Council Member Bashert
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the meeting was adjourned at 10:45 p.m.

Draft

CITY OF YPSILANTI
COUNCIL SPECIAL MEETING AGENDA
COUNCIL CHAMBERS - ONE SOUTH HURON STREET
FRIDAY, DECEMBER 8, 2017
7:00 A.M.

I. CALL TO ORDER –

The meeting was called to order at 7:06 a.m.

II. ROLL CALL –

Council Member Bashert	Present	Council Member Robb	Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Absent
Council Member Richardson	Present		

Council Member Richardson moved, seconded by Council Member Bashert to excuse the absence of Mayor Edmonds.

On a voice vote, the motion carried, and the absence was excused.

III. INVOCATION –

Mayor Pro-Tem Brown asked all to stand for a moment of silence.

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL-

Council Member Murdock moved, seconded by Council Member Bashert to approve the agenda.

Mayor Pro-Tem Brown stated the labor attorney needs to leave by 8:00 a.m. and asked if anyone would like to motion to move the Closed Session prior to Audience Participation.

Council Member Vogt moved to move the Closed Session prior to Audience Participation.

With lack of support the motion failed.

On a voice vote, the motion carried, and the agenda was approved.

VI. AUDIENCE PARTICIPATION -

1. Ken Hobbs, Ypsilanti Fire Department Local 401 President, stated the Fire Union is willing to negotiate cost of healthcare, but they support the 80/20 over the hard cap option.

2. Nate Darling, Ypsilanti Fire Department, stated the increased cost would amount to a 14% decrease in pay, which no one in the union can afford.
3. Bruce Vangemert, Ypsilanti Fire Department, stated an increase in cost of healthcare make if difficult to support a family.

4. Jeff Shulz, Ypsilanti Fire Department, stated working for the Ypsilanti Fire Department is his dream job, but it makes it difficult to support a family. If healthcare costs increase $1,200 a month he will lose his home.

5. Jameson Shultz, Ypsilanti Fire Department, stated he is in favor of the 80/20 over the hard cap option.

6. Elizabeth Hunt, Ypsilanti Police Department, stated she is in favor of the 80/20 over the hard cap option.

7. Annette Coppock, Ypsilanti Police Department, concerned about healthcare and wants it to be fair to employees. She feels the unions are being strong armed.

8. Jason Turner, Blue Cross Blue Shield Representative, stated the union members are interested in getting their best possible coverage for themselves and their families.

9. Dan Cain, Ypsilanti Fire Department, stated the Fire Department works an additional 800 straight hours a month. An increase in healthcare costs would essentially be a pay cut and the city might lose many good employees to other jurisdictions.

10. Lee Tooson, 107 Middle, concerned about employees and hopes Council will not make a hasty decision. He said the City Manager does not care about the employees and asked Council to take care of the city.

11. Lt. Deric Gress, Ypsilanti Police Department, feels the negotiations have lacked cooperation from administration. He said the City Manager does not engage employees and asked for reasonable negotiations.

12. Ypsilanti Fire Department employee, stated the union is willing to work with Council but placing the onus on the employee is not reasonable. He said he will have physical problems for the rest of his life as a result of working for the Fire Department and asked Council to keep that sacrifice in mind when making a decision.

VII. REMAINDS FROM THE MAYOR PRO-TEM –

— Stated she values the work of the city's employees and Council will work diligently to do what is best.

IX. MOTIONS, RESOLUTIONS, DISCUSSIONS -

— Motion to adjourn to Closed Session to discuss collective bargaining strategy, pursuant to MCL 15.268(c).

Council Member Murdock moved, seconded by Council Member Bashert to adjourn to Closed Session.

On a roll call, the vote to adjourn to Closed Session was as follows:

Mayor Pro-Tem Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Absent
Council Member Richardson	Yes	Council Member Vogt	Yes
Council Member Bashert	No		

VOTE:

YES: 6 NO: 0 ABSENT: 1 (Edmonds) VOTE: Carried

The meeting adjourned to Closed Session at 7:32 a.m.

The meeting reconvened to Open Session at 9:04 p.m.

X. AUDIENCE PARTICIPATION –

None

XI. REMARKS FROM THE MAYOR –

None

XII. ADJOURNMENT -

Resolution No. 2017-290, adjourning the City Council Meeting.

Council Member Bashert moved, seconded by Council Member Murdock to adjourn the meeting.

On a voice vote, the motion carried, and the meeting adjourned at 9:06 a.m.

REQUEST FOR LEGISLATION
December 19, 2017

FROM: Andrew Hellenga, Deputy City Clerk

SUBJECT: Request Microbrewery and Small Wine Maker with Special Permit for Outdoor Service and Sunday Sales

SUMMARY & BACKGROUND:

734 Brewing Company Inc. was approved for a liquor license during the November 14, 2017 Council Meeting. However, the application submitted to the city included an error. The request was for a microbrewery/winery and the MLCC informed the applicant the resolution needs to read "Small Wine Maker". The approval of this resolution will rectify that issue and allow the applicant to resubmit to the MLCC.

RECOMMENDED ACTION:

Approval

ATTACHMENTS: Resolution
Application
Department approval

COUNCIL AGENDA DATE: December 19, 2017

CITY MANAGER COMMENTS:

CITY MANAGER APPROVAL: _____

FINANCE DIRECTOR APPROVAL: _____

Resolution No. 2017 – 293
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, 734 Brewing Company Inc. has applied to the City of Ypsilanti and Michigan Liquor Control Commission requesting the following:

A Microbrewery/Small Wine Maker Liquor License, and Special Permits for Outdoor Service and Sunday sales at 15 E. Cross, Ypsilanti, MI 48198, Washtenaw County; and

WHEREAS, a public hearing to consider the proposed Microbrewery/ Small Wine Maker License was duly noticed and held on November 14, 2017.

NOW, THEREFORE, BE IT RESOLVED THAT the request of 734 Brewing Company Inc. for the property located at 15 E. Cross be approved.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

City of Ypsilanti
Office of the City Clerk

APPLICATION FOR NEW
OR
TRANSFER LIQUOR LICENSE

Full Name: 734 Brewing Company, Inc. **Date of Birth:** N/A

Home address: 15 E Cross **Apt.#** _____

City/State/Zip code: Ypsilanti, MI 48198

Home phone: (734) 649-6435 **Business Phone:** (734) 649-6435

Email address (optional): 734brewing@gmail.com

NAMES OF ALL PARTNERS OF THE APPLICANT, IF ANY:

none

IF THE APPLICANT IS A CORPORATION: Supply a copy of the Articles of Incorporation, current corporation records disclosing the identity, address of all Directors, Officers, and Shareholders.

Address of place for a Liquor License: 15 E Cross, Ypsilanti, MI 48198
(Attach legal description of the premises)
*OLD SID - 11 11-020-030-00 YP CITY 1E-12 LD COM AT NW COR CROSS & RICE STS, TH N 194.55FT, TH W 107.54FT, TH S 195.63FT, TH E 108.68FT TO BEG

Name and Address of Premise Owner: J&K Worldwide LLC

1795 Outer Dr — Ypsilanti, MI 48198
Address — **City/State/Zip code**

TYPE OF LICENSE APPLIED FOR (Class C, Tavern, B-Hotel, etc.):

Microbrewery, Winery

SPECIAL PERMITS APPLIED FOR (Dance, Entertainment, etc.):

Outdoor Service, Sunday Sales

SUPPLY WRITTEN EVIDENCE: That the Applicant has the right to possess the premises from the property owner. **See lease agreement, attached.**

SUPPLY ZONING PERMIT OR CLEARANCE FROM THE ZONING ADMINISTRATOR: That the location is in compliance with the Zoning Ordinance.

SUPPLY CERTIFICATE OF OCCUPANCY OR SIMILAR CLEARANCE FROM THE BUILDING OFFICIAL: That the structure and premises is in compliance with local code provisions.
SUPPLY WRITTEN EVIDENCE FROM THE CITY TREASURER: That all real and personal property taxes and City utility bills associated with the premises are paid and that all real and personal property taxes and City utility bills in the name of the applicant are paid.

SUPPLY A WRITTEN STATEMENT: That the applicant will not violate any laws of the State of Michigan or the ordinances of the City of Ypsilanti in conducting the business where the liquor license will be used and that a violation on the premises may be caused for the City objecting to renewal of the license or requesting revocation of the license.

SUPPLY A WRITTEN STATEMENT: That the applicant understands that the City of Ypsilanti has an ordinance prohibiting public nudity, and a violation of the ordinance on the premises where the liquor license is used will be caused for objecting to renewal of the license, or for requesting revocation of the license.

SUPPLY DOCUMENTATION (REDEVELOPMENT APPLICANTS ONLY): That the applicant has invested at least $75,000 for the rehabilitation or restoration of the building over a period of the preceding five years, or documentation that the applicant has or will commit a capital investment of at least $75,000 that will be expended for rehabilitation or restoration of the building before the license is issued.

My signature acknowledges the following:

- I have read the above application and am submitting this completed application for consideration of a new or transfer liquor license in the City of Ypsilanti.

- I have (either in hardcopy or on line) received a copy of ordinance number 926, (as amended and codified in section 6-31 et sec) and have read and understand the City's ability to request revocation of the license upon violation of the ordinance terms, and/or breach of any agreement with the City.

- Council Approval **DOES NOT** take the place of or avoid any permitting process of the City, including, but not limited to Building, Zoning, Fire, ADA, etc. Significant issues with regards to non-conforming uses may arise after applicant properly submits detailed plans for such construction and/or use permits.

- Redevelopment Applicants:
    - I affirm that I have attempted to purchase an available on-premise escrowed license or quota license within the city, and that one was not readily available as defined in the Liquor Control Code (MCL 436.1521a).
    - I affirm that the premises described above will be a dining, entertainment, or recreation business open at least 5 days per week and open to the general public at least 10 hours a day.
    - I affirm that I have invested $75,000 in the real property within the last 5 years, or I will invest $75,000 prior to issuance of the license. This provision may be enforced

by the City as a breach of contract. In the event I fail to make the required investment and the City is required to enforce this provision, I agree to pay the City's actual attorney fees arising from the breach of contract.

- o I affirm that at least $75,000 was invested or will be invested in the property by _____, and that the liquor license may issue on or after that date.

Signature of Applicant: [redacted] _____

Signature of Applicant: _____

Signature of Applicant: _____

IF THIS IS A LIQUOR LICENSE TRANSFER REQUEST, THE SIGNATURE OF THE CURRENT LICENSE HOLDER IS REQUIRED.

Signature of Current License Holder: _____
Date

For the City Clerk's Office Staff only:

Date application submitted:_____ Staff's Initials:_____

Routed for approval by the following departments: Date:_____

For Department Approval:

_____Building _____Zoning _____Fire Dept. _____ Police Dept.

_____Assessor _____Treasurer _____City Attorney _____ DDA/DTDDA

Departments: Please conduct the appropriate review to ensure that the applicant does not have any outstanding issues within your department area. When you have completed your review, please report your findings to the City Clerk's Office, and initial on the line provided for your department.

CITY OF YPSILANTI
BUILDING DEPARTMENT
(734) 482-1025

INSPECTION RESULTS

Address: 9 (15) E. Cross

Date: 9/13/17 Permit number:

Inspector: MM

Type of Inspection

- ☐ Footing
- ☐ Backfill
- ☐ Rough Frame
- ☐ Insulation
- ☐ Drywall
- ☒ Final Building
- ☐ Rough Electrical
- ☐ Final Electrical
- ☐ Rough Plumbing
- ☐ Final Plumbing
- ☐ Rough Mechanical
- ☐ Final Mechanical
- ☐ Certificate
- ☐ Sign
- ☐ HDC
- ☐ Café
- ☐ Other

Partial

☒ **APPROVED** ☐ **NOT APPROVED**

☐ **Re-inspection Fee Required**

Comments/Violations:

Add Return for open end at Handrail Pole Lamp

All inspection results must remain on site through the duration of the project

Application for New Liquor (Microbrewery, Winery) License

Attachments

Legal Description of Premises:
15 E Cross St, Ypsilanti, MI 48198
*OLD SID - 11 11-020-030-00 YP CITY 1E-12 LD COM AT NW COR CROSS & RICE STS, TH N 194.55FT, TH W 107.54FT, TH S 195.63FT, TH E 108.68FT TO BEG

Statements

734 Brewing Company, Inc. and its officers will not violate any laws of the State of Michigan or the ordinances of the City of Ypsilanti in conducting the business where the liquor license will be used. 734 Brewing Company, Inc. and its officers further understand that a violation on the premises may be cause for the City objecting to renewal of the license or requesting revocation of the license.

Signed,

[redacted]

Patrick Echlin, President and CEO

734 Brewing Company, Inc. and its officers understand that the City of Ypsilanti has an ordinance prohibiting public nudity, and that a violation of the ordinance on the premises where the liquor license is used will be cause for objecting to renewal of the license, or for requesting revocation of the license.

Signed,

[redacted]

Patrick Echlin, President and CEO

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

FILING ENDORSEMENT

This is to Certify that the RESTATED ARTICLES OF INCORPORATION - PROFIT

for

734 BREWING COMPANY INC.

ID NUMBER: 05559D

received by facsimile transmission on May 12, 2017 is hereby endorsed.

Filed on May 18, 2017 by the Administrator.

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 18th day of May, 2017.

[redacted]

Julia Dale, Director
Corporations, Securities & Commercial Licensing Bureau

Sent by Facsimile Transmission

05/12/2017 3:09PM (GMT-04:00)

ARTICLE III

The total authorized shares: 90,000 Class A

1. Common Shares 10,000 Class B Preferred Shares _____

A statement of all or any of the relative rights, preferences and limitations of the shares of each class is as follows:
Each share of Class A common stock has 10 votes. Each share of Class B common stock has 1 vote. In all other respects, the rights of the Class A common and the Class B common stock are identical.

ARTICLE IV

1. The name of the resident agent: **Patrick Echlin**
2. The street address of the registered office is:
   15 E. Cross Street, Ypsilanti (Street Address) (City), Michigan **48198** (Zip Code)
3. The mailing address of the registered office, if different than above:
   _____ (Street Address or P.O. Box) _____ (City), Michigan _____ (Zip Code)

ARTICLE V (Optional. Delete if not applicable)

The stock of the Corporation may not be sold or otherwise transferred unless (i) that stock is registered for sale pursuant to applicable federal and state securities laws or (ii) an exemption from such registration is available and the proposed sale or other transfer fulfills the requirements of that exemption, as confirmed in the written opinion of legal counsel reasonably acceptable to the Corporation.

ARTICLE VI (Optional. Delete if not applicable)

Any action required or permitted by the Act to be taken at an annual or special meeting of shareholders may be taken without a meeting, without prior notice, and without a vote, if consents in writing, setting forth the action so taken, are signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all shares entitled to vote on the action were present and voted. A written consent shall bear the date of signature of the shareholder who signs the consent. Written consents are not effective to take corporate action unless within 60 days after the record date for determining shareholders entitled to express consent to or to dissent from a proposal without a meeting, written consents dated not more than 10 days before the record date and signed by a sufficient number of shareholders to take the action are delivered to the corporation. Delivery shall be to the corporation's registered office, its principal place of business, or an officer or agent of the corporation having custody of the minutes of the proceedings of its shareholders. Delivery made to a corporation's registered office shall be by hand or by certified or registered mail, return receipt requested.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to shareholders who would have been entitled to notice of the shareholder meeting if the action had been taken at a meeting and who have not consented to the action in writing. An electronic transmission consenting to an action must comply with Section 407(3).

From:Eby, Conner, Smillie & Bourque 7347692702 05/12/2017 15:34 #994 P.003/005

05/12/2017 3:09PM (GMT-04:00)

A director of the Corporation shall not be personally liable to the Corporation or its Shareholders for monetary damages for any action taken or any failure to take any action as a director, except liability for any of the following:

(i) The amount of a financial benefit received by a director to which he or she is not entitled.
(ii) Intentional infliction of harm on the corporation or the shareholders.
(iii) A violation of section 551 of the Michigan Business Corporation Act.
(iv) An intentional criminal act.

5. COMPLETE SECTION (a) IF THE RESTATED ARTICLES WERE ADOPTED BY THE UNANIMOUS CONSENT OF THE INCORPORATOR(S) BEFORE THE FIRST MEETING OF THE BOARD OF DIRECTORS, OTHERWISE, COMPLETE SECTION (b). **DO NOT COMPLETE BOTH.**

a. ☐ These Restated Articles of Incorporation were duly adopted on the _____ day of _____, _____, in accordance with the provisions of Section 642 of the Act by the unanimous consent of the incorporator(s) before the first meeting of the Board of Directors.

Signed this _____ day of _____, _____

_____ _____

_____ _____

(Signatures of Incorporators; Type or Print Name Under Each Signature)

b. ☒ These Restated Articles of Incorporation were duly adopted on the 18th day of November, 2016, in accordance with the provisions of Section 642 of the Act: (check one of the following)

☐ by the Board of Directors without a vote of the shareholders. These Restated Articles of Incorporation only restate and integrate and do not further amend the provisions of the Articles of Incorporation as heretofore amended and there is no material discrepancy between those provisions and the provisions of these Restated Articles.

☐ by the shareholders at a meeting in accordance with section 611(3) of the Act

☒ were duly adopted by the written consent of the shareholders having not less than the minimum number of votes required by statute in accordance with Section 407(1) of the Act. Written notice to shareholders who have not consented in writing has been given. (Note: Written consent by less than all of the shareholders is permitted only if such provision appears in the Articles of Incorporation.)

☐ were duly adopted by the written consent of the shareholders entitled to vote in accordance with section 407(2) of the Act.

Signed this 18th day of November, 2016

By [redacted]
(Signature of an authorized officer or agent)

Patrick Echlin, President
(Type or Print Name)

From:Eby, Conner, Smillie & Bourque 7347692702 05/12/2017 15:35 #994 P.004/005

FIRST ORGANIZATIONAL MEETING OF SHAREHOLDERS AND STOCKHOLDERS OF

734 Brewing Company, Inc.

The first meeting of shareholders of the above named corporation was held on: October 27, 2016 at 1135 N Prospect Rd, Ypsilanti, MI 48198

Present was:

Name	Address
Patrick Echlin	1135 N Prospect Rd, Ypsilanti, MI 48198

Patrick Echlin was requested to be the temporary Chairman of the meeting.

Patrick Echlin was requested to be the temporary Secretary of the meeting.

1. The meeting was called to order. It was determined that a quorum was present either in person or by proxy, and the meeting could conduct business.

The following shareholders were present:

Names of shareholders:	Number of shares:
Patrick Echlin	10,000

The following shareholders by proxy	Number of shares:

2. The Secretary determined and reported that notice of the meeting had been properly given or waived by shareholders in accordance with the bylaws.

3. A motion was made and carried, that the Secretary was ordered to attach the documentation (If any) or the appropriate affidavit of mailing of notice or waiver of notice to the meeting minutes. If no notice is attached, all shareholders agreed that proper notice of the meeting had been given.

4. There was presented to the meeting:

a.) A copy of the articles of incorporation
b.) A copy of the by-laws of the corporation adopted by the incorporator
c.) Resolutions of the incorporator
d.) Minutes of the first meeting of directors
e.) Bill of sale of issued shares of stock
f.) Stock certificates
g.) The corporate record book

5. The shareholders ratified and approved all documents presented.

6. Upon motion duly made, seconded and unanimously carried, it was resolved that the persons listed on the articles of incorporation as directors would act as the initial directors of the corporation until another meeting was held. If no directors were listed on the articles of incorporation or certificate of incorporation, the following persons were appointed as directors:

Brian Jones-Chance, Chairman
Patrick Echlin, Director
Alexander Merz, Director

7. Upon motion duly made, seconded and unanimously carried, it was resolved that the persons listed on the articles of incorporation as officers would act as the initial officers of the corporation until another directors meeting was held. If no officers were listed on the articles of incorporation or certificate of incorporation, the following persons were appointed as officers:

Patrick Echlin	President
Alexander Merz	Vice President
Patrick Echlin	Chief Executive Officer
Alexander Merz	Chief Financial Officer
Alexander Merz	Treasurer
Brian Jones-Chance	Secretary
Brian Jones-Chance	Chief Operations Officer

8. The following other business was transacted:

9. All shareholders agreed to the bill of sale of issued shares, the values paid for shares, and the contributions and amounts of values determined for each share.

There was no further business, and upon motion made, seconded, and unanimously carried, it was

RESOLVED, that all the items and documents have been examined by all shareholders, and are approved and adopted, and that all actions taken thus far have been ratified and approved by the shareholders of the Corporation.

There being no further business, upon motion made and carried, the meeting was adjourned.

Dated: 27.October.2016

Secretary [redacted]
Signature

Patrick Echlin
Printed Name

Witness:

[redacted] Brian Jones-Chance
Signature Printed Name

[redacted] Alexander Merz
Signature Printed Name

Signature Printed Name

Signature Printed Name

734 Brewing Company, Inc. Officers

Patrick Echlin, President and Chief Executive Officer
1135 N Prospect
Ypsilanti, MI 48198

Alexander Merz, Vice President, Chief Financial Officer, and Treasurer
1930 Roosevelt Blvd
Ypsilanti, MI 48197

Brian Jones-Chance, Secretary and Chief Operations Officer
1923 Andover Dr
Ypsilanti, MI 48198

COMMERCIAL LEASE AGREEMENT

THIS LEASE, made this 3rd day of March, 2016, by and between J&K Worldwide, LLC ("Landlord") and 734 Brewing Company, Inc. ("Tenant");

WITNESSETH:

In consideration of the mutual benefits to be derived, the parties hereby agree as follows:

1. DEFINITIONS AND BASIC TERMS.

In addition to other terms which are defined in subsequent paragraphs of this Lease, the following terms, whenever set forth in initial capitals in this Lease, shall have the same meanings set forth herein below, except as otherwise expressly provided therein, or unless the context otherwise requires:

(a) Date of Lease: The date on which Landlord executes the Lease, as set forth adjacent to Landlord's signature at the end of this Lease.

(b) Landlord's Mailing Address: J&K Worldwide, LLC
1795 Outer Ln. Dr.
Ypsilanti, MI 48198

(c) Tenant's Mailing Address: Patrick Echlin
734 Brewing Company, Inc.
15 E. Cross St., Suite B
Ypsilanti, MI 48198

(d) Building: Address: Retail/Office building located at 9,11,13,15 E. Cross St., Ypsilanti, MI 48198

Unit/Suite No.(s): 15B

(e) Premises: The space within the Building, herein defined by Unit Number 15 Suite B

(f) Term: Ten (10) years

(g) Commencement Date: March 1, 2016

(h) Termination Date: February 28, 2026

(i) Base Rent: Due and payable, without demand, on or before the first day of each month in the following monthly installments:

PERIOD	MONTHLY INSTALLMENT
March 1, 2016 to February 28, 2026	$1,350.00

(j) Rent: The Base Rent and/or Additional Rent and any other charges or sums payable hereunder.

(k) Security Deposit: None; First Months rent due at Lease Signing ($1,462.50). Last Months rent is to be made in 12 installments during the first 12 months of the lease term totaling $1,462.50 per month. Thereafter rent shall revert to the base rent of $1,350.00 per month for the remainder of the lease term.

(l) Permitted Use: General Retail/Office/Brewery/Food Service

(m) Base Year: The calendar year in which the Lease was signed.

(n) Comparison Year: The first full calendar year following the Base Year and each subsequent full calendar year during which the Lease shall continue in effect.

(o) Common Areas and Facilities: Including, but not limited to, the lobbies, vestibules, stairways, corridors, passenger and freight elevators, parking lots, sidewalks, curbs, common restrooms, truck docks and access roads.

(p) Electric Charge: __N/A___
Monthly Flat Rate: $50 per month credit has been applied to the Monthly Rental Rate and lowered from $1,400.00 to $1,350.00 to accommodate shared electrical usage with Unit 15 Suite A. Tenant occupying Unit 15 Suite B is fully responsible for all gas and electrical charges incurred for Unit 15 Suites A & B. Gas and Electrical Service Meters associated with Unit 15 Suites A & B shall be put under the individual(s) and/or entities identified in paragraph 1(c) on Page One of this Agreement by the commencement date stated in paragraph 1(g) on Page One of this Agreement. If the Suite A tenant materially increases its usage of gas and/or electricity, the parties will work in good faith to adjust the amount of the rent credit that Tenant pays under this Section as an offset for such increased usage.

(p) Property shall include the Premises, the Building and the real estate there under.

(q) Rules and regulations shall be those listed in paragraph (19) plus amendments thereto published by landlord from time to time.

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

2. LEASED PREMISES. Owner hereby demises and leases to Tenant the Premises described above and more fully described in Paragraph 1(d) and (e)

3. Rental.
Tenant shall pay Rent at the place designated by the Landlord or the Property Manager. In the event any Rent is payable for a partial calendar month or year, such Rent shall be prorated. All accrued unpaid Rent shall survive the lease term

4. Late Fee.
A fee of $35 will be assessed to monthly rental payments received by the Landlord ten (10) calendar days after the due date in addition to a late fee for Landlord's increased administrative expenses, in an amount equal to five (5%) percent, per month, of the amount owed to the Landlord. A fee of $35 will be assessed for all checks returned for insufficient funds.

5. Holdover.
Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord, without demand, in as good condition as when delivered to Tenant, reasonable wear and tear excepted. If Tenant shall remain in possession of the Premises after the termination of this Lease, and hold over for any reason, Tenant shall be deemed a Tenant of the Premises from month-to-month, subject to all the other terms and conditions of this Lease which are not inconsistent with such month-to-month tenancy and guilty of unlawful detainer; or, at Landlord's election, Tenant shall be deemed a holdover tenant and shall pay to Landlord monthly Rent equal to one hundred twenty-five (125%) percent of the total Rent payable hereunder during the last month prior to any such holdover, as well as any other damages incurred by Landlord as a result of such holdover. Nothing herein contained shall be deemed a consent to or approval of; or to excuse, any holding over by Tenant without Landlord's prior written consent or without a new written agreement between the parties. Negotiations shall not be construed as an agreement to renew or enter into a new lease agreement. Upon any such holding over Tenant shall hold harmless and indemnify Landlord from and against any and all damages, costs and expenses sustained by Landlord as a result of Tenant's retention of possession of the Premises or any portion thereof. Tenant's occupancy shall be extended hereunder for the period, if any, during which environmental remediation is taking place due to the activities of tenant during the term of this Lease. After notice of termination by Landlord, which shall include a ten (10) day period for Tenant to remove its property, should any of tenant's property remain within the Premises after the termination of this Lease, it shall be deemed abandoned, and Landlord shall have the right to store or dispose of it at Tenant's cost and expense.

6. SECURITY DEPOSIT. Tenant has deposited with Landlord the sum provided for in Paragraph 1(l) hereof; as security for the performance of Tenant's obligations under this Lease. The parties acknowledge and agree that said security deposit (or any pre-paid Rent received from Tenant under this Lease or under any separate agreement in connection therewith) may be deposited in Landlord's general operating account, and not a separate escrow account. Should any such security deposit and/or pre-paid Rent be placed in an interest bearing account, all interest accruing thereon shall be payable to Landlord. Tenant's security deposit shall not be construed as pre-paid Rent, or as a measure of Landlord's damages in the event of a Default by Tenant. If Tenant should be placed in Default with respect to any provision of this Lease, Landlord may apply all or a portion of said security deposit for the payment of any sum in Default or for the payment of any amount which Landlord expends by reason of such Default. If any portion of said deposit is so applied, Tenant shall deposit with Landlord, within five (5) days after receipt of Landlord's written demand, an amount sufficient to restore said security deposit to its original amount. Upon the expiration of this Lease, Landlord shall return said security deposit to Tenant, provided Tenant has paid to Landlord all sums owing to Landlord under this Lease, and Tenant has returned the Premises to Landlord in same condition as when Tenant took possession.

7. ESTOPPEL CERTIFICATES AND ATTORNMENT.
A. Within ten (10) days alter Landlord's request, Tenant shall execute and return to Landlord or its designee a statement in a form reasonably requested by Landlord certifying, to the extent true, that this Lease is unmodified and in full force and effect, that Tenant has no defenses, offsets or counterclaims against its obligations to pay any Rent or to perform any other covenants under this Lease, that there are no uncured Defaults of Landlord or Tenant, the dates to which the Rent and other charges have been paid, and any other information reasonably requested by Landlord. If Tenant fails to return such statement within said ten (10) days, setting forth the above or, alternatively, setting forth any lease modifications, defenses and/or uncured Defaults, Tenant shall be in Default hereunder or, at Landlord's election, it shall be deemed that Landlord's statement is correct with respect to the information therein contained. Any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser, mortgagee, or assignee of any mortgagee of the Property.

B. Should any party acquire title to the Premises pursuant to the exercise of any rights conferred by any mortgage(s) or security interest(s), this Lease shall not be terminated. Rather any such party shall be vested with the rights and obligations conferred upon the Landlord pursuant to this Lease. Tenant hereby agrees to attorn to any such mortgagee, owner or other person or entity as its new landlord, and this Lease shall continue in full force and effect as a direct lease between Tenant and any new landlord, or such other person or entity, upon all agreements, conditions, covenants and terms herein set forth.

8. Renewal. The rental for any renewal lease term, if created as permitted under Exhibit "B", shall be increased at 1.5% [Annual Rent in Renewal Term] payable in installments of one twelfth of the annual rate [Monthly Rental Amount] per month.

9. **Use**
Absent the prior written consent of Landlord, Tenant shall not use or allow the Premises to be used or occupy the Premises other than for the Permitted Uses as set forth in Paragraph 1(l). Tenant shall not use or allow the Premises to be used or occupy the Premises in violation of any law or of the certificate of occupancy issued for the Building. Upon five (5) days' written notice from Landlord, Tenant shall cease any use of the Premises which is declared unlawful or which will invalidate or increase the cost of any insurance covering the Building or property located therein. Tenant shall promptly upon demand, reimburse Landlord, as additional rent, for any additional premium charged by reason of Tenant's failure to comply with the provisions hereof. In connection with its use of the Premises, Tenant agrees to the following:

A. Tenant shall not use the Premises in any manner deemed hazardous because of fire risk or otherwise. If any of Tenant's operations produce noise or vibrations disturbing to Landlord or the other tenants of Landlord's property, Tenant will, on Landlord's written request, forthwith cease such operation or install sound proofing or take other measures necessary to eliminate such disturbances. If Tenant installs equipment which unbalances or overloads electrical equipment or wiring in or about the Premises, it shall correct such unbalanced or overloaded condition and replace any equipment or wiring thereby damaged at its own expense.

B. Tenant, at its sole expense, shall comply with any and all requirements of any insurance organization or company necessary for the maintenance of fire and public liability insurance covering the Premises and the Building at a reasonable cost.

10. Sublease and Assignment.
Tenant shall not assign or sublet the Premises, or any portion thereof; nor allow the same to be used or occupied by any other person, without the prior written consent of Landlord, which will not be unreasonably withheld, conditioned or delayed. Landlord's consent to any sublease or assignment shall not constitute a release of Tenant from the full performance of Tenant's obligations under this Lease, unless any such release is confirmed in writing.

11. Repairs and Maintenance
A. During the Lease term, Tenant shall make, at Tenant's expense, all necessary minor repairs to the Leased Premises. Repairs shall include such items as routine replacement of light bulbs and other parts of the Leased Premises damaged or worn through normal occupancy, except for the roof, subject to the obligations of the parties otherwise set forth in this Lease.
B. Landlord shall maintain the roof, sky lights, outer walls, foundation, structural elements and all common areas of the Building, including without limitation, all electrical, plumbing and mechanical systems in in the common areas of the Building, to the point at which those systems enter the Leased Premises and shall be responsible for snow removal and lawn maintenance (rear yard). Trash removal is available from the City of Ypsilanti. 4 cans can be used for each unit address. If Tenant requires a dumpster, Tenant is responsible for obtaining a dumpster agreement at Tenant's expense. Tenant must discuss dumpster storage location with Landlord prior to obtaining.

12. Alterations and Improvements.
A. Tenant shall not make any alterations, improvements or additions to the Premises without the prior written consent of Landlord. If Tenant undertakes any alterations, improvements or additions within the Premises, all construction in connection therewith shall be performed by contractors pre-approved by Landlord. All improvements made to the Premises by or on behalf of Tenant shall, at the election of Landlord, become the property of Landlord and shall be surrendered with the Premises upon the termination of this Lease. Tenant shall have the right to remove from the Premises after termination of this Lease all brewery equipment and other equipment related to the brewing and storage of beverages. Upon approval by Landlord of Tenant's alteration plans, Landlord shall designate any such alterations that Tenant must remove upon termination of this Lease, in which case Tenant shall remove all such improvements upon the expiration or earlier termination of this Lease, and restore the Premises to a condition substantially similar to that condition when delivered to Tenant.

B. All alternations and improvements in or upon the Premises, made by either party (except to Tenant's personal property, furniture and furnishings, signs and trade fixtures), shall become the property of Landlord and shall be surrendered with the Premises as provided for herein.

13. Property Taxes.
Landlord shall pay all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the leased premises. If at any time during the term of this lease, under the laws of the State of Michigan or any political subdivision thereof, a tax on rents is assessed against the Landlord or the basic rent, as a substitution in whole or in part for taxes assessed by such state or political subdivision on land or buildings, such tax shall be added to the amount which the Tenant is required to pay under this article.

14. Insurance.
A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises. Landlord shall maintain plate glass coverage and Tenant agrees to be responsible to pay the deductible, but not more than $500.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon the insurance company such insurance to afford minimum protection of not less than $2,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of

Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

D. The Tenant may at its own cost and expense, obtain and maintain such insurance coverage for business interruption and on its personal property and contents as Tenant deems necessary or proper, and Landlord has not responsibility therefore.

15. Utilities.
Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall be responsible for any upgrades to existing utilities serving the Leased Premises that are required for the operation of tenant's brewpub business. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants. Tenant shall pay all charges for gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. Landlord shall pay all charges for Water/Sewer as long as use, at the Landlords discretion, is within Standard Office/Retail usage levels. If Tenant wishes to use equipment that requires excessive Water/Sewer, independent metering for shall be installed at the Tenants expense, in which the tenant will then be responsible for usage charges. Additional details, if any, are to be provided in paragraph 1(p) on Page 2 of this Agreement.

16. Signs.
Following Landlord's consent, Tenant shall have the right to place on the leased premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. The size, number, design and location of all signs shall require Landlord's written approval prior to installation, which approval shall not be unreasonable withheld, conditioned or delayed. Tenant shall maintain all signs in good condition and repair at all times, and shall save the Landlord harmless from injury to person or property arising from the erection and maintenance of said signs. Upon vacating the Premises, Tenant shall remove all signs and repair all damages caused by such installation and removal. No signs shall be painted on the exterior of the Premises or Property. The use of portable or free-standing signs is strictly prohibited without the prior written consent of Landlord. Signs may not be hung or otherwise attached to the existing awning and painting of information on the awning is permitted with Landlord's approval, which will not be unreasonable withheld, conditioned or delayed. Tenant shall not have access to the roof for sign installation. Exterior signs must be installed from the street level. Tenant shall repair all damage to the Leased Premises resulting from the installation/removal of signs by Tenant.

17. Entry.
Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises. Except in cases of emergency, landlord shall provide 2 business days' prior notice of its intention to enter into the Leased Premises and Tenant shall have the right to have its representative accompany Landlord when Landlord is present in the Leased Premises.

18. Parking.
During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footway's, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant agrees, in cooperation with the other Tenants, to padlock the rear parking area when the last person leaves the building each day. Landlord will make 2 parking spaces at the Southeast corner of the Building available for the exclusive use by Tenant for outdoor service and seating, during warm weather months.

19. Building Rules.
Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. In all events, no changes to such rules will operate to amend this Lease (and in case of a conflict, the terms of this Lease shall control) and no such changes shall impose additional costs on Tenant. The initial rules for the Building are that "smoking is not permitted in the building" and incorporated herein for all purposes. The Landlord reserves the right of free access to the roof of said premises. The Tenant shall not erect structures for storage or any aerial, or use the roof for any purposes without the consent in writing of the Landlord. If Tenant fails to cure a violation of any applicable Building rules within 10 business days after receiving written notice from Landlord describing that violation in reasonable detail, then Landlord at their sole discretion may terminate the lease. If this lease is terminated the Landlord will notify the Tenant, in writing, thirty days prior to said termination.

20. Damage and Destruction.
If the Premises or a substantial portion of the Property is damaged in whole or in part by casualty, and the Premises are made untenantable as a result thereof and if in Landlord's reasonable opinion such damages cannot be substantially repaired within one hundred eighty (180) days from the date of said casualty, this Lease may be terminated by either party. If the damages can be repaired within one hundred eighty (180) days, but Landlord fails within the first sixty (60) days after such casualty to either commence to make such repairs or notify Tenant of Landlord's intent to make such repairs, Tenant shall have the right to terminate this Lease. Should Landlord elect to make such repairs, this Lease shall remain in full force and effect, and Landlord shall proceed with all due diligence to repair and restore the Premises to a condition substantially similar to that condition which existed prior to such casualty. If repair and restoration of the Premises extends beyond one hundred eighty (180) days after the date of such casualty due to causes beyond the control of landlord, this Lease shall remain in full force and effect, and Landlord shall not be liable therefore; but Landlord shall continue to complete such repairs and restoration with all due diligence.
If either party should elect to terminate this Lease, the party so electing shall notify the other party in writing. The effective date of such termination shall be the date of said casualty. If this Lease is terminated, the parties shall have no further obligations to the other, except for those obligations accrued through the effective date of such termination; and, upon such termination, Tenant shall immediately surrender possession of the Premises to Landlord. Tenant shall not be required to pay any Rent for any period in which the Premises are untenantable. If only a portion of the Premises are untenantable, Tenant's Rent shall be equitably abated in proportion to that portion of the Premises which are so unfit. However, there shall be no Rent abatement if the damages are due to the conduct, fault or negligence of tenant or Tenant's agents, employees or invitees.

21. Default.
This Lease and Tenant's right to possession of the Premises is made subject to and conditioned upon Tenant performing all of the covenants and obligations to be performed by Tenant hereunder, at the times and pursuant to terms and conditions set forth herein. If Tenant should fail to pay any Rent, additional rent or other charge when the same is due, or if Tenant should fail to perform any other obligation to be performed by Tenant within the time or times set forth herein, Tenant shall be in Default under this Lease. If any Default shall continue for five (5) days after written notice from Landlord, or if Tenant makes an assignment for the benefit of creditors, vacates or abandons the Premises for more than thirty (30) days, files or has filed against it a petition in bankruptcy, has a receiver, trustee or liquidator appointed over a substantial portion of its property, or is adjudicated insolvent, Landlord may either (a) terminate this Lease, or (b) terminate Tenant's right of possession to the Premises without terminating this Lease. In either event, Landlord shall have the right to dispossess Tenant, or any other person in occupancy, together with their property, and re-enter the Premises. Upon such re-entry, Tenant shall be liable for all expenses incurred by Landlord in recovering the Premises, including, without limitation, clean-up costs, legal fees, removal, storage or disposal of Tenant's property, and restoration costs.

If Landlord elects to terminate this Lease, all Rent through the effective date of termination shall immediately become due, and the aforesaid expenses incurred by Landlord to recover possession, subject to reduction by the amount of any rental or other income derived by Landlord from the Leased Premises during what would otherwise have been the remaining term of this Lease, net of any direct costs incurred by Landlord in procuring a new tenant.

If Landlord elects not to terminate this Lease, but only to terminate Tenant's right of possession to the Premises, Landlord may re-enter the Premises without process of law if Tenant has vacated the Premises or, if Tenant has not vacated the Premises by an action for ejection, unlawful detainer, or other process of law. No such dispossession of Tenant or re-entry by Landlord shall constitute or be construed as an election by Landlord to terminate this Lease, unless Landlord delivers written notice to Tenant specifically terminating this Lease. Upon Landlord recovering possession, Landlord shall use reasonable efforts to mitigate its damages and relet the Premises upon terms and conditions satisfactory to Landlord; however, Landlord shall have no duty to prioritize the reletting of the Premises over the leasing of other vacant space within the Property. Tenant shall remain liable for all past due Rent and late fees, plus the aforesaid expenses incurred by Landlord to recover possession of the Premises. In addition, Tenant shall be liable for all Rent thereafter accruing under this Lease, payable at Landlord's election: (a) monthly as such Rent accrues, in an amount equal to the Rent payable under this Lease less the rent (if any) collected from any reletting, or (b) in full in an amount equal to the then present value of the rents reserved hereunder for the entire remainder of the stated term hereof as if this Lease had not been terminated and same shall be immediately due and payable, subject to reduction by the amount of any rental or other income derived by Landlord from the Leased Premises during what would otherwise have been the remaining term of this Lease, net of any direct costs incurred by Landlord in procuring a new tenant
In addition to the aforesaid events of Default, if Tenant should be placed in Default two or more times in any 12-month period during the term of this Lease (regardless of whether or not Tenant cures such Default within the applicable cure period), such multiple events of Default shall constitute a separate Default which cannot be cured by Tenant; and, at Landlord's option without giving Tenant any further notice, Landlord may exercise any of the aforesaid rights afforded Landlord with respect to such Default.

No action by Tenant after final judgment for possession of the Premises shall reinstate this Lease, and Tenant waives any and all rights of redemption if Tenant is judicially dispossessed. Should Landlord elect not to exercise any of its rights in the event of a Default, it shall not be deemed a waiver of such rights as to subsequent Defaults. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the stipulated Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction. Landlord may accept such check or any partial payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided for in this Lease or available at law or in equity to collect the balance of such Rent. After the service of any notice or commencement of any suit or final judgment therein, Landlord may receive and collect any Rent due and such collection or receipt shall not operate as a waiver of nor affect such notice, suit or judgment. All of the aforesaid rights of Landlord shall be in addition to any remedies which Landlord may have at law or in equity. Both parties hereby waive trial by jury in any action, proceeding or counter-claim brought by either party against the other on any matter arising out of or in any way connected with this Lease, or Tenant's use or occupancy of the Premises. Tenant shall pay all costs and reasonable attorney's fees incurred by Landlord in the enforcement of this Lease.

22. Attorneys' Fees
In the event that Landlord should bring suit for the possession of the Premises, for the recovery of any sum due under this lease, or because of the breach of any provision of this lease, or if Tenant shall bring any action for any relief against Landlord arising out of the Lease, then all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party shall be paid by the other party.

23. Guaranty
This Agreement and the covenants and obligations thereof of the Tenant are hereby guaranteed by the individual(s) and/or entities identified in paragraph 1(c) on Page One of this Agreement and as further provided in Exhibit "A", attached hereto and made a part hereof and such guaranty shall be unconditional.

24. Quiet Possession.
Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

25. Tenant to Indemnify
The Tenant agrees to indemnify, hold harmless and defend the Landlord from any liability for damages to any person in, on or about said leased premises from any cause whatsoever, to the extent of Tenant's fault for any such damages.

26. Condemnation/Eminent Domain
If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

27. Subordination.
Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein require d to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

28. Notice.
Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:	*If to Tenant:*
J&K Worldwide, LLC [Landlord]	734 Brewing Company, Inc. [Tenant]
1795 Outer Ln Dr	15 E. Cross St. Suite B
Ypsilanti, Michigan 48198	Ypsilanti, Michigan 48198
[Landlord's Address]	[Tenant's Address]

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party

29. Brokerage.
Except as provided below,the parties warrant that they have dealt with no broker claiming a commission in connection with this transaction; and each party shall hold the other party harmless for any breach of such warranty. Tenant shall be liable for any commissions payable to any broker services obtained. Tenant has used the services of Brian Jones-Chance, of KW Commercial, in procuring this Lease. Tenant has entered into a separate written agreement regarding such services. Tenant shall pay KW Commercial the commission required under that separate agreement.

30. Waiver.
No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

31. Headings
The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

32. Successors
The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

33. Condition of Premises at Time of Lease
The Tenant acknowledges that it has examined the leased premises prior to the making of this lease, and knows the condition thereof, and that no representations as to the condition or state of repairs thereof have been made by the Landlord, or its agent, which are not expressed in the lease, and the Tenant accepts the leased premises in their present condition at the date of the execution of this lease.

34. Re-Renting
The Tenant hereby agrees that for a period commencing ninety (90) days prior to the termination of this lease, the Landlord may show the premises to prospective Tenants, and ninety (90) days prior to the termination of this lease, may display in and about said premises and in the windows thereof, the usual "To Rent" signs, which shall be displayed in such a manner as not to interfere unreasonably with the conduct of tenant's business.

35. CONFIDENTIALITY. Tenant acknowledges that the terms and conditions set forth in this Lease are confidential in nature, and that the negotiations preceding the drafting of this instrument are private as between Landlord and Tenant. Therefore, Tenant and its agents (including Tenant's brokers and attorneys) shall not disclose any of the terms or conditions herein contained to any person other than authorized agents of Tenant. In no event shall Tenant disclose any such terms or conditions to any third party tenant, or any employee thereof; within the Property. If Tenant breaches such confidence, Tenant shall be in Default of this Lease and/or shall be liable to Landlord for any damages Landlord sustains as a direct or indirect result of such breach.

36. Compliance with Law.
Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

37. Final Agreement.
This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

38. Governing Law.
This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

_____
Jeffrey R. Kuhns,jr., Managing Partner, J&K Worldwide, LLC [Landlord Signature]

_____
Patrick Echlin, President, 734 Brewing Company, Inc. [Tenant Signature]

EXHIBIT "A"

Unconditional Guaranty

The undersigned, Patrick Echlin, individually, hereby unconditionally and absolutely Guaranties the payment of all Rents and other obligations of the Tenant, 734 Brewing Company, Inc. when due under this Lease. This Guaranty shall be absolute and unconditional and Landlord shall have no obligation to either undertake or exhaust collection efforts against the Tenant, 734 Brewing Company, Inc. prior to demand payment from Patrick Echlin under this Guaranty and upon demand, Patrick Echlin shall immediately make such payments and satisfy all obligations of the Tenant, 734 Brewing Company, Inc.

Notwithstanding the foregoing, the liability of Patrick Echlin under this Guaranty shall:

a. Be limited to 12 months' base rent

_____

Patrick Echlin

EXHIBIT "B"

Rider To Lease

Provided it is not in default of the Lease beyond any applicable grace period, both at the time of notice and upon the effective date of said notice, Tenant shall have one FIVE (5) year option to renew upon the provision of 120 days advance written notice to Landlord, effective upon receipt with rent as follows:

March 1, 2026 to February 28, 2031	$1,550.00

EXHIBIT "A"

Unconditional Guaranty

The undersigned, Patrick Echlin, individually, hereby unconditionally and absolutely Guaranties the payment of all Rents and other obligations of the Tenant, 734 Brewing Company, Inc. when due under this Lease. This Guaranty shall be absolute and unconditional and Landlord shall have no obligation to either undertake or exhaust collection efforts against the Tenant, 734 Brewing Company, Inc. prior to demand payment from Patrick Echlin under this Guaranty and upon demand, Patrick Echlin shall immediately make such payments and satisfy all obligations of the Tenant, 734 Brewing Company, Inc.

Notwithstanding the foregoing, the liability of Patrick Echlin under this Guaranty shall:

a Be limited to 12 months' base rent [redacted]

Patrick Echlin

EXHIBIT "B"

Rider To Lease

Provided it is not in default of the Lease beyond any applicable grace period, both at the time of notice and upon the effective date of said notice, Tenant shall have one FIVE (5) year option to renew upon the provision of 120 days advance written notice to Landlord, effective upon receipt with rent as follows:

March 1, 2026 to February 28, 2031 $1,550.00

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This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

38. Governing Law.
This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Jeffrey R. Kuhns,jr , Managing Partner, J&K Worldwide, LLC [Landlord Signature]

[redacted]

Patrick Echlin, President. 734 Brewing Company, Inc. [Tenant Signature]

dotloop signature verification:

SECOND AMENDMENT TO LEASE AGREEMENT

Amendment, effective October 5, 2016, between J&K Worldwide, LLC ("Landlord") and 734 Brewing Company, Inc. ("Tenant").

RECITALS

The parties entered into a Lease Agreement, dated March 1, 2016, governing the rental by Tenant of property commonly known as 15 E Cross St, Suite B, Ypsilanti, MI 48198 ("The Lease"). The parties have agreed to amend the Lease on the terms provided in this Amendment.

NOW, THEREFORE, the parties agree as follows:

1. **Permitted Use**. Section 1 (l) of the Lease is hereby amended to permit the Premises to be used as a Winery, as well as for General Retail/Office/Brewery/Food Service.
2. **Other Terms**. Except as specifically provided in this Amendment, the terms of the Lease and the First Amendment to Lease Agreement remain in effect.

INTENDING TO BE LEGALLY BOUND, the parties have signed this Amendment, effective as of the day and year first above written.

[redacted] dotloop verified 10/05/16 6:46PM EDT DJ0Q-NSL3-NDOP-KBOE

By: Jeffrey R. Kuhns, Jr., Managing Partner, J&K Worldwide, LLC (Landlord)

[redacted] dotloop verified 10/05/16 9:19PM EDT YIBO-RASG-0N6V-7VBM

By: Patrick Echlin, President/CEO, 734 Brewing Company, Inc. (Tenant)

STOCK ISSUANCE / TRANSFER LEDGER FOR: 734 Brewing Company, Inc.

Name of Stockholder	Place of Residence	Certificates Issued				From Whom Shares Were Transferred. (If original issue, enter as such.)	Amount Paid Thereon	Date of Tranfer of Shares	To Whom Shares Were Transferred	Certificates Surrendered		Number of Shares Held (Balance)
		Cert. No.	No. of Shares	Class	Date Issued					Cert No.	No. of Shares	
Patrick Echlin	1135 N Prospect Rd, Ypsilanti, MI	1	10,000	-	6.Dec.2013	Original Issue	$100.00 (services)	-	-	-	-	10,000
Patrick Echlin	1135 N Prospect Rd, Ypsilanti, MI	1A	60,000	A	23.Nov.2016	Original Issue	$500.00 (labor)	-	-	1	10,000	60,000
The Ypsilanti Hay Press Company	1923 Andover Dr, Ypsilanti, MI	2A	30,000	A	23.Nov.2016	Original Issue	$300.00 (labor)	-	-	-	-	30,000

Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
Toll Free: 866-813-0011 •

Business ID: _____

Request ID: _____
(For MLCC use only)

Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ council/board
(regular or special) (township, city, village)

called to order by _____ on _____ at _____
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from _____
(name of applicant)

for the following license(s): _____
(list specific licenses requested)

to be located at: _____

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
(township, city, village)

council/board at a _____ meeting held on _____
(regular or special) (date)

_____ _____ _____
Print Name of Clerk Signature of Clerk Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933
Fax to: 517-763-0059

LARA is an equal opportunity employer/program.Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

Postponed on December 5, 2017
Resolution No. 2017 –294
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

THAT, the following individuals be appointed to the City of Ypsilanti Boards and Commissions as indicated below:

NAME	**BOARD**	**TERM EXPIRATION**
Patricia Berry 616 Collegewood Ypsilanti, MI 48197	Ethics Commission	12/5/2022

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Results From: City of Ypsilanti Boards and Commissions Citizen Participation ResumeSubmitted By:
Unauthenticated User IP: 10.20.30.11

Name:
Patricia

last name:
Berry

Address:
616 Collegewood Street

address2:

city:
Ypsilanti

state:
Michigan

zip:
48197

Years in Community:
4.5

Ward:

Phone:
[redacted]

Email:
[redacted]

Education:
Some graduate school

Occupation:
fundraiser

Employer:

University of Michigan

BOARDOFINTEREST:

Board of Ethics Human Relations Commission

Interest:

I deeply love Ypsilanti and want to contribute where I can to make it an even better place to live.

Applicatory Experience:

As a fundraiser and community activist I think I have the ability to take in both big picture thinking and how people relate to it. I have served on two boards, one for the EMU charter school Ann Arbor Learning community and the other for my professional organization, the Association of Donor Relations Professionals. More information on my experience and qualifications can be found on my LinkedIn profile; www.linkedin.com/in/patriciaberry10025/

Attendance Requirement:

Yes

Signature:

No

REQUEST FOR LEGISLATION
December 19, 2017

To: Mayor and Council
From: Frances McMullan, City Clerk
Subject: Charitable Gaming License – Ypsilanti PTO

SUMMARY & BACKGROUND:

The Ypsilanti PTO would like to hold a raffle as part of their "Blooming YIES" fundraising gala on February 24, 2018 at the Ypsilanti Freighthouse.

The organization is a 501(c)3 charity and may accept tax-deductible donations subject to all relevant laws.

Please contact Kathi Beal, PTO President at (734)218-2233 (kmackerbeal@gmail.com) or Gillian Ream Gainsley, YIES PTO Member at (734)474-9818 (Gillian.ream@gmail.com) for further information.

RECOMMENDED ACTION: Approval

ATTACHMENTS: Resolution
Tax Exempt document

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: 12/19/17

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2017-295
December 19, 2017

WHEREAS, the Ypsilanti International Elementary School (YIES) develops the youngest students to be inquisitive, thoughtful learners with a global perspective; and

WHEREAS, parent involvement is crucial to the success of our schools and our students; and

WHEREAS, the YIES Parent-Teacher Organization (YIES PTO) is a certified 501(c)3 charity that may accept tax-deductible donations subject to all relevant laws; and

WHEREAS, the mission of the YIES PTO is to strengthen, enhance, and encourage the educational environment at Ypsilanti International Elementary School, with a key goal of establishing and reinforcing the communication between the student families, teachers, and community; and

WHEREAS, the YIES PTO is planning to hold a raffle as part of their “Blooming YIES” fundraising gala on February 24, 2018 at the Ypsilanti Freighthouse; and

WHEREAS, community support and fundraising is an essential tool for helping our schools be successful and serve the students and families of Ypsilanti.

THEREFORE, BE IT RESOLVED THAT the City Council of the City of Ypsilanti recognizes the Ypsilanti International Elementary School Parent Teacher Organization (YIES PTO) as a nonprofit organization operating in the community, and that their application for the purpose of obtaining a charitable gaming license be approved.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: AUG 23 2017

YPSILANTI INTERNATIONAL ELEMENTARY
SCHOOL PARENT TEACHER ORGANIZATION
503 OAK STREET
YPSILANTI, MI 48198-0000

Employer Identification Number:
81-5059850
DLN:
26053633004567
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
July 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
January 25, 2017
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

YPSILANTI INTERNATIONAL ELEMENTARY

Sincerely,

[redacted]

Director, Exempt Organizations
Rulings and Agreements

Resolution No. 2017-296
December 19, 2017

CITY OF YPSILANTI
WASHTENAW COUNTY, MICHIGAN
RESOLUTION

WAIVER OF PENALTIES FOR FAILURE TO FILE
PROPERTY TRANSFER AFFIDAVITS

Whereas, the City of Ypsilanti is aware that Michigan statute, MCL 211.27a(10) requires the buyer, grantee or other transferee of a property to notify the appropriate assessing office within 45 days when a transfer of ownership occurs, and

Whereas, MCL 211.27a(10) further requires that such notification be made on a form prescribed by the State Tax Commission, commonly known as a Property Transfer Affidavit (form 2766 or L-4260), and

Whereas, the City is aware that MCL 211.27b(1)(c) and (d) provides for specific penalties to be levied if the appropriate assessing office is not notified within 45 days, and

Whereas, MCL 211.27b(5) allows the governing body to waive, by resolution, the penalty levied under subsection (1)(c) or (d), and

Whereas, the City of Ypsilanti Assessing Office has procedures in place to notify the buyer, grantee or transferee of a property when the Property Transfer Affidavit has not been filed, and

Whereas, the City of Ypsilanti has determined the cost to administer and collect the penalty, then share collected penalties with other taxing jurisdictions outweighs the benefit, and

Whereas, the City finds the collection of penalties is unnecessary.

Now Therefore Be it Resolved the City Council of the City of Ypsilanti , as provided in MCL 211.27b(5), waives the collection of penalties under subsections (1)(c) or (d), and

Also Therefore Be it Resolved that any resolution, policy or directive in conflict with this Resolution is hereby repealed.

Moved:_____ Supported: _____

Ayes: _____

Nays: _____

Absent and Excused: _____

RESOLUTION DECLARED ADOPTED.

By: _____
Frances McMullan , Clerk
City of Ypsilanti

CERTIFICATE

I, Frances McMullan, Clerk of the City of Ypsilanti, do hereby certify that the above is a true and correct copy of a Resolution which was adopted by the City of Ypsilanti City Council on the 19th day of December 19, 2017.

Dated: _____ _____
Frances McMullan, Clerk

REQUEST FOR LEGISLATION
December 13, 2017

From: Cynthia Kochanek, Preservation Planner

Subject: State Historic Preservation Tax Credit

SUMMARY & BACKGROUND: The Michigan Historic Preservation Tax Credit, formerly in effect from 1999 until 2011, was a tremendous financial incentive for commercial and residential properties located within a local historic district. Over the program's life, the credits leveraged $251 million in federal tax credits, led to the creation of 36,000 jobs, and incentivized $1.46 billion in direct rehab expenses. Projects within the City were able to leverage over $140,000 in community investment during this program. Between 2003 and 2011, ten properties successfully received tax credits in the City of Ypsilanti.

A bill to reinstate the Michigan Historic Preservation Tax Credit has been introduced both in the State Senate and in the State House of Representatives. This new bill is similar to the original tax credit program. It offers a tax credit of up to 25 percent of qualified rehabilitation expenses for contributing commercial and residential properties located within a local historic district. It is the only credit available for owner-occupied historic homes. This tax credit is a powerful incentive that can help save and rehabilitate the historic resources that contribute to the character of the City of Ypsilanti.

The Historic District Commission unanimously passed a similar resolution at their meeting on December 12, 2017. Staff requests that City Council pass this resolution in support of the reinstatement of the Michigan Historic Preservation Tax Credit.

RECOMMENDED ACTION: Approval

ATTACHMENTS: none

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: 12/19/17

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2017 - 297
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the historic buildings, neighborhoods and places in the City of Ypsilanti provide character and a sense of place that contributes significantly to the quality of life and the economic benefits enjoyed in the community; and

WHEREAS, the preservation and rehabilitation of the historic buildings, places and neighborhoods contribute to the beauty, character, and economic vitality of our community; and

WHEREAS, the labor-intensive nature of historic rehabilitation creates jobs and investment in local businesses and has been proven to generate more economic activity than equivalent investment in new construction; and

WHEREAS, demolition or destruction of historic buildings creates costs to Michigan and the City of Ypsilanti by destroying the embodied energy present in each structure and adding significantly to landfills, whose makeup is estimated to be more than 40 percent building materials and waste; and

WHEREAS, Michigan has measured the economic impacts of the state historic tax credit programs and seen significant positive direct impacts on neighborhood and community revitalization, affordable and market-rate housing preservation and creation, local skilled jobs creation; and

WHEREAS, the former Michigan Historic Tax Credit has leveraged $1.46 billion in direct rehabilitation activity and created 36,000 jobs in the state from its enactment in 1999 through its elimination in 2011; and

WHEREAS, the Michigan legislature is presently considering Senate Bill 469 and House Bills 5117 and 5178 that would reinstate an up-to-25 percent investment tax credit for owners of historic residential and commercial properties who substantially rehabilitate their properties.

NOW, THEREFORE, BE IT RESOLVED that the Ypsilanti City Council endorses and supports Senate Bill 469 (and House bills 5117 and 5178) and calls upon the Michigan Legislature to pass this important legislation and Governor Snyder to sign it, in order to stimulate appropriate development and redevelopment and protect the historic character and quality of life of our communities.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Barr, Anhut & Associates, P.C.
ATTORNEYS AT LAW

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Ypsilanti, MI 48197
(734) 481-1234
Fax (734) 483-3871
www.barrlawfirm.com
e-mail: jbarr@barrlawfirm.com

John M. Barr
Karl A. Barr
~~~~~~~

Jesse O'Jack ~ Of Counsel
William F. Anhut ~ Of Counsel – Retired
Jane A. Slider ~ Legal Assistant

REQUEST FOR LEGISLATION

DATE: November 9, 2017

PROCURMENT POLICY ORDINANCE

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Revision of Contracts and Purchasing Ordinance

SUMMARY/BACKGROUND

City Council recently adopted a purchasing policy as requested by the city auditors. City Council requested that the present purchasing policy and ordinance be reviewed and brought up to date. Accordingly, this office reviewed the city policy and ordinances and prepared a draft revision with changes to bring the ordinances current.

Section 2-282 was added to define Lowest responsible bidder as required by the City Charter.

Changes made because of change of state law include removal of the Affirmative Action provisions as required by Article I, Section 26 of the Michigan Constitution of 1963, adopted by citizen initiative in 2006; and removal of the CUB (Project Labor Agreements on Public Projects) provisions as required by the Michigan 2012 adoption of the Fair and Open Competition in Governmental Construction Act. That act was disputed and approved in 2013 by the US 6th Circuit Court of Appeals.

Some small changes were made to make the language gender neutral.

Bid procedures were updated to allow using the State of Michigan local government bidding procedure (MITN) and posting on the city web site.

Letters of Credit were added and allowed in addition to standard bonds.
~~~~~~~

Section 2-302 Conflict of Interest was modified to make reading easier.

Section 2-303 Local Preference was modified to provide standards of preference, and preference to Local Bidder and Local Producer as well as Section 2-237 Local Employees.

Section -303 (5) was added for Environmental Concerns.

Section 2-305 City Manager Monetary Authority was tightened up to provide that council approval is required if the cumulative amounts for any contractor is more than $25,000 in any 12-month period.

Section 2-317 Local Employees was added to provide preference for contractor with local employees.

Living Wage sections were retained, but it should be noted that recent legislation prohibits any amendment to these sections. If amended, the whole living wage ordinance would be void pursuant to recent state statute.

ATTACHMENTS: Proposed Ordinance Revisions

RECOMMENDED ACTION: Adoption of the ordinance revisions

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

RESOLUTION NO. 2017-298
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "An ordinance to Amend Chapter 2 "Administration," Article VI "Contracts and Purchasing" of the Ypsilanti City Code" be approved on first reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

CITY OF YPSILANTI
NOTICE OF ADOPTED ORDINANCE
Ordinance No. 1299

An ordinance to amend Chapter 2 "Administration," Article VI "Contracts and Purchasing" of the Ypsilanti City Code

1. THE CITY OF YPSILANTI HEREBY ORDAINS that Chapter 2 "Administration," Article VI "Contracts and Purchasing" of the Ypsilanti City Code be amended and revised to read as follows:

DIVISION 1. – GENERALLY

Sec. 2-281. Contractors in default to the city.

The City of Ypsilanti shall not enter into any contract with a contractor who is in default to the city. "Default to the city" shall include, but not be limited to: nonpayment of any taxes past the due date; breach of any contract provision with the city; nonpayment of any parking tickets, traffic fines, costs or other obligations to the city.

Sec. 2-282. Lowest responsible bidder defined

As provided in Article X, Section 10.02 of the City Charter, the term "lowest responsible bidder" shall mean the qualified bidder with the lowest or best bid price; whose business and financial capabilities, past performance, and reputation provide that it can perform the contract as promised; whose bid is in conformity with the laws of the United States of America and the State of Michigan and the Charter for the City of Ypsilanti and the provisions of this Code of Ordinances; and whose selection would be in the best interest of the City of Ypsilanti.

Secs. 2-283~~2~~—2-295. Reserved.

DIVISION 2. - PURCHASING, CONTRACTING AND SELLING PROCEDURES

Sec. 2-296. - City manager to act as purchasing officer.

The city manager shall act as purchasing officer of the city in accordance with terms of section 10.02 of the City Charter, unless he shall designate another officer employed by the city to act in this capacity or delegate part of this responsibility to other employees of the city; provided further, that it shall not relieve the purchasing officer of responsibility as set forth in section 10.02 of the City Charter. The city manager may designate to any department head the authority to approve purchases not in excess of $5,000.00 each purchase and which are within budget parameters. The city manager shall adopt any necessary rules respecting requisitions and purchase orders.

Sec. 2-297. - Purchases or contracts under $25,000.00.

(a) Purchases of supplies, materials, equipment, services or construction work the cost of which is $25,000.00 or less may be made in the open market and without prior approval of the city council. Such purchases shall where practicable be based on at least three competitive bids and shall be awarded to the lowest qualified bidder. The purchasing officer may solicit bids verbally or by telephone or may contact prospective bidders by written communications. The records shall be kept for six months of all open-market orders and the bids submitted thereon, which records shall be available for public inspection. Any or all bids may be rejected under provisions of terms of the city Charter. The city manager shall exercise such discretion as is authorized by the city council on bids under the amounts specified hereinabove.

(b) The city manager shall also have authority to contract on behalf of the city, without prior city council approval, all rehabilitation housing contracts and rehabilitation housing change of work order contracts, without limitation as to dollar amount of the contract.

Sec. 2-298. - Purchases or contracts over $25,000.00.

Any expenditure for supplies, materials, equipment, construction project or contract obligating the city, where the amount of the city's obligations is in excess of $25,000.00 with the exception of rehabilitation housing contracts and change work orders, shall be first approved by the city council and shall be governed by the provisions of this section.

(1) Such expenditure shall be made the subject of a written contract when directed by the city council. A purchase order shall be a sufficient written contract in cases where the expenditure is in the usual and ordinary course of the city's affairs.

(2) The purchasing officer shall solicit bids; from a reasonable number of such qualified prospective bidders as are known to him by sending each a copy of the notice requesting bids; and/or by utilization of State of Michigan bid procedures, including but not limited to the Michigan Inter-governmental Trade Network (MITN), and notice thereof shall be posted in the city hall and ~~Bids shall also be solicited~~ by notice on the City website. Bids shall be solicited by newspaper advertisement when directed by the city council.

(3) Unless prescribed by the city council, the city manager shall prescribe the amount of any security to be deposited with any bid, which deposit shall be in the form of cash,

certified check or cashier's check or bond written by a surety company authorized to do business in the state, or letter of credit issued by a local bank. The amount of such security shall be expressed in terms of percentage of the bid submitted. Unless fixed by the city council, the city manager shall fix the amount of the performance bond and in the case of construction contracts, the amount of the labor and materials bond to be required by the successful bidders.

(4) Bids shall be opened in public at the time and place designated in the notice requesting bids in the presence of the purchasing officer, the city clerk and at least one other city official, preferably the head of the department most closely concerned with the subject of the contract. The bids shall thereupon be carefully examined and tabulated and reported to the city council with the recommendation of the purchasing officer (as approved by the city manager if the city manager is not acting as purchasing officer) at the next city council meeting. After tabulation, all bids may be inspected by the competing bidders.

(5) When such bids are submitted to the city council and the city council shall find any of the bids to be satisfactory, it shall accept the bids. The city council shall have the right to reject any or all bids and to waive irregularities in bidding and to accept bids which do not conform in every respect to the bidding requirements.

(6) At the time the contract is executed ~~by him~~, the contractor shall file a bond executed by a surety company authorized to do business in the state, or a letter of credit by a local bank, to the city, conditioned to pay all laborers, mechanics, subcontractors and material men as well as all just debts, dues and demands incurred in the performance of such work and shall file a performance bond when one is required. Such contractor shall also file evidence of public liability insurance in an amount satisfactory to the city manager, and agree to save the city harmless from loss or damage caused to any person or property by reason of the contractor's negligence.

(7) All bids and deposits of certified or cashier's checks may be retained until the contract is awarded and signed. If any successful bidder fails or refuses to enter into the contract awarded ~~to him~~ within five days after the contract has been awarded, or filed any bond required within the same time, the deposit accompanying his bid shall be forfeited to the city, and the city council may, in its discretion, award the contract to the next lower qualified bidder or such contract may be re-advertised.

(8) Davis Bacon. No contract, agreement, understanding or other arrangement, whether oral or written, in excess of $25,000.00 for the performance of service or work for and on behalf of the city, involving craftsmen, mechanics and laborers employed directly upon the site of the work shall be entered into, approved or executed unless such contract, agreement, understanding or arrangement shall provide and require that all craftsmen, mechanics and laborers, not including persons employed directly by the city, so employed shall receive at least the prevailing wages and fringe benefits of the building trades department for corresponding classes of craftsmen, mechanics and laborers, as determined and published by the Davis-Bacon division of the United States

Department of Labor for the greater Ypsilanti area. In addition, such contract, agreement, understanding or arrangement shall provide that all subcontracts entered into by the contractor shall contain the provisions set forth above with respect to the contractor, and all such contracts, agreements, understandings or arrangements shall provide that all contractors and subcontractors engaged in the performance of services or work for the city to which this subsection applies shall, at the request of the city, furnish proof satisfactory to the city that the foregoing provisions of such contract or subcontract are being complied with. It shall be the responsibility of the purchasing officer to post at an appropriate place in the purchasing offices prevailing wages and fringe benefits that may be, from time to time, in effect in accordance with the foregoing, and the city manager is directed to see that the requirements of this subsection are contained in and complied with in all contracts, agreements, understandings or arrangements for work or services to be performed for the city in accordance herewith. Any person found guilty of violating any provision of this subsection shall be punished by imprisonment for not more than 90 days or a fine of $500.00 or both in the discretion of the court.

~~(9) Any bid for new construction or renovation work for capital facilities or improvement projects shall contain a requirement that the winning bidder agree to sign a construction unity board ("CUB") memorandum of understanding as a condition of receiving the contract. Accordingly, any RFP for this type of contract shall include the requirement that the winning bidder sign a CUB agreement.~~

Sec. 2-299. - Exceptions in competitive bidding.

Competitive bidding shall not be required in the following cases:

(1) Where the subject of the contract is other than a public work or improvement costing in excess of $25,000.00 and the product or material contracted for is not competitive in nature and no advantage to the city would result from requiring competitive bidding and the city council, upon written recommendation of the city manager authorizes execution of a contract without competitive bidding.

(2) In the employment of professional services.

(3) Where the city council shall determine that the public interest will be best served by purchase from, or joint purchase with, another unit of government.

(4) Where the city elects to undertake the work itself.

Sec. 2-300. - Emergency purchases.

In case of emergency, any department head, with the approval of the city manager, may purchase directly any supplies, materials or equipment, the immediate procurement of which is necessary to the continuation of the work of the department. Such purchases and the emergency causing them shall be reported in detail to the purchasing officer within a week from the time when made and such reports shall be preserved by the purchasing officer for a period of two years.

Sec. 2-301. - Inspection of materials.

The responsibility for the inspection and acceptance of all materials, supplies and equipment shall rest with the ordering department.

Sec. 2-302. - Conflict of interest.

Any purchase order or contract within the purview of this division in which the purchasing officer or any officer or employee of the city is financially interested, shall be governed by the terms of the city Charter and by state law and in particular section 9.01 of the City Charter and § I of Ordinance No. 818, Ethical Standards of Conduct, adopted May 22, 1995, as amended. ~~of the city Charter.~~

Sec. 2-303. - Waiver of competitive bidding by city council.

(1) Waiver of competitive bidding by city council. Contrary provisions of this division notwithstanding, when the city council shall determine that no advantage to the city would result from competitive bidding, the provisions of this division requiring such bidding need not be complied with; provided, that all purchases, in any event, shall be evidenced by a written purchase order or sales memorandum.

(2) Local preference. In the purchase of supplies, materials, equipment, services or construction work the purchasing officer or city council ~~shall~~ may give preference to a local bidder or those bidders that offer Locally-Produced Product if the bids are substantially the same, or not more than $1,000 apart in bids of $25,000 or less, and for bids not more than $4,000 apart for bids up to $100,000, and $5,000 apart for bids over $100,000. The highest preference Local Bidder or Locally-Produced Product Preference will be given to entities whose headquarters are within the City of Ypsilanti; next highest will be those in 48197 or 48198 zip codes; next highest will be Washtenaw County, and next highest will be Michigan.

(3) Local bidder means a bidder with headquarters or owner physically located in the jurisdiction or geography (City of Ypsilanti, 48197/48198 zip codes, Washtenaw County, Michigan) specified in (2) for more than 12 months prior to the bid. Consideration will also be made to those companies that employ or plan to recruit/hire City of Ypsilanti residents. RFPs shall standardly ask about ownership and local employment in order for bid reviewers to determine qualification under this preference.

(4) Locally-Produced Product means a product that is made, grown, or processed in the geography as specified in (2).

(5) Environmental Preference. To the extent practicable and economically feasible, preference shall be given to companies whose operations or products and services conserve natural resources, protect the environment, are energy efficient, or prioritize renewables. RFPs shall standardly give the opportunity for bidders to state their environmental practices.

Sec. 2-304. - Surplus property.

Whenever any city property, real or personal, is no longer needed for corporate or public purposes, such property may be offered for sale.

(1) The purchasing officer shall have the authority to sell all surplus property which has become surplus or unsuitable for public use, or to exchange the surplus property for, or trade in the surplus property on, new supplies. Personal property not exceeding $25,000.00 in value may be sold for cash by the purchasing officer upon recommendation of any department head after receiving quotations or competitive bids therefor for the best price obtainable, or traded in. Personal property with a value in excess of $25,000.00 may be sold or traded in after advertising and receiving competitive bids, and after approval of the sale has been given by city council.

(2) The purchasing officer may assign the sale or trade in function to any department head or other suitable person.

(3) The purchasing officer may, from time to time, cause surplus property to be sold at public auction. The auction shall be publicized by notice in a newspaper circulated in the county not less than one time for ten days preceding the auction.

(4) Property which has not been bid upon after a duly advertised auction may be disposed of in such other manner as may be determined by the purchasing officer.

(5) A record of all property disposed of under this section shall be filed with and maintained by the controller's office.

Sec. 2-305. - City manager monetary authority.

The city manager shall have monetary authority not exceeding $25,000.00 without council approval in all ~~other~~ areas, including, but not limited to, settlement of litigation. The $25,000 authority shall be for any 12-month period in respect to any one contractor and contracts for a single contractor shall be cumulative. If the cumulative total for any 12-month period is more than $25,000, City Council approval is required.

Secs. 2-306 Amendment and Policy

City Council may from time to time amend the Contract and Purchasing Ordinance and may provide approve procurement policies by resolution.

Secs. 2-307~~6~~—2-315. - Reserved.

DIVISION 3. – CONTRACT REQUIREMENTS ~~AFFIRMATIVE ACTION COMPLIANCE~~

~~Sec. 2-316. - Definitions.~~

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

~~Affirmative action means all of the various methods and procedures by which equal opportunity to employment without regard to race, national origin, religion, sex, sexual orientation, age or marital status may be legally effectuated.~~

~~Age means chronological age.~~

~~Contractor means:~~

~~(1) A person who, by contract, furnishes services, materials or supplies.~~

~~(2) Contractor does not include persons who are merely creditors or debtors of the city, such as those holding the city's notes or bonds or persons whose notes, bonds or stock are held by the city.~~

~~(3) Provisions of this division shall not apply to persons who are sole proprietors of their business and who have no employees. Contracts for amounts not exceeding $2,000.00 shall also be exempt from this division.~~

~~Discriminate means to make a decision, offer to make a decision or refrain from making a decision based in whole or in part on the race, national origin, religion, sex, sexual orientation, age or marital status of another person or that person's relatives or associates.~~

~~Marital status means the state of being married, unmarried, divorced or widowed.~~

~~Minority means a person who is black, a Native American or a Spanish American or Spanish-surnamed American or an Asian.~~

~~Minority business enterprise means a business enterprise of which more than 50 percent of the voting shares or interest in the business is owned, controlled and operated by individuals who are members of a minority, or who are women, and with respect to which more than 50 percent of the net profit or loss attributable to the business accrues to shareholders who are members of a minority or women.~~

~~Religion means all aspects of religious observance and practices as well as beliefs unless an employer demonstrates that he is unable to reasonably accommodate an employee's or a prospective employee's religious observance or a practice without undue hardship on the conduct of the employer's business.~~

~~Sexual orientation means male or female homosexuality, heterosexuality or bisexuality, by preference or practice.~~

~~Sec. 2-317. - Compliance program.~~

~~The city shall establish a program of contract compliance, whereby good faith efforts of prospective contractors and contractors to provide affirmative action are monitored.~~

~~Sec. 2-318. - Compliance officer; rules.~~

~~The city manager shall appoint a contract compliance officer. The contract compliance officer or his designee shall establish rules, regulations, or guidelines, that may be necessary to implement contract compliance.~~

~~Sec. 2-319. - Approval of contractors.~~

~~All contractors proposing to do business with the city, except those specifically exempt by regulations promulgated by the city manager, shall receive approval from the contract compliance officer prior to entering into a contract with the city.~~

~~Sec. 2-320. - Employment opportunity.~~

~~Contractors shall take affirmative action to ensure that applicants are employed and that employees are treated during employment in the manner which provides equal employment opportunity and tends to eliminate inequity based upon race, national origin, religion, sex, sexual orientation, age or marital status.~~

Sec. 2-316~~21~~. – Non Discrimination Contractor's agreement.

During the performance of a contract, the contractor agrees as follows: The contractor will not discriminate against any employee or applicant for employment because of actual or perceived race, national origin, religion, sex, gender identity, sexual orientation, age or marital status. The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their actual or perceived race, national origin, religion, sex, gender identity, sexual orientation, age or marital status. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause per Presidential Executive Order Number 11246, Sub/Part B(i).

~~Sec. 2-322. - Information.~~

~~(a) Each prospective contractor shall submit to the city, data showing current total employment by occupational category, sex and minority. The contractor will provide upon request and in a timely manner, all information the contract compliance officer deems necessary for evaluation of affirmative action, including providing access to all books, records and accounts pertaining to the contractor's employment practices.~~

~~(b) If upon review of the aforementioned information, the contract compliance officer concludes that the prospective contractor's work force reasonably reflects the proportions of minorities and females in the labor force within the Ann Arbor—Ypsilanti standard metropolitan statistical area, such contractor will be deemed to have fulfilled the city's requirement for equal employment opportunity and will be considered an eligible bidder on city contracts.~~

~~(c) Subsection (b) of this section shall not apply to any contract for which the contract compliance officer or his designee makes the determination that such provision cannot be fulfilled by minority business enterprises or minority group members or females located within a reasonable trade area determined in relation to the nature of work or services to be provided.~~

~~(d) If, however, the contract compliance officer concludes that the prospective contractor's work force is deficient in representation of minorities and females compared to their proportional representation in the labor force of Ypsilanti—Ann Arbor standard metropolitan statistical area, the contractor will not be deemed to have fulfilled the city's equal employment opportunity requirement and considered an ineligible bidder unless:~~

~~(1) The contractor assures that ten percent of the total prime contract amount will be expended on services or supplies from minority business enterprises;~~

~~(2) The contractor assures that ten percent of the total prime contract amount will be expended on services or supplies from persons employing at least 50 percent minorities, and that the contractor provides documentary evidence of such minority employment; or~~

~~(3) The contractor agrees to work with the contract compliance officer to:~~

~~a. Set affirmative action goals, for each job category or division of the work force used in the completion of the work;~~

~~b. Provide periodic reports concerning the progress the contractor has made in meeting the affirmative action goals it has agreed to;~~

~~c. Permit the contract compliance officer access to all books, records and documents pertaining to its employment practices for the purpose of determining compliance with the affirmative action agreements.~~

~~The contract compliance officer will make a determination of reasonable progress in this direction using establishment criteria.~~

~~Sec. 2-323. - Compliance monitoring.~~

~~The contract compliance officer shall monitor the compliance of each contractor based upon the affirmative action agreement provisions of each contract. For instances of noncompliance, the contract compliance officer shall develop procedures and regulations which provide the contractor with notice of noncompliance. Such procedures and regulations shall include a provision for the posting of contractors not in compliance.~~

~~Sec. 2-324. - Contract provisions.~~

(a) The city's contract shall provide further that breach of obligation to take affirmative action shall be a material breach of the contract for which the city shall be entitled, at its option, to do any or all of the following:

(1) To cancel, terminate or suspend the contract in whole or part or refuse to make any required periodic payments or both;

(2) Declare the contractor ineligible for the award of any future contracts with the city for a specified length of time;

(3) To recover liquidated damages of a specific sum, such sum to be that percentage of the labor expenditures for the time period involved which would have accrued to minority group members had the affirmative obligation not been breached;

(4) Impose for each day of noncompliance, liquidated damages of a specified sum, based upon the following schedule:

Contract Amount	Assessed Damages Per Day of Noncompliance
$5,000.00—$24,999.00	$ 25.00
$25,000.00—$99,999.00	50.00
$100,000.00—$199,999.00	100.00
$200,000.00—$499,999.00	150.00
$500,000.00—$1,499,999.00	200.00
$1,500,000.00—$2,999,999.00	250.00
$3,000,000.00—$4,999,999.00	300.00
$5,000,000.00 and above	500.00

(b) In addition, the contractor shall be liable for any costs or expenses beyond the contract incurred by the city in obtaining from the other sources the work and services to be rendered or performed or goods or properties to be furnished or delivered to the city under this contract.

Sec. 2-325. - Initiation of prosecution for violation.

Prosecution for violation of this division may be initiated by complaint of the affected person or by the contract compliance officer on the basis of an investigation by that person.

Sec. 2-326. - Annual contract compliance report.

~~An annual contract compliance report shall be prepared and presented to city council by the first study session in July of each year, except for special reports requested by city council.~~

Sec. 2-31~~27~~. - Local employees.

Contractors shall make good faith efforts to employ local persons so as to enhance the local economy. Bids of contractors with 25% or more local employees, employees living in the City or 48197 or 48198 postal zip code for the past 12 month period shall be given preference in the bid awarding process.

Sec. 2-31~~2~~8. - Additional remedies.

Nothing contained in this division shall be deemed or construed to be substitute for or to abolish or impair existing, other or future legal remedies of the city or its officers or agencies, including criminal prosecutions under this or any other ordinance of the city or the laws of the state, even though such remedies may not be specifically enumerated or mentioned herein.

Sec. 2-31~~2~~9. - Penalties.

Where no specific penalty is provided for violation of any provision of this division, any person who shall violate any provision of this division shall be guilty of a misdemeanor and shall upon conviction be punished as provided in section 1-15.

Secs. 2-32~~3~~0—2-345. - Reserved.

2. Severability. If any clause, sentence, section, paragraph, or part of this ordinance, or the application thereof to any person, firm, corporation, legal entity, or circumstances, shall be for any reason adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not effect, impair, or invalidate the remainder of this Ordinance and the application of such provision to other persons, firms, corporations, legal entities, or circumstances by such judgment shall be confined in its operation to the clause, sentence, section, paragraph, or part of this Ordinance thereof directly involved in the case or controversy in which such judgment shall have been rendered and to the person, firm, corporation, legal entity, or circumstances then and there involved. It is hereby declared to be the legislative intent of this body that the Ordinance would have been adopted had such invalid or unconstitutional provisions not have been included in this Ordinance.

3. Repeal. All other Ordinances inconsistent with the provisions of this Ordinance are, to the extent of such inconsistencies, hereby repealed.

4. Savings Clause. The balance of the Code of Ordinances, City of Ypsilanti, Michigan, except as herein or previously amended, shall remain in full force and effect. The repeal provided herein shall not abrogate or affect any offense or act committed or done, or any penalty or forfeiture incurred, or any pending fee, assessments, litigation, or prosecution of any right established, occurring prior to the effective date hereof.

5. Copies to be available. Copies of the Ordinance are available at the office of

the city clerk for inspection by, and distribution to, the public during normal office hours.

6. Publication and Effective Date. The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published according to Section 11.13 of the City Charter. This Ordinance shall become effective after publication at the expiration of 30 days after adoption.

MADE, PASSED AND ADOPTED BY THE YPSILANTI CITY COUNCIL THIS _____ DAY OF _____, 2017.

_____
Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. _____was published according to Section 11.13 of the City Charter on the _____ day of _____, 2017.

_____
Frances McMullan, City Clerk

CERTIFICATE OF ADOPTING

I hereby certify that the foregoing is a true copy of the Ordinance passed at the regular meeting of the City Council held on the _____ day of _____, 2017.

_____
Frances McMullan, City Clerk

Notice Published: _____

First Reading: _____

Second Reading: _____

Published: _____

Effective Date: _____

RESOLUTION NO. 2017-299
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the public hearing for an ordinance entitled "An ordinance to Amend Chapter 2 "Administration," Article VI "Contracts and Purchasing" of the Ypsilanti City Code" be **officially closed**.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

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Jesse O'Jack ~ Of Counsel
William F. Anhut ~ Of Counsel – Retired
Jennifer A. Healy ~ Legal Assistant

REQUEST FOR LEGISLATION

DATE: December 11, 2017

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: PILOT Provisions of the City Code Update

SUMMARY/BACKGROUND

This past year, the owners of Cross Street Village went through what is known as the Qualified Contract Procedure and thus the compliance period regarding affordable housing restrictions terminated as of August 31, 2017. The exemption from property tax under state law and the corresponding PILOT under the City's Code of Ordinances expired on that day as well.

In reviewing the Code relative to PILOTs, it has come to our attention that there are several adopted and codified ordinances that are no longer in effect. The attached ordinance amends the Code to repeal those divisions that are no longer in effect. Additionally, the general division of this article appears to have the intent to grandfather an existing PILOT at the time the City opted to begin adopting an ordinance for each PILOT, sometime in 1975. The changes to Division 1 will have the effect of requiring City Council to adopt an ordinance for each potential PILOT, a policy that is already currently employed and likely required in the City. Below is a brief explanation of each division repealed by the proposed amendment. Otherwise, the remaining changes are to re-number remaining sections and update internal references accordingly. There are also a couple spelling and grammar corrections.

DIVISION 2 – Chidester Place: This ordinance was adopted and codified sometime prior to 1983. Chidester Place is still exempt, but under a different PILOT adopted in 2007 and codified under the current DIVISION 8.

DIVISION 4 – Riverside Manor Apartments: This project is no longer in existence. The property is currently operated as Red Lion Apartments and is no longer exempt.

DIVISION 5 – Parkview Apartment: This project is no longer in existence. The property is currently operated as Hamilton Crossing and is no longer exempt.

DIVISION 6 – Cross Street Village: No longer exempt, as discussed above.
DIVISION 7 – The Bluffs at Riverbend: This was a project in 1998 that never came to fruition and the property has never been exempt under this ordinance.

DIVISION 11 – Water Street Flats: This was a project in 2015 that never came to fruition. The property is currently owned by the City.

DIVISION 12 – Riverwalk Commons: This was a project in 2016 that never came to fruition. The property is currently owned by the City.

RECOMMENDED ACTION: Review and consideration

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

RESOLUTION NO. 2017-300
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "An ordinance to amend Chapter 30, Article VI "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 7, 11, and 12; renumber the remaining Divisions and Sections of the Article; and other changes" be approved on first reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

CITY OF YPSILANTI
NOTICE OF ADOPTED ORDINANCE
Ordinance No. 1300

An ordinance to amend Chapter 30, Article VI "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 7, 11, and 12; renumber the remaining Divisions and Sections of the Article; and other changes

1. THE CITY OF YPSILANTI HEREBY ORDAINS that Chapter 30, Article VI, "Tax Exempt Housing," of its Code of Ordinances be amended to read as follows:

DIVISION 1. - GENERALLY

Sec. 30-151. - Exemption restricted.

Except as specifically provided in this Code, and p~~P~~ursuant to section 15a of Act No. 334 of the Public Acts of Michigan of 1968 (MCL 125.1415a), any and all classes of property which could qualify for exemption shall not be exempt in the city from taxation.~~, with the exception of housing for elderly citizens and housing for low income residents financed by the state housing development authority of 100 units or more and properties financed under Section 236 of the National Housing Act in which the city participated directly and actively in the planning and development stages.~~

~~(Code 1983, § 1.141)~~

~~Sec. 30-152. - Effective date.~~

~~This article shall be effective with respect to housing projects for which an exemption has already been granted on December 31, 1975.~~

~~(Code 1983, § 1.142)~~

Secs. 30-15~~3~~2—30-199~~65~~. - Reserved.

~~DIVISION 2. - CHIDESTER PLACE~~

~~Sec. 30-166. - Determination of necessity.~~

~~(a) Pursuant to the authority vested in the city council by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) as follows:~~

(1) It is the public purpose of the state and its principal subdivisions to provide housing for its elderly citizens, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");

(2) Section 15a of the act (MCL 125.1415a) provides for exemption from property taxation of those housing developments for elderly persons that are federally financed or federally aided;

(3) Such property tax exemption will serve to stimulate the development of housing for elderly citizens;

(4) The city will be benefited and improved by the development of such housing;

(5) The city establishes a class of housing projects, such class being defined as senior citizens housing developments of 100 units or more pursuant to Ordinance No. 471 and financed or aided-federally by Section 8 of the National Housing Act or its similar predecessor or successor;

(6) Chidester Place Associates, a Michigan Limited Partnership (herein called the "developer"), proposes to erect, own and operate a housing development identified as Chidester Place (herein called the "development"), on certain property located in the city (herein called the "property"), the legal description of which is described in section 30-167;

(7) The owner developer has agrees to pay to the city, on or before April 15 of each year, on account of the development annual service charge for public services in lieu of all taxes on a sliding scale as provided in section 30-168;

(8) The city council understands that the developer is relying upon the continuing effect of this article and the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.

(Code 1983, § 1.145)

Sec. 30-167. - Description of property.

The legal description of the property is as follows:

DESCRIPTION OF 4.40 ACRE PARCEL

(Not Surveyed)

Commencing at the southeast corner of Section 9, T3S, R7E, City of Ypsilanti, Washtenaw County, Michigan; thence N 18° 42′ 30″ W 1,063.83 feet along the centerline of Grove Street (a deflection of 18° 15′ 30″ to the left from the east line of said section); thence S 71° 17′ 30″ W 712.49 feet along the north line of Factory Street; thence S 88° 32′ 40″ W 1,385.75 feet to the northwest corner of Spring and Chidester Streets; thence N 00° 46′ W 445.09 feet along the west line of Chidester

~~Street for a place of beginning; thence S 79° 29′ W 427.77 feet; thence N 8° 34′ E 755.54 feet along the range of the east line of a vacated alley; thence N 89° 58′ 20″ E 118.70 feet along the south line of Catherine Street; thence S 0° 46′ E 148.51 feet; thence N 89° 58′ 20″ E 50.0 feet; thence S 0° 46′ E 274.21 feet; thence N 79° 29′ E 132.29 feet; thence S 0° 46′ E 270.60 feet along the west line of said Chidester Street to the place of beginning, being a part of said Section 9, containing 4.40 acres of land more or less.~~

~~(Code 1983, § 1.145)~~

~~Sec. 30-168. - Property tax exemption; payment of annual service charge for public services.~~

~~(a) Acknowledging the reliance of the developer on exemption from all property taxes as described above, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in the section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after completion of construction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes on a sliding scale averaging 8.4375 percent beginning with seven percent and ending with ten percent of 95 percent of 100 percent of all gross rental revenue coming to the project during the preceding calendar year exclusive of utilities and the amount paid to the city during the preceding calendar year for the annual service charge, from and after the completion of the development, and spread over a 40-year period as follows:~~

~~(1) Seven percent for the first ten years of the project.~~

~~(2) Seven and one-half percent for years 11 through 15.~~

~~(3) Eight percent for years 16 through 20.~~

~~(4) Nine percent for years 21 through 30.~~

~~(5) Ten percent for years 31 through 40.~~

~~(b) Ordinance No. 493 shall remain in effect so long as the property is used exclusively for senior citizens or physically handicapped housing or both and stall not terminate for a period of 40 years from and after the date of completion of the development at which time the city council of the city shall reestablish a different service charge, or return the property to the tax rolls.~~

~~(Code 1983, § 1.146)~~

~~Secs. 30-169—30-180. - Reserved.~~

DIVISION ~~3~~2. - TOWNE CENTRE PLACE

Sec. 30-200~~181~~. - Determination of necessity.

(a) Pursuant to the authority vested in the city council by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) as follows:

(1) It is the public purpose of the state and its political subdivisions to provide housing for its citizens of low and moderate income, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");

(2) Section 15a of the act, (MCL 125.1415a) provides for exemption from all property taxation of those housing developments for persons of low and moderate income financed with a mortgage loan made by the state housing development authority (herein called the "authority");

(3) Such property tax exemption will serve to stimulate the development of housing for citizens of low and moderate income;

(4) The city will benefit from and be improved by the development of such housing;

(5) F.C.E. Dillon, Inc., an Ohio corporation (herein called the "mortgagor"), proposes to erect, own, and operate a housing development identified as Ypsilanti Senior Citizens High Rise (herein called the "development"), on certain property located at Michigan Avenue near Hamilton Street, in the city (herein called the "property:') which development will be financed with a mortgage loan made by the authority (herein called the "mortgage loan") and which development is intended to serve persons of low and moderate income;

(6) The mortgagor has agreed to pay to the city on account of the development an annual service charge for public services in lieu of all property taxes from and after the commencement of construction of the development so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property;

(7) The city council of the city understands that the mortgagor and the authority are relying upon the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.

(Code 1983, § 1.148)

Sec. 30-201~~182~~. - Description of property.

Such property is situated in the city and is described as follows:

Commencing at the northeast corner of Lot 15 of "Assessor's Plat No. 511 as recorded in Liber 9 of Plats, Page 32 of Washtenaw County Records, French Claim 691, City of Ypsilanti, Washtenaw County, Michigan, said point being the

intersection of the original west line of Hamilton Street (66.0 feet wide) with the south line of Michigan Avenue (99.0 feet wide); thence S 89° 25′ W 6.00 feet along the north line of said Lot 15 and the south line of Michigan Avenue for a place of beginning; thence S 31° 29′ 30″ E 9.71 feet along the present westerly line of Hamilton Street; thence S O° 30′ 30″ E 279.99 feet along the present west line of Hamilton Street (1.0 feet west of and parallel with the original west line of Hamilton Street as set forth in said "Assessor's Plat No. 5"); thence S 76° 52′ 10″ W 83.51 feet along the north line of Lot 19 of said "Assessor's Plat No. 5"; thence S 12° 22′ 20″ E 78.78 feet along the westerly line of said Lot 19 and the southerly extension thereof; thence S 72° 49′ W 208.72 feet along the northerly line of Ferris Street and the southerly line of Lots 1, 2 and 3 of Ainsworth Park as recorded in Liber 4 of Plats, Pages 21 and 22 of Washtenaw County Records, French Claim 690, City of Ypsilanti, Washtenaw County, Michigan; thence N 17° 50′ 30″ W 137.00 feet along the westerly line of Lot 3 of said Ainsworth Park, thence N 72° 24′ E 44.78 feet along the northerly line of Lot 3 of said Ainsworth Park and the southerly line of Lot 11 of said "Assessor's Plat No. 5"; thence N 0° 30′ 30″ W 299.27 feet; thence N 89° 25′ E 258.00 feet along the south line of Michigan Avenue (99.0 feet wide) and the north line of Lots 11, 12, 13, 14, and 15 of said "Assessor's Plat No. 5" to the place of beginning, being a part of Lot 11 and Lots 12, 13, 14, 15, 16, 17, 18 and 20 of said "Assessors Plat No. 5" and being a part of Lot 1 and Lots 2 and 3 of said Ainsworth Park, containing 2.38 acres of land more or less, being subject to easements or restrictions of record.

Commonly described as Towne Centre Place, 401 West Michigan Avenue, Ypsilanti, Michigan.

(Code 1983, § 1.148; Ord. No. 898, 7-20-1999)

Sec. 30-202~~183~~. - Property tax exemption; payment of annual service charge for public services.

(a) Acknowledging the reliance of the mortgagor and the authority on exemption from all property taxes as described in section 30-182, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after the commencement of construction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the mortgagor to the city on or before august 15 of each year in an amount equal to five percent of 95 percent of the total rental or occupancy charges collected or to be collected by the mortgagor as to each of the living units within the development during the then-current calendar year.

(b) Ordinance No. 439 shall remain in effect and shall not terminate so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property.

(c) The various sections and provisions of Ordinance No. 439 shall be deemed to be severable, and should any section or provision of this division be declared by any court of competent jurisdiction to be unconstitutional or invalid, the invalid or unconstitutional provision shall not affect the validity of this division as a whole or any section or provision hereof other than the section or provision so declared to be unconstitutional or invalid.

Secs. 30-203~~184~~—30-249~~195~~. - Reserved.

~~DIVISION 4. - RIVERSIDE MANOR APARTMENTS~~

~~Sec. 30-196. - Determination of necessity.~~

~~(a) Pursuant to the authority vested in the city council of the city by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all property taxes as provided in the section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) as follows:~~

~~(1) It is the public purpose of the state and its political subdivisions to provide housing for its citizens of low and moderate income, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");~~

~~(2) Section 15a of the act (MCL 125.1415a) provides for exemption from all property taxation of those housing developments for persons of low and moderate income financed with a mortgage loan made by the state housing development authority (herein called the "authority");~~

~~(3) Such property tax exemption will serve to stimulate the development of housing for citizens of low and moderate income;~~

~~(4) The city will benefit from and be improved by the development of such housing;~~

~~(5) Riverside Development Limited Dividend Housing Association Limited Partnership, a Michigan Limited Partnership of 2211 East Jefferson, Detroit, Michigan 48207 (herein called the "partnership") proposes to renovate, own, reconstruct, and operate a housing development (herein called "development") identified as Riverside Manor Apartments, on certain property located at 167, 209, 315, 225, 169, 165, 157 and 159 South Grove Road, in the city (herein called the "property") which development will be financed with a mortgage loan made by the authority (herein called the "mortgage loan") and which development is intended to serve a significant number of persons of low and moderate income;~~

(6) The authority will be providing financing to the partnership for the project in reliance of the continued effectiveness of this division;

(7) The city has participated directly and actively in the planning and development stages of this project;

(8) The mortgagor has agreed to pay to the city on account of the development an annual service charge for public services in lieu of all property taxes so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property;

(9) The city council understands that the mortgagor and the authority are relying upon the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.

(Code 1983, § 1.150)

Sec. 30-197. - Description of property.

Such property is situate in the city and is described as follows:

Beginning at the Southeast corner of Lot 100 of Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber "V" of Deeds at Page 166, Washtenaw County Records; said point being the intersection of the South line of said Lot 100 with the east line of Section 9, Town 3 South, Range 7 East, City of Ypsilanti, Washtenaw County, Michigan, and the centerline of Prospect Road; thence North 89° 35′ West 289.51 feet along the south line of said Lot 100; thence North 12° 00′ West 162.44 feet; thence South 89° 55′ East 16.00 feet; thence North 12° 00′ West 101.16 feet; thence North 84° 35′ East 37.09 feet; thence North 2° 46′ West 52.00 feet; thence South 89° 52′ 10″ East 110.89 feet along the North line of said Lot 100; thence South 75 feet; thence South 89° 52′ 10″ East 183.0 feet; thence south 239.86 feet along the East line of said Lot 100; the East line of Section 9 and the centerline of Prospect Road to the place of beginning, being a part of said Lot 100. Lot 101 in Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber "V" of Deeds at Page 166, Washtenaw County Records; excepting and reserving therefrom all that part of said Lot 101 as described in Warranty Deed executed on February 3, 1964, and recorded June 5, 1964, in Liber 1071 at Page 422, Washtenaw County Records.

-and-

Commencing at an iron pipe monument marking the Northwest corner of Lot 100 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records, and running thence South 18° 15′ 20″ East along the East line of Grove Street 186.60 feet for a place of beginning, an iron pipe

~~monument; thence North 71° 44′ East 70.0 feet to an iron pipe monument; thence South 89° 56′ East 63 feet to an iron pipe monument; thence South 12° 1′ 20″ East to an iron pipe monument in the South line of said Lot 100, thence West along the south line of said Lot 100 to the East line of Grove Street; thence North 18° 15′ 20″ West along the East line of Grove Street 143.63 feet, more or less, to the place of beginning, being a part of Lot 100, Hunter's Addition to the City of Ypsilanti.~~

~~-and-~~

~~Commencing at the intersection of the East line of Grove Street and the North line of Lot 100 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records; thence Southeasterly along the East line of Grove Street 76.00 feet for a place of beginning; thence Easterly deflecting 77° 11′ to the left 159.91 feet; thence Southerly deflecting 83° 24′ to the right 101.16 feet; thence Westerly deflecting 102° 05′ to the right 79.00 feet; thence Southwesterly deflecting 18° 19′ to the left 70.00 feet to the East line of Grove Street; thence Northwesterly deflecting 90° 00′ to the right 110.60 feet along the East line of Grove Street to the place of beginning, being a part of Lot 100 of said Hunter's Addition.~~

~~-and-~~

~~That part of Lots 99 and 100 in Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records, described as: beginning at the Northwest corner of Lot 100; thence Easterly along the North line of said Lot 217 feet to a stake; thence Southerly 52 feet to a stake set 197 feet East of the East line of Grove Street; thence Westerly 197 feet to a point in the East line of Grove Street 76 feet Southerly from the place of beginning; thence Northerly along the East line of said street 76 feet to the place of beginning, being a part of Lot 100. Also, beginning at the Northwest corner of said Lot 100; thence Easterly along the North line of said lot 217 feet to a stake; thence North 10 feet; thence Westerly along a line parallel to the North line of said Lot 100 to the East line of Grove Street; thence Southerly along the East line of Grove Street 10 feet to the place of beginning, being a part of Lot 99.~~

~~-and-~~

~~Lot 5, Jackson and Noll Resurvey of part of Lot 99 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber 11 of Plats at Page 18, Washtenaw County Records.~~

~~Commonly described as Riverside Manor Apartments, 167, 209, 215, 225, 169, 165, 157 and 159 South Grove Road, Ypsilanti, Michigan.~~

~~(Code 1983, § 1.150)~~

~~Sec. 30-198. - Property tax exemption; payment of annual service charge for public services.~~

~~(a) Acknowledging the reliance of the mortgagor and the authority on exception from all property taxes as described in section 30-197, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after the commencement of reconstruction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the mortgagor to the city on or before August 15 of each year in an amount equal to two percent of the annual shelter rent as such term is defined in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1411(m)).~~

~~(b) This division shall remain in effect and shall not terminate so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property.~~

~~(c) Notwithstanding the provisions of section 15a(5) of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a(5)) to the contrary, a contract between the city and the sponsor, with the authority as third party beneficiary thereunder, to provide tax exemption and accept payment in lieu thereof, as previously described, is effected by enactment of this division.~~

~~(d) During the first three full years of operation of the development, the city shall defer the collection of the two percent payment in lieu of tax, without interest, for a period not to exceed the first three full years of occupancy if the development is not able to attain sustaining occupancy according to the following schedule:~~

~~(1) Full 100 percent deferral if occupancy level is at 75 percent or less of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988;~~

~~(2) Seventy-five percent deferral if occupancy is at 76 percent through 85 percent of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988;~~

~~(3) Fifty percent deferral if occupancy is at 86 percent through 94 percent of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988; and~~

~~(4) No deferral if occupancy reaches 95 percent or more of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988.~~

~~Such deferral is further conditioned upon the authority's director of management and reinvestment providing the city with a written opinion that such deferral is necessary to avoid financial distress and/or default on the mortgage. The developer shall agree at the closing that any deferral on payment in lieu of taxes shall be repaid prior to any distribution of operating profits to the partnership. Further, that any amount so deferred~~

shall be repaid to the city no later than three years following the last year in which such payments were deferred.

(e) In the event of such deferral of payments in lieu of taxes and in the event that the developer fails to repay such deferred sums, the city shall possess the same powers of collection of such sums as it possesses pursuant to law for the collection of real property taxes in the city.

(Code 1983, § 1.151)

Secs. 30-199—30-210. - Reserved.

DIVISION 5. - PARKVIEW APARTMENTS

Sec. 30-211. - Tax exemption; conditions.

Pursuant to section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a), Parkview Apartments is hereby exempted from all city taxes for the period of its federal mortgage, effective January 1, 1975, unless one or all of the following events happen prior to such time:

(1) A federally aided mortgage in effect to Parkview Apartments is withdrawn.

(2) The present owners sell the premises.

(3) The Parkview Apartments loses its nonprofit status and becomes a for profit corporation.

(Ord. No. 458, 4-21-1975)

Sec. 30-212. - Withdrawal of exemption.

If any of the events listed in section 30-211 take place, or a sale of all of the assets of Parkview Apartments is completed, this exemption shall be withdrawn immediately without any further action being necessary to be taken by the city council.

(Ord. No. 458, § 1, 4-21-1975)

Sec. 30-213. - Payment of portion of shelter rents for public services.

Parkview Apartments shall pay in lieu of taxes to the city, ten percent of its annual shelter rents for public services. The amount to be paid to the city by Parkview Apartments may be changed by ordinance from time to time during the period of this exemption.

(Ord. No. 458, § 2, 4-21-1975)

Sec. 30-214. - Amount of service charge.

Notwithstanding the exemptions listed in this division, and the amount to be paid in lieu of taxes listed in this division, the service charge to be paid each year in lieu of taxes by

~~Parkview Apartments to the city for that part of the housing project which is tax exempt but is occupied by other than low income persons or families shall be equal to the full amount of the taxes that would be paid on that portion of the project, if the project were not tax exempt. The benefit of any exemption granted by the city to the Parkview Apartments shall be allocated by such housing project exclusively for low income persons or families in the for of reduced housing charges.~~

~~(Ord. No. 458, § 3, 4-21-1975)~~

~~Sec. 30-215. - Low income persons or families; qualification of exemption.~~

~~Low income persons or families for the purpose of this division only means with respect to Parkview Housing project person qualified to live in 236 housing of the National Housing Act, as approved by federal government guidelines. Only that housing having person who qualify under this federal exemption shall be exempt from taxation. All other housing in the Parkview complex shall be taxed at the normal city tax rate.~~

~~(Ord. No. 458, § 4, 4-21-1975)~~

~~Sec. 30-216. - Effective date.~~

~~This exemption shall not take effect until January 1, 1975, and before such exemption shall take place Parkview Apartments shall comply with all the provisions of section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a).~~

~~(Ord. No. 458, § 5, 4-21-1975)~~

~~Secs. 30-217—30-240. - Reserved.~~

~~DIVISION 6. - CROSS STREET VILLAGE~~

~~Sec. 30-241. - Definitions.~~

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

~~*Act* means the state housing authority act, Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended.~~

~~*Annual shelter rent* means the total rents collected during the calendar year for all apartment units in the housing development representing rents or occupancy charges whether to be derived from low income persons or from governmental authorities exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.~~

~~*Authority* means the Michigan State Housing Authority.~~

~~*Housing development* means a development which contains a significant element of housing for low income persons and such elements of other housing, commercial,~~

recreational, industrial, communal, and educational facilities as the authority determines improve the quality of the development as it relates to housing for persons of low income.

Low income person means persons and families eligible to occupy a housing development under the act.

Owner means the owner of a housing development which is qualified as a limited dividend housing association or corporation under the act.

Rehabilitation plan means a written plan setting forth the scope of work to be performed at the housing development by the owner.

Tax credit period means the period of time the housing development remains subject to income and rent restrictions pursuant to section 42 of the Internal Revenue Code of 1986, as amended.

(Ord. No. 867, § 3, 2-17-1988)

Sec. 30-242. - Purpose.

(a) It is acknowledged that it is a proper public purpose of the state and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the act. The city is authorized by this act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this act at any amount it chooses not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for persons of low income is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuance of the provisions of this division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such tax exemption.

(b) The city acknowledges that YCCB-97 Limited Divided Housing Association Limited Partnership has offered, subject to receipt of an allocation of the low income housing tax credit, to erect, own, and operate a housing development identified as Cross Street Village on certain property located at 210 West Cross, Ypsilanti, Michigan, to serve citizens of low income, and that the sponsor has offered to pay the city on account of this housing development an annual service charge for public services in lieu of all taxes.

(Ord. No. 867, § 2, 2-17-1998)

Sec. 30-243. - Class of housing developments.

~~The class of housing developments to which the provisions of the division shall apply and for which a service charge shall be paid in lieu of taxes shall be the proposed senior citizen apartment complex to be located at 210 West Cross, Ypsilanti, Michigan, and all other housing developments containing more than 60 units constructed primarily for Senior Citizens which have received a reservation of low income housing tax credits pursuant to section 42 of the Internal Revenue Code of 1986, as amended.~~

~~(Ord. No. 867, § 4, 2-17-1998)~~

~~Sec. 30-244. - Tax exemption and establishment of annual service charge.~~

~~(a) Pursuant to the act, the class of housing developments set forth in section 30-243 shall be exempt from all property taxes from and after the commencement of construction and continuing until the expiration of the tax credit period or December 31, 2033.~~

~~(b) The city, acknowledging that the owner has established the economic feasibility of a housing development in reliance upon the enactment and continuing effect of this division and the qualification of the housing development for exemption from all property taxes in exchange for the payment of an annual service charge in lieu of taxes as established in this division, agrees to accept payment of an annual service charge for public services in lieu of all property taxes from and after the commencement of the rehabilitation plan. The annual service charge shall be equal to four percent of the annual shelter rents actually collected.~~

~~(Ord. No. 867, § 5, 2-17-1998)~~

~~Sec. 30-245. - Qualification of housing development as a member of the class.~~

~~The proposed senior citizen apartment complex to be located at 210 West Cross, Ypsilanti, Michigan, shall be qualified as a housing development to which this division shall apply. In order for a future housing development to qualify as a member of the class of housing developments to which this division will apply, the owner must satisfy the following requirements:~~

~~(1) The owner shall provide the assessing department with verification of its status as a limited dividend housing corporation or association as required by the act.~~

~~(2) The owner shall provide the assessing department with verification of its receipt of a reservation of low income housing tax credits pursuant to section 42 of the Internal Revenue Code of 1986, as amended.~~

~~(3) The owner shall obtain from the planning department a written approval of its rehabilitation plan which shall be submitted to the assessing department by the owner.~~

~~(Ord. No. 867, § 6, 2-17-1998)~~

~~Sec. 30-246. - Owner's subsequent obligations.~~

~~In order for a housing development to continue to qualify as a member of the class of housing developments to which this division will apply, the owner must satisfy the following requirements:~~

~~(1) Upon completion of the rehabilitation of a housing development pursuant to an approved rehabilitation plan, the owner shall submit to the assessing department a certificate of completion which confirms the substantial completion of the work described in the rehabilitation plan.~~

~~(2) Annually, by March 31 of each year, the owner shall deliver to the assessing department a certificate setting forth the annual shelter rents for the prior calendar year.~~

~~(3) Annually, by December 1 of each year, the owner shall pay the service charge in lieu of taxes as determined pursuant o this division at the treasurer's office for the city.~~

~~(Ord. No. 867, § 7, 2-17-1998)~~

~~Sec. 30-247. - Termination of exemption.~~

~~(a) The exemption from all property taxes provided to a housing development which qualifies under this division may be terminated by resolution of the board of trustees of the city if any of the following events of default occur and the owner does not cure the default within 30 days after receiving written notice of the default from the city:~~

~~(1) The owner fails to submit the certificate of substantial completion required under section 30-246.~~

~~(2) The owner fails to submit the certificate of annual shelter rents as required under section 30-246.~~

~~(3) The owner fails to pay the annual service charge in lieu of taxes as required under section 30-246.~~

~~(b) Within 30 days after an owner receives a written notice of default, the owner shall be entitled to request a hearing before the board of trustees to determine whether the owner has failed to satisfy a requirement of this division. At the hearing, the board of trustees shall, for good cause shown, extend the time for compliance with the requirements of this division.~~

~~(Ord. No. 867, § 8, 2-17-1998)~~

~~Sec. 30-248. - Contractual effect of division.~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city and the owner, with the authority as a third party beneficiary to the contract, to provide tax exemption and accept payments in lieu of taxes as previously~~

described, is effectuated by enactment of this division. The city will not be obligated to continue the tax exemption provided for herein pursuant to this section if the exemption is terminated in accordance with the provisions of section 30-247.

(Ord. No. 867, § 9, 2-17-1998)

Sec. 30-249. - Acknowledgment.

The city hereby acknowledges receipt of documentation from the authority indicating that the authority's participation with the housing development is limited solely to the allocation of tax credits under the low income housing tax credit program.

(Ord. No. 867, § 11, 2-17-1998)

Secs. 30-250—30-275. - Reserved.

DIVISION 7. - THE BLUFFS AT RIVER BEND

Sec. 30-276. - Definitions.

All terms shall be defined as set forth in the act, of the State of Michigan, as amended, except as follows:

Act means the State Housing Development Authority Act, being Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended.

Annual shelter rent for rent restricted units means the total collections during an agreed annual period from all low income occupants of the development representing rent or occupancy charges, exclusive of the portion of such charges attributable to gas, electricity, heat or other utilities furnished to the occupants by the sponsor.

Authority means the Michigan State Housing Development Authority.

City means the City of Ypsilanti, Washtenaw County, Michigan.

City resident means anyone currently residing in the city or anyone currently working or notified that they are hired to work in the city.

Development or *The Bluffs At River Bend* means the proposed 128-unit multiple-family housing development located in the city, on land more particularly described on exhibit A attached hereto and made a part hereof.

Housing development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, communal and educational facilities as the authority has determined improves the quality of the development as it relates to housing for persons of low income.

Low income persons or families means those persons and families whose income is 60 percent or less of area median income adjusted for family size and who are determined to be eligible to move into The Bluffs At River Bend under the provisions of section 42, the units of whom shall be rent restricted.

Market rate persons or families means those persons who shall be eligible to occupy units within The Bluffs At River Bend irrespective of income and the units of whom shall neither be rent restricted nor eligible for benefits of the reduction in taxes otherwise brought about by this division.

Section 42 means section 42 of the Internal Revenue Code of 1986, as amended.

Sponsor means The Bluffs At River Bend Limited Dividend Housing Association Limited Partnership.

Utilities means fuel, water, sanitary sewer service and/or electrical service which are paid by the sponsor.

(Ord. No. 868, § 3, 2-17-1998)

Sec. 30-277. - Purpose of division.

(a) It is acknowledged that it is a proper public purpose of the state and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Michigan State Housing Development Authority Act of 1966 (Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.). The city is authorized by this act to establish or change a service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this act at any amount it chooses not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for persons of low income is a public necessity, and as the city will be benefited and improved by such housing is a valid public purpose; further; that the continuance of the provisions of this division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of the proposed The Bluffs At River Bend Apartments housing development, which is to be constructed and financed in reliance on such tax exemption ordinance.

(b) The city acknowledges that The Bluffs At River Bend Limited Dividend Housing Association Limited Partnership (the "sponsor") has offered, subject to receipt of an allocation under the low income housing tax credit ("LIHTC") provisions of the Internal Revenue Code of 1986, as amended, to erect, own and operate a housing development identified as The Bluffs At River Bend on certain property located in the city to serve persons of low and moderate income and that the sponsor has offered to pay the city on account of this housing development an annual service charge for public services in lieu of all taxes. In addition to units set aside for low and moderate income persons, the development shall also contain units which shall be reserved for tenants who shall pay market rent. That portion of the development attributable to the market rate units shall pay its percentage of those taxes that would have been payable but for this division.

(c) The master plan for the city, drafted in 1997, recognizes the need for neighborhood preservation in certain areas of the city. The Bluffs At River Bend shall incorporate specific items as indicated in the neighborhood preservation section of the master plan. For example, the development will convey a portion of its property along the Huron River to the city as part of its river preservation district. Also, neighborhood revitalization efforts, as indicated in the master plan, will be incorporated, including the adoption and application of the Ypsilanti Crime Free Multi-Housing Program within the site plan and landscape design. Thus, the city, through the adoption of this PILOT ordinance, recognizes The Bluffs At River Bend development as being in accordance with the neighborhood preservation requirements of its master plan, and designates the area surrounding the development as being in an effectively treatable area.

(Ord. No. 868, § 2, 2-17-1998)

Sec. 30-278. - Application of division.

It is determined that the class of housing developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be section 42 housing developments which have received a low income housing tax credit allocation from the authority pursuant to section 42. Based on representations and warranties of the sponsor, it is determined that The Bluffs At River Bend is a housing development eligible for tax exemption provided by section 15(a) of the act, upon such allocation being made.

(Ord. No. 868, § 4, 2-17-1998)

Sec. 30-279. - Establishment of annual service charge.

(a) The Bluffs At River Bend and the property on which it will be constructed shall be exempt from all property taxes commencing with the first January 1 following the commencement of construction or compliance by the sponsor with all requirements imposed on the owner by subsection (i) of section 15(a) of the act, whichever is later. The city, acknowledging that the sponsor and the authority have established the economic feasibility of the development in reliance upon the enactment and continuing effect of this division and the qualification of The Bluffs At River Bend for exemption from all property taxes and a payment in lieu of taxes as established in this division, and in consideration of the sponsor's offer, subject to receipt of a mortgage loan, and a low income housing tax credit allocation and notice of exemption from the authority, agrees to accept payment of an annual service charge for public services in lieu of all property taxes.

(b) For 1998 and 1999 the annual service charge shall be the total real estate taxes which would otherwise be assessed against the lands and premises on which The Bluffs At River Bend is to be built if they remained in an unimproved condition. Thereafter, the annual service charge shall consist of two components:

(1) The sum of 7.0 percent of the collections from the total annual shelter rent attributable to the rent restricted units during the period from January 1 through December 31 of each year (rent restricted component); and

(2) The full amount of taxes which would be paid if The Bluffs At River Bend were not tax exempt on that portion of development occupied by other than low income families as provided for in section 30-276 (market rate component).

Notwithstanding the provisions of the immediately preceding sentences for all years during which this section is operative, the annual service charge shall be no less than the total real estate taxes which would otherwise be assessed against the lands and premises on which the development is to be built if they remained in an unimproved condition.

(c) Notwithstanding any other provision in this section, the annual service charge shall be not less than $50,000.00 per year, consisting of the rent restricted component and the market rate component.

(d) The determination of when each housing unit in The Bluffs At River Bend is occupied by low income persons or families shall be made for each year as of December 31 of the immediately preceding year.

(Ord. No. 868, § 5, 2-17-1998)

Sec. 30-280. - Contractual effect of division.

Notwithstanding the provisions of section 15(a) of the act, to the contrary, a contract between the city and the sponsor with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this division.

Sec. 30-281. - Payment of service charge.

The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city except that the annual payment shall be paid on or before July 1 of each year. On or before May 15 of each year, the sponsor shall file with the city a certification by the sponsor showing the number of units in The Bluffs At River Bend occupied by persons who are not low income persons or families pursuant to section 30-276. The city shall compute the real estate taxes and invoice the sponsor no later than June 1 for the total service charge due July 1.

(Ord. No. 868, § 7, 2-17-1998)

Sec. 30-282. - Preference to city residents.

To the extent permissible under federal, state or local fair housing laws, the sponsor shall give preference for occupancy of The Bluffs At River Bend to qualified applicants who are city residents.

~~(Ord. No. 868, § 8, 2-17-1998)~~

~~Sec. 30-283. - Allocation of benefits of tax exemption.~~

~~The benefits of the tax exemption granted pursuant to this division shall be allocated by the sponsor exclusively to the low income persons or families of The Bluffs At River Bend in the form of reduced rent. Such benefits shall not be allocated to the market rate persons or families. The sponsor shall, at the request of the city, submit to the city such evidence and documentation as may be reasonably necessary to sponsor's compliance with this requirement.~~

~~(Ord. No. 868, § 9, 2-17-1998)~~

~~Sec. 30-284. - Duration.~~

~~Commencing with the tax year 2000 and ending with the tax year 2018, this division shall remain in effect and shall not terminate from the effective date hereof, provided that:~~

~~(1) The development remains subject to income and rent restrictions pursuant to section 42;~~

~~(2) Construction of the development commences on or before September 1, 1999; and~~

~~(3) The sponsor or its successors in interest may apply for further extension of this division but in no event of a term longer than through the tax year 2039. Whether an extension will be granted shall be in the sole discretion of the city council.~~

~~(Ord. No. 868, § 10, 2-17-1998)~~

~~Sec. 30-285. - Audits; inspection of records.~~

~~Subject to any limitations imposed by law, the sponsor shall provide to the city such accounting records, audits and financial reports as the city shall reasonably require to verify the computation of the annual service charge as provided by this division. The sponsor shall maintain such records of rent or occupancy charges received and the occupancy of units in the development as will permit the city to verify which of the units in the development have been occupied by low income persons or families. Subject to any limitations imposed by law, the books and records of the sponsor pertaining to the development shall be available for review and audit by the city at all reasonable times.~~

~~(Ord. No. 868, § 11, 2-17-1998)~~

~~Sec. 30-286. - Lien.~~

~~Annual service charges payable pursuant to this division shall be a lien on the development, and, if delinquent, shall be collected and enforced in the same manner as general property taxes.~~

~~(Ord. No. 868, § 12, 2-17-1998)~~

~~Secs. 30-287—30-386. - Reserved.~~

DIVISION 3~~8~~. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—CHIDESTER 2005 PROJECT

Sec. 30-250~~387~~. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance—Chidester 2005 Project."

(Ord. No. 1074, § 1, 11-7-2007)

Sec. 30-251~~388~~. - Purpose.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Michigan State Housing Development Authority Act of 1966 (I 966 PA 346, as amended, MCLA Section 125.1 401 et seq., MSA Section I 16.1 14(l) et sea.). The City of Ypsilanti ("city") is authorized by this act to establish or change a service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this act at any amount it chooses not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for persons of low income is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further; that the continuance of the provisions of this division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing development ("development"), which is being rehabilitated and financed in reliance upon such tax exemption ordinance.

The city acknowledges that Chidester 2005 Limited Dividend Housing Association L.L.C. ("owner") has offered, subject to receipt of an allocation under the low income housing tax credit ("LIHTC"~~m~~) laws, to rehabilitate, own and operate a housing development on certain property located in the city to serve persons of low income and that the owner has offered to pay the city on account of the development an annual service charge for public services in lieu of all taxes.

(Ord. No. 1074, § 2, 11-7-2007)

Sec. 30-252~~389~~. - Definitions.

All terms shall be defined as set forth in the act, except as follows:

Act means the State Housing Development Authority Act, being Public Act 346 of 1966, of the State of Michigan, as amended.

Annual shelter rent means the total collections during an agreed annual period from all low income occupants of the development, as provided for herein, representing rent or occupancy charges, exclusive of the portion of said charges attributable to gas, electricity, heat or other utilities furnished to the occupants by the owner.

Authority means the Michigan State Housing Development Authority.

Development means that residential rental housing senior citizen development located in the City of Ypsilanti, Washtenaw County, Michigan, on land more particularly described on Exhibit "A" attached hereto and made a part hereof, known as Chidester Place.

Housing development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the authority has determined improves the quality of the development as it relates to housing for persons of low income.

Low income persons or *families* means those persons and families whose income is 60 percent or less of area median income as adjusted for family size and who are determined to be eligible to move into the development under the provisions of Section 42, the units of whom shall be rent restricted.

Section 42 means Section 42 of the Internal Revenue Code of 1986, as amended.

Senior citizen means a household composed of one or more persons at least one of whom is 55 years of age or more at the time of initial occupancy.

Owner means Chidester 2005 Limited Dividend Housing Association L.L.C.

City means the City of Ypsilanti, Washtenaw County, Michigan.

City resident means anyone currently residing in the city or anyone currently working or notified that such person has been hired to work in the city.

Utilities means fuel, water, sanitary sewer service and/or electrical service which are paid by the owner.

(Ord. No. 1074, § 3, 11-7-2007)

Sec. 30-253~~390~~. - Class of housing developments.

It is determined that the class of housing developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing developments which have previously received tax exemption pursuant to the act and received an LIHTC allocation from the authority pursuant to Section 42. Based on representations and warranties of the owner, it is determined that the development is a housing development eligible for tax exemption provided by Section 15(a) of the act upon its award of said LIHTC.

(Ord. No. 1074, § 4, 11-7-2007)

Sec. 30-254~~391~~. - Establishment of annual service charge.

The development shall be exempt from all property taxes commencing with the first January 1 following (i) commencement of rehabilitation or (ii) compliance by the owner with all requirements imposed on the owner by subsection (i) of Section 15(a) of the act, whichever is later. The city, acknowledging that the owner and the authority have established the economic feasibility of the development in reliance upon the enactment and continuing effect of this division and the qualification of the development for exemption from all property taxes and a payment in lieu of taxes as established in this division, and in consideration of the owner's offer, subject to receipt of a LIHTC allocation from the authority, to rehabilitate, own and operate the development, agrees to accept payment of an annual service charge for public services in lieu of all property taxes.

For calendar year 2008, the payment in lieu of taxes shall be zero percent of annual shelter rents. Thereafter the annual service charge shall be of four percent of the collections from the total annual shelter rents.

(Ord. No. 1074, § 5, 11-7-2007)

Sec. 30-255~~392~~. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15(a) of the act to the contrary, a contract between the city and the owner with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this division.

(Ord. No. 1074, § 6, 11-7-2007)

Sec. 30-256~~393~~. - Payment of service charge.

The annual service charge in lieu of taxes as determined under the ordinance shall be payable in the same manner as general property taxes are payable to the city except that the annual payment shall be paid on or before July 1 of the succeeding year.

(Ord. No. 1074, § 7, 11-7-2007)

Sec. 30-257~~394~~. - Preference to city residents.

To the extent permissible under federal, state or local fair housing laws, the owner shall give preference for occupancy of the development to qualified applicants who are city residents.

(Ord. No. 1074, § 8, 11-7-2007)

Sec. 30-258~~395~~. - Evidence of compliance.

The owner shall, at the request of the city, submit to the city such evidence and documentation as may be reasonably necessary to verify owner's continuing compliance with the requirements of Section 42 or its successor program.

(Ord. No. 1074, § 9, 11-7-2007)

Sec. 30-259~~396~~. - Duration.

This division shall remain in effect from the effective date hereof and not terminate so long as the development remains subject to income and rent restrictions at least as restrictive as those provided for in Section 42 and the project is MSHDA or federally aided, but in any event, not more than 50 years.

(Ord. No. 1074, § 10, 11-7-2007)

Sec. 30-260~~397~~. - Audits; inspection of records.

Subject to any limitations imposed by law, the owner shall provide to the city such accounting records, audits and financial reports as the city shall reasonably require to verify the computation of the annual service charge as provided by this division. Subject to any limitations imposed by law, the books and records of the owner pertaining to the development shall be available for review and audit by the city at all reasonable times.

(Ord. No. 1074, § 11, 11-7-2007)

Sec. 30-261~~398~~. - Lien.

Annual service charges payable pursuant to this division shall be a lien on the development, and, if delinquent, shall be collected and enforced in the same manner as general property taxes.

(Ord. No. 1074, § 12, 11-7-2007)

Sec. 30-262~~399~~. - Default.

The tax exemption extended hereunder may be terminated and the property restored to the tax rolls by resolution duly adopted by the city in any of the following events upon notice of default in writing to the owner by certified mail return receipt requested, by fax, with receipt acknowledged in writing or by nationally recognized overnight carrier with receipt acknowledged in writing to the address on file with the department of labor and economic growth (or any successor department) and a failure by owner to cure the default within 30 days following delivery of written notice to owner thereof by the city:

(1) Failure of the owner or the development to remain in compliance with the terms of this division or the act;

(2) Failure of owner to complete the rehabilitation of the development substantially in the manner heretofore approved by the city planning department on April 20, 2006; or

(3) Owner files any petition for bankruptcy or in the event such a petition be involuntary, then upon same not being dismissed within 90 days. Determinations of the event and continuing existence of default and the

sufficiency of actions taken to cure default shall be in the sole judgment of the city.

(Ord. No. 1074, § 13, 11-7-2007)

Secs. 30-263~~400~~—30-299~~430~~. - Reserved.

DIVISION ~~4~~9. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—PARKRIDGE

Sec. 30-300~~431~~. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance—Parkridge."

(Ord. No. 1211, § 1, 2-4-2014)

Sec. 30-301~~432~~. - Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the act. The City of Ypsilanti (the "city") is authorized by this act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from ad valorem taxation under this act at any amount it chooses, not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this division for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The city acknowledges that the sponsor (as defined below) has offered, subject to the approval of an application to the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and subject to receipt of an allocation under the LIHTC program by the state housing development authority, to acquire, rehabilitate, own, and operate a housing project identified as Parkridge Housing Project on certain property located at parcel 11-11-39-468-010 in the city to serve low income persons and families (the "project"), and that the sponsor has offered to pay the city on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

(Ord. No. 1211, § 2, 2-4-2014)

Sec. 30-302~~433~~. - Definitions.

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

Authority means the Michigan state housing development authority.

Annual shelter rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges (excluding all other income of the project), less utilities. This does not include any payments or subsidies collected from the U.S. Department of Housing and Urban Development or the state housing development authority.

LIHTC program means the low income housing tax credit program administered by the authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Low income persons and families means persons and families eligible to move into a housing project.

Sponsor means the New Parkridge LDHA Limited Partnership, a Michigan limited partnership, its successor, or its assigns.

Utilities mean charges for gas, electric, water, and sanitary sewer furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.

(Ord. No. 1211, § 3, 2-4-2014)

Sec. 30-303~~434~~. - Class of housing projects.

It is determined that the class of housing projects to which the exemption from ad valorem taxation shall apply and for which a service charge shall be paid in lieu of such taxes shall be as defined by Section 15a(1) of the Act, being MCL 125.1415a(1).

(Ord. No. 1211, § 4, 2-4-2014)

Sec. 30-304~~435~~. - Establishment of annual service charge.

Subject to the approval of an application to the U.S. Department of Housing and Urban Development's rental assistance demonstration program and subject to receipt of an allocation under the LIHTC program by the state housing development authority, the project and the property on which it is located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation.

In consideration of the sponsor's offer to construct, rehabilitate, and operate the project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. The annual service charge shall be (a) equal to ten percent of the annual shelter rents during each operating year, (b) the amount of taxes that would be paid but for this division, or (c) the amount permitted to be paid by applicable state or federal law in effect on the effective date of this division, whichever amount is lower. The annual service charge shall be paid as a first priority from the cash flow waterfall as determined on the annual audit of the operating year.

(Ord. No. 1211, § 5, 2-4-2014)

Sec. 30-305~~436~~. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15a(5) of the act to the contrary, a contract between the city and the sponsor with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of the ordinance from which this division is derived.

(Ord. No. 1211, § 6, 2-4-2014)

Sec. 30-306~~437~~. - Limitation on the payment of annual service charge.

Notwithstanding section 30-304~~435~~, the service charge to be paid each year in lieu of taxes for the part of the project that is exempt from ad valorem taxes but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the project if the project were not tax exempt.

(Ord. No. 1211, § 7, 2-4-2014)

Sec. 30-307~~438~~. - Payment of service charge.

The annual service charge in lieu of taxes, as determined under this division, shall be payable to the city and distributed to the several units levying the general property tax in accordance with Section 15a(4) of the Act. The annual payment for each operating year shall be paid on or before April 15 of the following year.

(Ord. No. 1211, § 8, 2-4-2014)

Sec. 30-308~~439~~. - Duration.

This division shall remain in effect and shall not terminate so long as (a) the project remains subject to income and rent restrictions under the LIHTC program or (b) the project remains exempt from ad valorem taxation pursuant to Section 15a(5) of the act.

(Ord. No. 1211, § 9, 2-4-2014)

Secs. 30-309~~440—~~30-32~~460~~. - Reserved.

DIVISION 5~~10~~. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—SCATTERED SITE

Sec. 30-325~~461~~. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance-Scattered Site."

(Ord. No. 1211, § 1, 2-4-2014)

Sec. 30-326~~462~~. - Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the act. The City of Ypsilanti (the "city") is authorized by this act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from ad valorem taxation under this act at any amount it chooses, not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this division for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The city acknowledges that the sponsor (as defined below) has offered, subject to the approval of an application to the U.S. Department of Housing and Urban Development's rental assistance demonstration program and subject to receipt of an allocation under the LIHTC program by the state housing development authority, to acquire, rehabilitate, own, and operate a housing project identified as scattered site housing project on certain property located at parcels 11-11-09-170-023, 11-11-39-145-029, 11-11-10-267-003, 11-11-39-414-005, 11-11-37-100-001, 11-11-37-202-001, 11-11-37-152-010, 11-11-10-355-037, 11-11-37-153-007, 11-11-37-201-001, 11-11-39-481-010, 11-11-39-145-030, 11-11-09-170-024, and 11-11-39-484-001 in the city to serve low income persons and families (the "project"), and that the sponsor has offered to pay the city on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

(Ord. No. 1211, § 2, 2-4-2014)

Sec. 30-327~~463~~. - Definitions.

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

Authority means the Michigan state housing development authority.

Annual shelter rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges (excluding all other income of the project), less utilities. This does not include any payments or subsidies collected from the U.S. Department of Housing and Urban Development or the state housing development authority.

LIHTC program means the low income housing tax credit program administered by the authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Low income persons and families means persons and families eligible to move into a housing project.

Sponsor means the strong future LDHA limited partnership, a Michigan limited partnership, its successor, or its assigns.

Utilities mean charges for gas, electric, water, and sanitary sewer furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.

(Ord. No. 1211, § 3, 2-4-2014)

Sec. 30-328~~464~~. - Class of housing projects.

It is determined that the class of housing projects to which the exemption from ad valorem taxation shall apply and for which a service charge shall be paid in lieu of such taxes shall be as defined by Section 15a(1) of the Act, being MCL 125.1415a(1).

(Ord. No. 1211, § 4, 2-4-2014)

Sec. 30-329~~465~~. - Establishment of annual service charge.

Subject to the approval of an application to the U.S. Department of Housing and Urban Development's rental assistance demonstration program and subject to receipt of an allocation under the LIHTC program by the state housing development authority, the project and the property on which it is located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation.

In consideration of the sponsor's offer to construct, rehabilitate, and operate the project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. The annual service charge shall be (a) equal to ten percent of the annual shelter rents during each operating year, (b) the amount of taxes that would be paid but for this division, or (c) the amount permitted to be paid by applicable state or federal law in effect on the effective date of this division, whichever amount is lower. The annual service charge shall be paid as a first priority from the cash flow waterfall as determined in the annual audit of the operating year.

(Ord. No. 1211, § 5, 2-4-2014)

Sec. 30-330~~466~~. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15a(5) of the act to the contrary, a contract between the city and the sponsor with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of the ordinance from which this division is derived.

(Ord. No. 1211, § 6, 2-4-2014)

Sec. 30-331~~467~~. - Limitation on the payment of annual service charge.

Notwithstanding section 30-329~~435~~, the service charge to be paid each year in lieu of taxes for the part of the project that is exempt from ad valorem taxes but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the project if the project were not tax exempt.

(Ord. No. 1211, § 7, 2-4-2014)

Sec. 30-332~~468~~. - Payment of service charge.

The annual service charge in lieu of taxes, as determined under this division, shall be payable to the city and distributed to the several units levying the general property tax in accordance with Section 15a(4) of the Act. The annual payment for each operating year shall be paid on or before April 15 of the following year.

(Ord. No. 1211, § 8, 2-4-2014)

Sec. 30-333~~469~~. - Duration.

This division shall remain in effect and shall not terminate so long as (a) the project remains subject to income and rent restrictions under the LIHTC program or, (b) the project remains exempt from ad valorem taxation pursuant to Section 15a(5) of the act.

(Ord. No. 1211, § 9, 2-4-2014)

Secs. 30-334—30-350. - Reserved.

~~DIVISION 11. - YPSILANTI TAX EXEMPTION ORDINANCE-WATER STREET FLATS~~

~~Sec. 30-481. - Title.~~

~~This division shall be known and cited as the "Ypsilanti Tax Exemption Ordinance-Water Street Flats."~~

~~(Ord. No. 1240, § 1, 2-17-2015)~~

~~Sec. 30-482. - Preamble.~~

~~It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the act. The city is authorized by this act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this act at any amount it chooses, not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this division for tax exemption and the service~~

~~charge in lieu of all ad valorem taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.~~

~~The city acknowledges that the sponsor (as defined below) has offered, subject to receipt of a mortgage loan from the Michigan State Housing Development Authority, to construct, own and operate a housing project identified as Water Street Flats on certain property located at the future intersection of River Street and South Street in the City of Ypsilanti, County of Washtenaw, State of Michigan, and legally described as (the "Project"):~~

~~Part of Section 9, T3S, R7E, City of Ypsilanti, Washtenaw County, Michigan, described as: Commencing at the East ¼ corner of said Section; thence S1°49'34"W 328.02 feet along the East line of said Section; thence N88°10'26"W 1436.81 feet to the Place of Beginning; thence S81°37'17"W 321.33 feet; thence N2°22'02"E 272.82 feet; thence S88°03'48"E 297.91 feet; thence S2°22'02"W 96.64 feet; thence Southerly 49.33 feet along a 263.0 foot radius curve to the left, the long chord of which bears S3°00'20"E 49.25 feet; thence S8°22'43"E 70.70 feet to the Place of Beginning.~~

~~The project will serve low income persons and families, and that the sponsor has offered to pay the city on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.~~

~~(Ord. No. 1240, § 2, 2-17-2015)~~

~~Sec. 30-483. - Definitions.~~

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

~~*Authority* means the Michigan State Housing Development Authority.~~

~~*Annual shelter rent* means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

~~*Low income persons and families* means persons and families eligible to move into a housing project.~~

~~*Mortgage loan* means a loan or grant made or to be made by the authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~*Sponsor* means Herman & Kittle Properties, Inc., and any entity that receives or assumes a mortgage loan.~~

~~*Utilities* means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.~~

~~(Ord. No. 1240, § 3, 2-17-2015)~~

~~Sec. 30-484. - Class of housing projects.~~

~~It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for low income persons and families that are financed with a mortgage loan by the authority. It is further determined that Water Street Flats is of this class.~~

~~(Ord. No. 1240, § 4, 2-17-2015)~~

~~Sec. 30-485. - Establishment of annual service charge.~~

~~The housing project identified as Water Street Flats and the property on which it will be located is subject to the Water Street Redevelopment Area Brownfield Plan, approved by the City of Ypsilanti city council on December 16, 2014 with final adoption by the Washtenaw County Board of Commissioners on February 18, 2015. As authorized by the Brownfield Redevelopment Financing Act, P.A. 381 of the State of Michigan, as amended, and under the approved Brownfield Plan referenced above, an act 381 Work Plan will be developed jointly between the City of Ypsilanti, the Sponsor, and the Washtenaw County Brownfield Authority, which will include all eligible brownfield activities to be reimbursed to the Sponsor. In addition, the Act 381 Work Plan will specify the total amount of administrative fees and local site revolving remediation fund deposits to be paid to the Washtenaw County Brownfield Authority. This Act 381 Work Plan will then be approved by the State of Michigan. Following the completion of the reimbursement of all certified eligible brownfield expenses to the sponsor by the Washtenaw County Brownfield Authority, and payment of any and all administrative fees and local site revolving remediation fund deposits to the Washtenaw County Brownfield Authority, as specified in the above-referenced and approved Act 381 Work Plan, the project shall be exempt from all ad valorem property taxes. The city acknowledges that the sponsor and the authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this division, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this division. Therefore, in consideration of the sponsor's offer to construct and operate the housing project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a mortgage loan, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing project during each operating year.~~

~~(Ord. No. 1240, § 5, 2-17-2015)~~

~~Sec. 30-486. - Contractual effect of ordinance.~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city and the sponsor with the authority as third party beneficiary under the~~

~~contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this division.~~

~~(Ord. No. 1240, § 6, 2-17-2015)~~

~~Sec. 30-487. - Limitation on the payment of annual service charge.~~

~~Notwithstanding section 30-485, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.~~

~~(Ord. No. 1240, § 7, 2-17-2015)~~

~~Sec. 30-488. - Payment of service charge.~~

~~The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 15th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq.).~~

~~(Ord. No. 1240, § 8, 2-17-2015)~~

~~Sec. 30-489. - Duration.~~

~~This division shall remain in effect and shall not terminate so long as a mortgage loan remains outstanding and unpaid and the housing project remains subject to income and rent restrictions under the low income housing tax credit program or home investments partnership program. The exemption from all ad valorem property taxes established by this division shall terminate upon the re-financing or payoff of the authority mortgage loan(s) or upon the sale of the development.~~

~~(Ord. No. 1240, § 9, 2-17-2015)~~

~~Secs. 30-490—30-500. - Reserved.~~

~~DIVISION 12. - YPSILANTI TAX EXEMPTION ORDINANCE-RIVERWALK COMMONS~~

~~Sec. 30-501. - Title.~~

~~This division shall be known and cited as the "Ypsilanti Tax Exemption Ordinance-Riverwalk Commons."~~

~~(Ord. No. 1270, § 1, 5-17-2016)~~

~~Sec. 30-502. - Preamble.~~

~~It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the act. The city is authorized by this act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this act at any amount it chooses, not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the city will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this division for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.~~

~~The city acknowledges that the sponsor (as defined below) has offered, subject to receipt of a mortgage loan from the Michigan State Housing Development Authority, to construct, own and operate a housing project identified as Riverwalk Commons on certain property located at the future intersection of River Street and Michigan Avenue in the city of Ypsilanti, County of Washtenaw, State of Michigan, and legally described as (the "Project"):~~

~~A 3.60 ACRE PARCEL IN THE NE ¼ OF SECTION 9, OF CITY OF YPSILANTI, YPSILANTI TOWNSHIP, WASHTENAW COUNTY, MICHIGAN.~~

~~Commencing at the East ¼ corner of Section 9, T3S, R7E, Ypsilanti Township, Washtenaw County, Michigan; thence N02°19'08"W 554.44 feet along the East line of said Section 9 and the Centerline of Prospect Road (66.00 feet wide); thence the following four (4) courses along the Centerline of Michigan Avenue (99 feet wide): 1) 111.24 feet along the arc of a 999.34 foot radius circular curve to the right, with a central angle of 06°22'39", having a chord which bears S88°47'02"W 111.18 feet, 2) thence N88°01'38"W 382.04 feet, 3) thence N87°56'38"W 597.06 feet and 4) thence N88°03'38"W 33.00 feet; thence S02°12'20"W 209.50 feet along the West Right-of-Way line of Park Street (66.00 feet wide) to the PLACE OF BEGINNING; thence continuing S02°12'20"W 86.82 feet; thence N88°04'15"W 282.50 feet; thence S02°29'28"W 167.28 feet; thence N88°04'02"W 299.00 feet; thence N02°22'02"E 414.18 feet; thence S88°03'47"E 350.41 feet along the South Right-of-Way line of said Michigan Avenue; thence S01°56'22"W 160.00 feet; thence S88°03'38"E 230.01 feet to the Place of Beginning, being a part of the NE ¼ of said Section 9, containing 3.60 acres of land, more or less, and subject to easements and restrictions of record, if any.~~

~~The project will serve low income persons and families, and that the Sponsor has offered to pay the city on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.~~

~~(Ord. No. 1270, § 2, 5-17-2016)~~

~~Sec. 30-503. - Definitions.~~

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

~~*Authority* means the Michigan State Housing Development Authority.~~

~~*Annual shelter rent* means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

~~*Low income persons and families* means persons and families eligible to move into a housing project.~~

~~*Mortgage loan* means a loan or grant made or to be made by the Authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~*Sponsor* means Herman & Kittle Properties, Inc., and any entity that receives or assumes a mortgage loan.~~

~~*Utilities* means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.~~

~~(Ord. No. 1270, § 3, 5-17-2016)~~

~~Sec. 30-504. - Class of housing projects.~~

~~It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for low income persons and families that are financed with a mortgage loan by the authority. It is further determined that Riverwalk Commons is of this class.~~

~~(Ord. No. 1270, § 4, 5-17-2016)~~

~~Sec. 30-505. - Establishment of annual service charge.~~

~~The housing project identified as Riverwalk Commons and the property on which it will be located is subject to the Water Street Redevelopment Area Brownfield Plan, approved by the City of Ypsilanti city council on December 16, 2014 with final adoption by the Washtenaw County Board of Commissioners on February 18, 2015. As authorized by the Brownfield Redevelopment Financing Act, P.A. 381 of the State of Michigan, as amended, and under the approved Brownfield Plan referenced above, an Act 381 Work Plan will be developed jointly between the City of Ypsilanti, the sponsor, and the Washtenaw County Brownfield Authority, which will include all eligible brownfield activities to be reimbursed to the Sponsor. In addition, the Act 381 Work Plan will specify the total amount of administrative fees and local site revolving remediation fund~~

~~deposits to be paid to the Washtenaw County Brownfield Authority. This Act 381 Work Plan will then be approved by the State of Michigan. Following the completion of the reimbursement of all certified eligible brownfield expenses to the sponsor by the Washtenaw County Brownfield Authority, and payment of any and all administrative fees and local site revolving remediation fund deposits to the Washtenaw County Brownfield Authority, as specified in the above referenced and approved Act 381 Work Plan, the project shall be exempt from all ad valorem property taxes. The city acknowledges that the sponsor and the authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this division, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this division. Therefore, in consideration of the sponsor's offer to construct and operate the housing project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a mortgage loan, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing project during each operating year.~~

~~(Ord. No. 1270, § 5, 5-17-2016)~~

~~Sec. 30-506. - Contractual effect of ordinance.~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city and the sponsor with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this division.~~

~~(Ord. No. 1270, § 6, 5-17-2016)~~

~~Sec. 30-507. - Limitation on the payment of annual service charge.~~

~~Notwithstanding section 30-505, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.~~

~~Additionally, it is anticipated that a portion of the project will be commercial space. This portion is not tax-exempt. This non-exempt portion of the project may receive a separate tax identification number that will be different than that portion that is exempt. This division will only apply to that portion of the project that is exempt, and will not apply to that portion of the project that is not tax-exempt.~~

~~(Ord. No. 1270, § 7, 5-17-2016)~~

~~Sec. 30-508. - Payment of service charge.~~

~~The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city and~~

~~distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 15th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq.).~~

~~(Ord. No. 1270, § 8, 5-17-2016)~~

~~Sec. 30-509. - Duration.~~

~~This division shall remain in effect and shall not terminate so long as a mortgage loan remains outstanding and unpaid and the housing project remains subject to income and rent restrictions under the low income housing tax credit program or home investments partnership program. The exemption from all ad valorem property taxes established by this division shall terminate upon the re-financing or payoff of the authority mortgage loan(s) or upon the sale of the development.~~

~~(Ord. No. 1270, § 9, 5-17-2016)~~

2. Severability. If any clause, sentence, section, paragraph, or part of this ordinance, or the application thereof to any person, firm, corporation, legal entity, or circumstances, shall be for any reason adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not effect, impair, or invalidate the remainder of this Ordinance and the application of such provision to other persons, firms, corporations, legal entities, or circumstances by such judgment shall be confined in its operation to the clause, sentence, section, paragraph, or part of this Ordinance thereof directly involved in the case or controversy in which such judgment shall have been rendered and to the person, firm, corporation, legal entity, or circumstances then and there involved. It is hereby declared to be the legislative intent of this body that the Ordinance would have been adopted had such invalid or unconstitutional provisions not have been included in this Ordinance.

3. Repeal. All other Ordinances inconsistent with the provisions of this Ordinance are, to the extent of such inconsistencies, hereby repealed.

4. Savings Clause. The balance of the Code of Ordinances, City of Ypsilanti, Michigan, except as herein or previously amended, shall remain in full force and effect. The repeal provided herein shall not abrogate or affect any offense or act committed or done, or any penalty or forfeiture incurred, or any pending fee, assessments, litigation, or prosecution of any right established, occurring prior to the effective date hereof.

5. Copies to be available. Copies of the Ordinance are available at the office of the city clerk for inspection by, and distribution to, the public during normal office hours.

6. Publication and Effective Date. The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published according to Section 11.13 of the City Charter. This Ordinance shall become effective after publication at the expiration of 30 days after adoption.

MADE, PASSED AND ADOPTED BY THE YPSILANTI CITY COUNCIL THIS _____ DAY OF _____, 2017.

_____
Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. _____was published according to Section 11.13 of the City Charter on the _____ day of _____, 2017.

_____
Frances McMullan, City Clerk

CERTIFICATE OF ADOPTING

I hereby certify that the foregoing is a true copy of the Ordinance passed at the regular meeting of the City Council held on the _____ day of _____, 2017.

_____
Frances McMullan, City Clerk

Notice Published: _____

First Reading: _____

Second Reading: _____

Published: _____

Effective Date: _____

RESOLUTION NO. 2017-301
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the public hearing for an ordinance entitled "An ordinance to amend Chapter 30, Article VI "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 7, 11, and 12; renumber the remaining Divisions and Sections of the Article **be officially closed**.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Resolution No. 2017 –302
December 19, 2017

WHEREAS, City Council charged the Sustainability Commission with the task of; developing a Sustainability Plan for the City of Ypsilanti; and

WHEREAS, the STAR Community Rating System is the nation's leading comprehensive framework and certification program for measuring local sustainability; and

WHEREAS, the Sustainability Commission and city staff can use the STAR Community Rating System to measure and report on Leading Indicators and perhaps eventually pursue STAR certification which would meet the Commission's mandate for developing a Sustainability Plan.

THEREFORE BE IT RESOLVED THAT The Ypsilanti City Council allocates $1,000 annually to pay for a full subscription to the STAR Communities Rating System.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

REQUEST FOR LEGISLATION
November 28, 2017

To: Mayor and Council

From: Darwin D. P. McClary, City Manager

Subject: **COOPERATIVE AGREEMENT AND SCOPE OF WORK FOR PENINSULAR DAM REMOVAL STUDY**

SUMMARY & BACKGROUND:
City council is being requested to approve the Cooperative Agreement for Peninsular Dam Removal Study between the City of Ypsilanti and the Huron River Watershed Council. The agreement establishes the general responsibilities of the city and HRWC in funding and completing the study and sets forth the following provisions:

- The project will generally include studying the feasibility of the strategic removal of the dam and the potential for revitalization of Peninsular Park and redevelopment of the powerhouse if the dam is removed.
- The project will cover, at a minimum, studying environmental, financial, logistical, and legal impacts of removing the dam, including such impacts on adjacent affected properties.
- HRWC will engage the services of a qualified environmental engineering firm to complete the study.
- A work group consisting of HRWC Executive Director Laura Rubin, City Manager McClary, and one representative
- Ypsilanti city council must approve a separate, detailed scope of work for the study prior to the commencement of the work.
- The city will contribute $47,324, with HRWC being responsible for all additional costs; it is anticipated that Friends of Pen Park will contribute $27,324.
- Full results of the study will be submitted to the city, and a presentation on the results will be provided at a council meeting by HRWC.

Also attached is a copy of the scope of work, fee estimate, and schedule for the project as prepared by Princeton Hydro Engineering after input and further revisions from the Friends of Pen Park group.

Winter weather could hinder the ability of the contractor to complete the work, and, depending on the timing of the approval of the scope of work, the work of the study may extend into the spring of 2018.

PRIOR COUNCIL ACTION: 4/18/2017 - Resolution No. 2017-088, authorizing city administration to work with the Huron River Watershed Council to prepare the necessary bid specifications, bid advertisement, and cost sharing

agreement.
Offered By: Council Member Murdock; Seconded By: Council Member Richardson
Approved: Yes – 5; No – 0; Absent – 2 (Edmonds, Vogt)

10/03/2017 - Resolution No. 2017-227, approving cooperative agreement between Huron Watershed Council and the City of Ypsilanti for Peninsular Dam Removal Study.
Offered By: Council Member Murdock; Seconded By: Council Member Bashert
Postponed (No later than 1st meeting in November): Yes – 7; No – 0; Absent - 0

FINANCIAL IMPACT: If approved, the cost to the city for the dam removal study would not exceed $47,324. Funds were previously set aside by council in the General Fund reserves for the Peninsular Dam and will be used for this project.

RECOMMENDED ACTION: To approve the Cooperative Agreement for the Peninsular Dam Removal Study and authorize the City Manager to execute the agreement on behalf of the city after approval of the agreement by the City Attorney as to form; and to approve the scope of work for the project.

ATTACHMENTS: Proposed Cooperative Agreement for Dam Removal Study
Scope of Work and Fee Estimate

CITY MANAGER APPROVAL: DDPM **COUNCIL AGENDA DATE:** 11/28/2017

CITY MANAGER COMMENTS: Recommend approval of agreement and scope of work as presented.

FISCAL SERVICES DIRECTOR APPROVAL:_____

Resolution No. 2017 - 282
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti owns the Peninsular Dam crossing the Huron River and adjacent to Peninsular Park; and

WHEREAS, the Michigan Department of Environmental Quality (MDEQ) is requiring that the city submit a plan for necessary repairs to the dam and that repairs must be completed within a reasonable time if the city opts to restore the dam; and

WHEREAS, a Dam Condition Assessment Report for the Peninsular Dam was completed in September 2014 by the city's engineers, OHM Advisors, identifying the deficiencies of the dam and estimating the costs to make necessary repairs to the dam at $659,000; and

WHEREAS, the Ypsilanti city council desires to partner with the Huron River Watershed Council (HRWC) to study the feasibility and cost effectiveness of removing the Peninsular Dam, together with the associated environmental, financial, logistical, and legal impacts of removal, including such impacts on affected adjacent properties; and

WHEREAS, the city council intends to use the results of the dam removal study and the results of the 2014 dam condition assessment report to assist the council in making an informed determination as to whether restoration of the dam or its removal is most beneficial to the community;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the Ypsilanti city council hereby approves the Cooperative Agreement for Peninsular Dam Removal Study between the City of Ypsilanti and the Huron River Watershed Council as presented at a cost to the city not to exceed $47,324, with HRWC to be responsible for all remaining costs, and to authorize the City Manager to execute the agreement on behalf of the city after approval of the agreement by the City Attorney as to form; and

BE IT FURTHER RESOLVED that the city council hereby approves the Scope of Work and Fee Estimate for the Huron River Watershed River Restoration Services - Peninsular Dam prepared by Princeton Hydro Engineering, PC, and dated November 2017, with an estimated cost of $122,648; and

BE IT FURTHER RESOLVED that the city council hereby authorizes city administration to proceed with the project.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

COOPERATIVE AGREEMENT FOR PENINSULAR DAM STUDY

This agreement is made by and between the City of Ypsilanti, a Michigan home rule city of One S. Huron Street, Ypsilanti, MI 48197 ("City") and the Huron River Watershed Council, a Michigan public non-profit organization of 1100 N. Main Street, Suite 210, Ann Arbor, MI 48104 ("HRWC") on the date signed by both parties ("Effective Date")

RECITALS:

A. The City owns a parcel of land located at the northwest corner of the Huron River and Leforge Road in the City of Ypsilanti, County of Washtenaw, State of Michigan, having a parcel identification number of 11-11-05-100-013 ("Peninsular Park").

B. The City also owns the Peninsular Dam, which is adjacent to Peninsular Park and crosses the Huron River.

C. The City and HRWC are interested to study the feasibility of the strategic removal of the Peninsular Dam.

D. The parties anticipate that such a feasibility study would explore the environmental and financial impacts of removal of the dam, the logistical and practical implications relating to such removal and the legal effects such removal would have on the property owners adjacent to relevant portions of the Huron River, and sources of public or private grants or other funding available for such work.

E. HRWC has identified a qualified environmental engineering firm ("Contractor") to complete such a feasibility study, and anticipates the cost of such a study to be On Hundred Twenty-Two Thousand Six Hundred Forty-Eight and 00/100 Dollars ($122,648.00).

NOW, THEREFORE, in consideration of the foregoing and the agreements of the parties hereto, the City and HRWC mutually agree as follows:

1. The HRWC shall commission a feasibility study as described herein, with the complete scope of work for said study to be approved by the Ypsilanti city council prior to commencement of the work.

2. The City shall reimburse the HRWC an amount not to exceed Forty-Seven Thousand Three Hundred Twenty-Four and 00/100 Dollars ($47,324.00) of the study upon completion of the approved scope of work and submission of three (3) original hard

copies and one (1) electronic copy in PDF file format of the study report to the Ypsilanti city clerk.

3. The HRWC shall be responsible for the remaining cost of the study.

4. The full results of the study, and all supporting documentation, shall be shared with the City and a presentation on such results shall be made by HRWC to the City Council for the City of Ypsilanti.

5. The parties shall use the results of the study to guide future discussions and decisions with regard to Peninsular Park and the Peninsular Dam.

6. The City shall be either a party to or third-party beneficiary of the contract between the HRWC and the Contractor. Particularly, the parties agree that the Contractor shall enter into an agreement substantially similar to the attached contract addendum form ("Exhibit A") with the City before work begins on the feasibility study discussed herein.

7. This agreement is to be performed in Washtenaw County, Michigan, and all legal venue shall exclusively lie therein.

8. This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

9. This agreement, and its attachments, is the sole contract agreement between the parties. Any changes, additions, or deletions shall not be effective or actionable unless they are in writing and signed by the parties.

IN WITNESS WHEREOF, the undersigned have set their hands this _____ day of _____, 20____.

HURON RIVER WATERSHED COUNCIL

BY: _____
Laura Rubin
Executive Director

CITY OF YPSILANTI

BY: _____
Darwin D. P. McClary
City Manager

APPROVED AS TO FORM:

_____
JOHN M. BARR P-10475
Ypsilanti City Attorney

Friends of Peninsular Park

PO Box 980180 | 734-218-4257 | aasbrown@gmail.com

Monday, December 4, 2017

Darwin McClary
City Manager, City of Ypsilanti
One South Huron Street
Ypsilanti, MI 48197

Dear Darwin McClary:

As discussed in our last meeting, the Friends of Peninsular Park is submitting a written confirmation demonstrating our willingness and commitment to be participants in the process of determining next steps in addressing the stated concerns related to Peninsular Paper Dam.

The Scope of Work submitted by Princeton Hydro Engineering for the Huron River Watershed Council encompasses our discussion of several critical issues in terms of sediment sampling, analysis, landowner mapping and digitalization of the property boundary data. The proposal indicates this is Phase 1, so we support this as the first step in a series of steps to provide council and stakeholders information.

The Friends of Peninsular Park will contribute to Phase 1 in the amount of $27,324, please let us know if this is agreeable to you, so we can move forward in the process.

Sincerely,

[redacted]

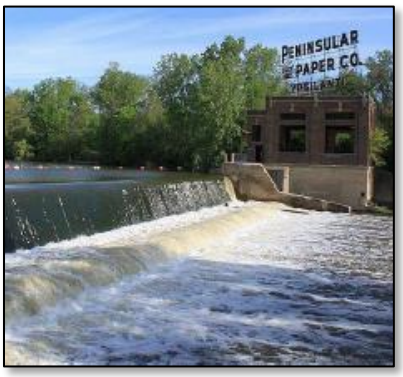
Anne Brown
Chairperson

[redacted]

Stacey DeAngelis
Treasurer

SCOPE OF WORK AND FEE ESTIMATE FOR THE HURON RIVER WATERSHED RIVER RESTORATION SERVICES – PENINSULAR PAPER DAM

YPSILANTI, MICHIGAN



PENINSULAR PAPER DAM, YPSILANTI, MI

Prepared For:

ELIZABETH RIGGS
HURON RIVER WATERSHED COUNCIL
734-769-5123 X608
ERIGGS@HRWC.ORG

AND

ANDREA KLINE
HURON RIVER WATERSHED COUNCIL
734-769-5123
AKLINE@HRWC.ORG

Submitted By:

Princeton Hydro Engineering, PC
www.PrincetonHydro.com

Primary Contact and Project Manager:

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Director of the New England Regional Office
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931 Main Street, Suite 2
South Glastonbury, CT 06073
t. 860.652.8911
c. 860.989.7966
LWildman@PrincetonHydro.com

NOVEMBER 2017

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Note: Think green, please print on recycled paper double sided.

SCOPE OF WORK – PENINSULAR PAPER DAM - YPSILANTI

November 7, 2017

Princeton Hydro is teaming with LimnoTech and Metro Consulting Associates to provide the following scope of work for the first phase of the Peninsular Paper Dam Removal Assessment for the Huron River Watershed Council (HRWC).

It is our understanding that the project goals for the Huron River Watershed River Restoration Project are as follows:

1. Accomplish ecosystem-based riverine restoration, through the utilization of dam removal as a restoration tool; and,
2. Provide assistance with the decision-making process to small dam owners who are interested in exploring dam removal yet need assistance with completing the initial preliminary studies to determine the feasibility of dam removal.

Our team's scope of work for the Peninsular Paper Dam below is focused on gathering the data that will advance the visioning process for the option of dam removal by assessing the critical issues of sediment quantity and quality, potential infrastructure/utilities impacts, and riverfront land ownership.

Task 1 – Project Coordination

Project Management

Princeton Hydro will coordinate the field work, analysis and engineering design process closely with HRWC and our subcontractors, LimnoTech and Metro Consulting Associates. Princeton Hydro will participate in regular progress calls with the primary contact for HRWC, as well as make ourselves available for consultation by e-mail or phone. The progress calls will be conducted at key points to update the client's primary point of contact on the project's progress. Feedback from these calls and all meetings will be incorporated into the analysis and design plans. It is assumed that Andrea Kline, will be the primary point of contact for the client, HRWC, for technical matters, and that Elizabeth Riggs will be the point of contact for financial matters. It has been assumed that HRWC will be responsible for all communication and outreach with the dam owners, abutters, surrounding communities, stakeholders, and press, and will coordinate any needed access for the proposed field work. Laura Wildman (lwildman@princetonhydro.com; wk 860-652-8911; cell 860-989-7966) will act as the Project Manager and primary point of contact for Princeton Hydro, assisted by Paul Woodworth (pwoodworth@princetonhydro.com; wk 860-652-8911; cell 201-423-5849).

Critical issues and design concepts will be discussed with the client prior to submitting any deliverables. Princeton Hydro believes in making our projects a team effort by utilizing the expertise of the project partners and by providing strong project management and flexibility in our project approach, such that the best possible solution can be implemented for the project.

Meeting

Princeton Hydro will attend and participate in one (1) project meeting for this initial phase of work. For the purpose of this scope of work we have assumed this meetings will be a meeting at the completion of the first phase of work to discuss the final assessments and conceptual design as well as the next phases of the project.

Deliverables: Attendance at one (1) project meeting.

Coordination with Working Committee

Princeton Hydro will participate in two (2) conference calls with the Working Committee that has been developed for the Peninsular Paper Dam Project, along with one (1) in-person meeting coordinated on the same day as the project meeting at the completion of the first phase of the work, described above. Input from the first two conference calls will be incorporated into Princeton Hydro's assessment of the site, conceptual for dam removal and stream restoration, to the extent acceptable based on our best engineering professional judgment and within the scope of work.

Deliverables: Participation in two (2) conference calls.

Task 2 – Data Collection and Review

Princeton Hydro will collect and review relevant site data including but not limited to dam safety reports, dam engineering plans, available FEMA data, LIDAR, utilities data, bridge plans, existing photographs of the site (photos of the impoundment drawn down if available), aerial photographs, ownership mapping, GIS data, existing watershed plans if available, existing macroinvertebrate and water quality data, and any other existing and potentially relevant reports (i.e. economic analysis for the water trail, etc.).

In order to keep the cost of the project at a minimum HRWC has offered to assist with the collection of this data from the towns and state agencies, as well as check their in-house data regarding Threatened and Endangered Species to determine if there are any sensitive species within the potential reach of impact. We have assumed that HRWC will collect the utility and bridge data, as well as the dam plans (if available) and order the FEMA modeling, with Princeton Hydro providing the order form. It is our understanding that FEMA does not charge for the FEMA model when requested by a municipality or NGO, but that will need to be verified by FEMA.

Deliverables: The data will be gathered and stored in a Google Drive accessible to all project partners upon request.

Task 3 – Infrastructure Investigation

Princeton Hydro will analyze the engineering plans collected for any potentially impacted utilities and bridges. This analysis will include determining utility inverts and bridge pier and abutment footing elevations such that a comparison can be made to the results obtained from the proposed sediment probing, survey, and hydraulic modeling data. The focus of the analysis will be to determine if dam removal could in any way impact the stability of existing infrastructure. If detailed design plans cannot be obtained for critical utilities or bridges, then Princeton Hydro will propose the next steps needed to fully assess infrastructure stability in relation to dam removal feasibility.

Deliverables: The results from this analysis will be incorporated in the Dam Removal Assessment and Engineering Report prepared for Task 7.

Task 4 – Mapping

Base Mapping

Princeton Hydro will prepare base mapping utilizing aerial photographs and the GIS available GIS data for the Peninsular Paper Dam and Impoundment site. Princeton Hydro will overlay the available property boundary data (assumed to be available digitally) and digitize the available utility data provided by the City of Ypsilanti. All efforts will be made to incorporate data for existing sources, such that a comprehensive base map is created. Topographic and bathymetric survey

will not be completed at this time, and as such it is anticipated that the base mapping will only be suitable for conceptual design and not preliminary engineering design. Survey will be conducted at a later phase of the project if dam removal is determined feasible and the City desires to initiate the design phase of the project.

Composite Drawing for Land Ownership Limits

Metropolitan Consulting Associates (MCA) will conduct field work to locate pertinent section corners and monuments to create the frame work for the composite drawing for land ownership limits. Property boundaries will be overlain on the plans utilizing the current GIS Shape files from Washtenaw County.; it is not intended or implied to have a complete property boundary survey performed at this time. HRWC will be responsible for providing the GIS shape files. The most current deed for the parcels will be researched and drawn on the base mapping showing limits of ownership to the river bed. Further research and abstracts of title may be required to resolve any deed discrepancies, and will be discussed with HRWC for potential inclusion as an optional task if needed.

It is not anticipated that easements will be needed for this initial phase of the project.

Deliverables: Princeton Hydro will prepare base mapping as described above to be utilized in the conceptual design and to illustrate the issues described in the Dam Removal Assessment Report prepared for Task 7. MCA will submit a composite drawing for the land ownership limits.

Task 5 – Sediment Characterization and Analysis

This task includes a site investigation, preliminary sediment probing, sediment sampling, testing, analysis, geomorphic assessment, and a discussion of potential sediment management and impacts.

Sediment Sampling

Princeton Hydro and Limnotech will conduct preliminary sampling through the use of vibracoring of the impounded sediment contained behind Peninsular Paper, and through surface grabs for the upstream and downstream sampling for the presence of contaminates.

This proposal assumes samples extracted from up to ten (10) vibracores within the impoundment, and one (1) sample downstream of the dam and one (1) sample upstream of the impoundment for a total of 12 samples collected and analyzed.

LimnoTech will perform sediment coring and sampling in the Peninsular Paper Dam impoundment at locations indicated by Princeton Hydro, or as near as possible given physical constraints and safety considerations. The sediment cores will be collected using a boat-mounted vibracore system (Rossfelder P-3 or equivalent). Cores will be collected in 12-foot long, 3-inch diameter, clear polycarbonate core tubes. Vibracore operation, collection of cores and transport of cores to shore will be performed by a subcontractor to LimnoTech, Affiliated Researchers of East Tawas, Michigan. Affiliated Researchers is a certified Service-Disabled Veteran-Owned Small Business, as well as a certified HUB-Zone Business.

Once the sediment cores are transported to shore, they will be opened by a trained and experienced LimnoTech field engineer or geologist. The cores will be characterized using visual, textural and olfactory observation and core logs will be prepared. Cores will also be scanned using a photo-ionization detector (PID). Based on these observations, LimnoTech will collect sediment samples for laboratory analysis (number of samples per core and analytes list to be determined ahead of time by Princeton Hydro), complete chain-of-custody forms and deliver the samples to the analytical laboratory selected for the project. Excess sediment from cores, as well as core tube materials, used personal protective equipment and other investigation-derived waste will be containerized, likely in 55-gallon drums. LimnoTech will make arrangements for disposal of this waste pending receipt of laboratory analyses. The cost for potential disposal, if contaminants are found, is currently not included in our fee estimate.

Sediment Sampling and Laboratory Analysis

Sediment samples will be composited of material from varying depths; however, distinguishable sediment strata may be sampled separately as per guidance from DEQ. Sampled material will be biased toward the finer available fractions (sand, silt or clay) since coarse material (gravel, cobble) has low contaminant affinity and is not readily analyzed in a laboratory.

The upstream and downstream samples will be used as a basis for comparing impounded sediment to background contaminant levels.

Analytical Parameters

We propose the following parameters for laboratory analysis:

- Metals: Mass-Based Analysis for metals
  - Likely arsenic, cadmium, chromium, copper, lead, mercury, nickel, and zinc
- Polynuclear Aromatic Hydrocarbons (PNAs)
- Total PCBs
- Grain size
- Total Organic Carbon
- Moisture Content

The following analytes are not currently recommended based on guidance from project partners:

- Total Petroleum Hydrocarbons
- Hexavalent Chromium
- Cyanide
- Pesticides
- Herbicides

These results will be compared against:

- Human Health Criteria (e.g., Residential Direct Exposure),
- Freshwater Probable Effect Concentrations (PEC),
- Freshwater Sediment Threshold Effects Concentrations (TEC)

Site Investigation, Geomorphic Assessment & Sediment Probes

Princeton Hydro will conduct an analysis of the sediment contained behind Peninsular Paper Dam in Ypsilanti for the presence of contaminates, utilizing the previous sediment sampling results collected by the state and HRWC, results from the proposed sediment sampling, and preliminary sediment probing conducted by Princeton Hydro and MCA..

Sediment probes to manual resistance will be extended along the profile of the river reach from a boat, using survey range poles, such that the depth of impounded sediment can be determined and the approximate substrate size documented when possible (see Figure 1 below). It has been assumed for the purpose of this scope and fee estimate that the character of the impounded sediment is such that a survey rod can penetrate the full depth of the impounded sediment. We have assumed a full day effort to complete the sediment probes extending from the Peninsular Paper Dam to the base of the next dam upstream of the Peninsular Paper Dam.

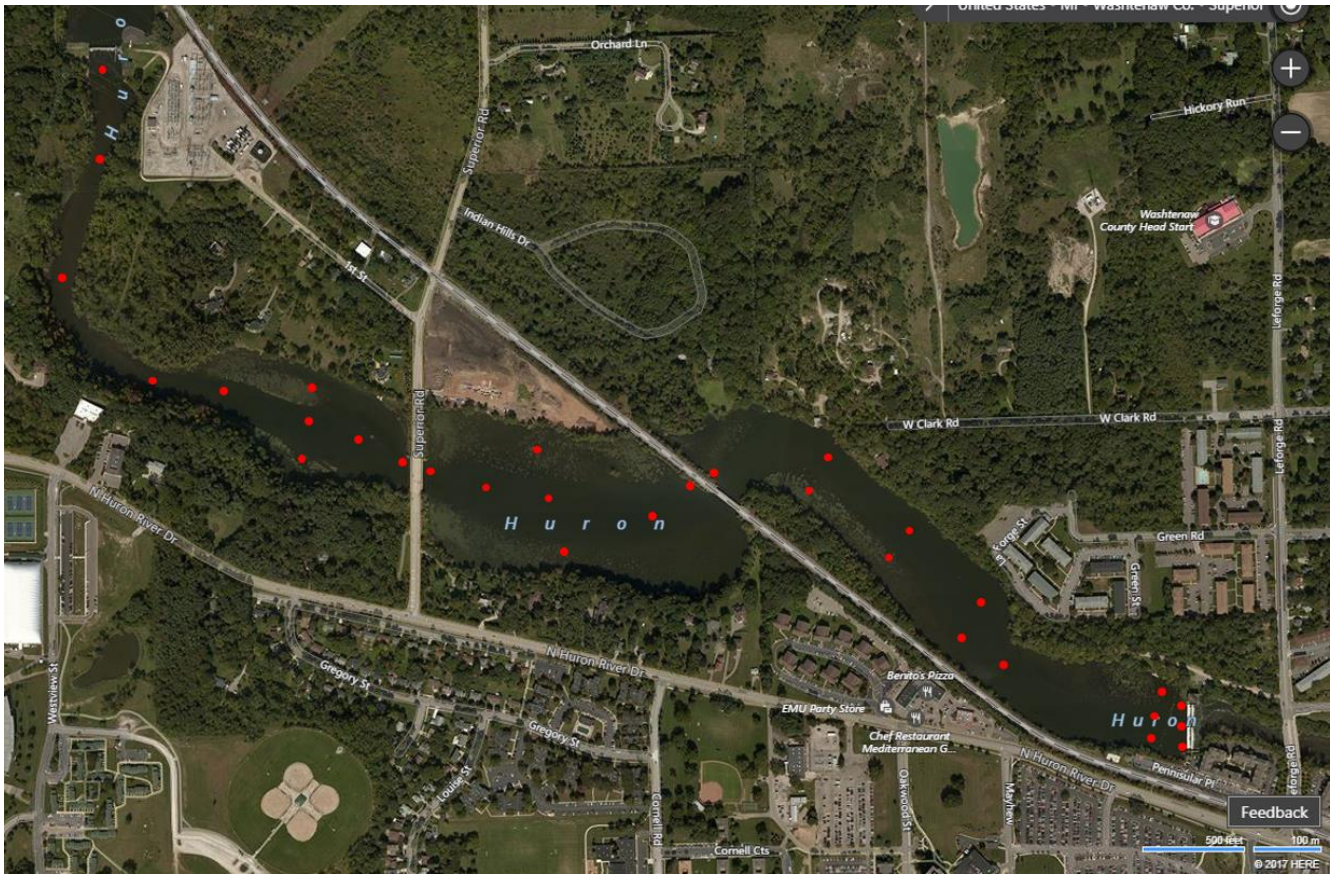

Figure 1: Approximate location of proposed sediment probes (shown in red) for Peninsular Paper Dam impoundment.

Based on the preliminary probing data Princeton Hydro will prepare a preliminarily estimate the volume of sediment (both total volume and potentially mobile volume). This volume estimate will be used to discuss potential sediment management options and the potential of impacts due to dam removal. While ten (10) vibracores will be collected and analyzed along with one (1) downstream sample and (1) upstream sample, as well as the surface grab results previously collected by the state and HRWC, the final number of sediment samples needed for final design and permitting will need to be based on the total volume of potentially mobile impounded sediment as per the current DEQ guidance, therefore additional samples may be required in future phases of the project to secure final permit approval, if the dam removal alternative is advanced.

Princeton Hydro will conduct a field reconnaissance of the dam sites, the impoundments, the side channel, tributary confluences, and upstream and downstream channels. The field investigation will include observations and photo-documentation of the dam and associated structures, infrastructure, utilities, impounded sediment, potentially historic features, adjacent facilities and developed properties, stormwater outfalls, etc.

Princeton Hydro will complete a qualitative fluvial geomorphic assessment to make field observations of channel dimensions, substrate size, bed morphology and habitat features. This data will be utilized, along with FEMA modeling results if available, to discuss anticipated sediment dynamics and channel response to removal, and to inform the conceptual design. Staff will assess past modifications to the channel, signs of channel instability or on-going geomorphic adjustment, connectivity with the floodplain and the presence of grade controls or bedrock, if found during the sediment probing. This information will allow for the conceptual design to account for any off-site stressors or to take advantage of on-site stabilizing factors. Summary of findings will be incorporated into the Engineering Report.

Both the site investigation and geomorphic assessment will focus on factors that would prohibit the potential for full removal, passive restoration of the channel, and passive release of sediment.

The man-hours for the field work associated with the Site Investigation, Geomorphic Assessment and Sediment Probe task have been divided between the fee estimates for all three dam sites, assuming that the field work for all three sites will be conducted concurrently. Our fee estimate assumes that Princeton Hydro will be accompanied by Metro for the probing for one day and by HRWC for the site investigation for one day, and that Metro and HRWC will provide the boat and boat operator.

Sediment Management Plan

The results of this analysis will be summarized and assessed in a Conceptual Sediment Characterization and Management Plan that concludes with the recommended sediment management approach. This approach will be guided by the DEQ Dredge Sediment Review Policy dated March 19, 2013.

Deliverables: A digital submission of Princeton Hydro's analysis of the Laboratory Analytical Results of sediment samples, and a Conceptual Sediment Characterization and Management Plan to HRWC and incorporation of this data and results in the Engineering Report.

Task 6 – Conceptual Design and Cost

Conceptual Design of Dam Removal & Stream Restoration

Princeton Hydro will develop a conceptual design for the removal of the Peninsular Paper Dam. This task will include broad assessment of the existing and post removal fluvial process as they potentially relate to channel stability, in-channel habitat, sediment mobility, and aquatic organism passage, based on the existing data reviewed and initial field data collected.

Included in this task will be the conceptual design of any needed channel modification/restoration upstream and downstream of the dam. The conceptual design will seek to accomplish the primary project goal #1 of achieving ecosystem-based riverine restoration.

The conceptual design plans will be developed on GIS based mapping overlain on an aerial photograph as described under Task 4, and will conceptualize the needed steps for the removal of the dam and restoration of the river. Both existing and proposed conditions will be prepared. The existing conditions will be based on available data for the dam and the river reach.

The conceptual design plans will be provided to HRWC for one (1) round of review and revisions, to the extent acceptable based on our best engineering professional judgment and within the scope of work. Revision based on the project partner and Working Committee review will be incorporated into the final conceptual design plans and submitted.

Deliverables: Deliver one digital copy of the draft conceptual design plans to HRWC for their review and comment. It has been anticipated that project partner and Working Committee review comments will be compiled by HRWC and sent to Princeton Hydro within two (2) weeks after the submittal of the draft preliminary design plans. Deliver one digital copy and four (4) hard copies of the revised conceptual design plans to HRWC.

Engineering Estimate of Probable Construction Cost

Princeton Hydro will develop an Engineer's estimate of probable cost for the removal of the Peninsular Paper Dam based on the results of this phase of the project and the conceptual design plans prepared. It is anticipated that Princeton Hydro will seek the input of RiverLogic, a contracting firm highly experienced in removing dams, to ensure that the preliminary

estimate of cost is based on a highly constructible approach. Princeton Hydro will compare the cost of dam removal to the cost of dam repair previously prepared by others.

Deliverables: Submittal of the engineer's estimate of probable cost in digital format and as integrated into the Dam Removal Assessment Report prepared for Task 7.

Task 7 – Reporting

Dam Removal Assessment Report

Princeton Hydro will complete a Dam Removal Assessment Report, compiling all of the data reviewed and collected as part of this initial phase of work, including input from the Working Committee. The dam removal assessment will seek to achieve the primary project goal #2 of providing assistance with the decision-making process to the dam owner and HRWC in regards to the feasibility of dam removal. The key issues of sediment quality and quantity, potential infrastructure/utility impacts, and riverfront land ownership will be described and discussed as they relate to the feasibility of dam removal. The utility investigation and engineer's estimate of probable cost, as well as the sediment quantification, analysis and management plan will all be incorporated and discussed in the dam removal assessment/engineering report, to assist in the decision-making process. In addition, the report will include project background data and recommendations for next steps moving forward.

It is anticipated that HRWC will also be assessing recreational and access opportunities, such that their assessment can be added to the dam removal assessment. The assessment will identify existing conditions related to the Huron River Water Trail in the vicinity of the City of Ypsilanti. The assessment will also consider how those opportunities could change in a dam removal scenario. Designs are not included with this assessment.

Deliverables: Deliver one digital copy of the draft Dam Removal Assessment Report to HRWC for their review and comment. It has been anticipated that project partner and Working Committee review comments will be compiled by HRWC and sent to Princeton Hydro within two (2) weeks after the submittal of the draft report. Deliver one digital copy and four (4) hard copies of the revised Dam Removal Assessment Report to HRWC.

ASSUMPTIONS

Multiple tasks have not been included in this scope of work because they are assumed to be included in other phases of the project, are likely not needed (based on our experience with similar dam removal projects), or have already been prepared by others and are available for our use.

It is critical to highlight that while separate scopes of work have been prepared for each of the three project sites, our scope of work and fee estimate assume that all of the field work can be completed during the same one (1) site visit, such that the project costs can be kept to a minimum for this initial phase of the project It has been assumed that costs for Project Management, as well as the Data Collection and review task, will be split between all three dam sites.

Our scope of work and fee estimate assume that HRWC will be responsible for:

- Checking the T&E database, utilizing their in-office resources
- Coordinating with dam owners and stakeholders
- Gathering needed utility, bridge and dam data from the towns and state
- Requesting the FEMA data from FEMA
- Providing GIS data for base mapping and the property boundary layer

- Assessing recreational and access opportunities, such that that write-up can be added to the Dam Removal Assessment Report
- Coordination with the press as needed
- Providing public education and outreach as needed
- Providing existing data for the dam sites and river that may help to inform our assessment, such as the HRWC economic analysis of the water trail

Our scope of work for the Peninsular Paper Dam does not include the following tasks:

Previously suggested tasks:

- Written monthly progress updates, due to the expedited nature of this phase of work
- Investigating potential funding sources: Requested in the RFQ but removed to reduce the fee for this phase of the project

Phase 2 Tasks – Outreach and Initial Regulatory Coordination:

- Outreach
- Regulatory input/consultation (Target fish species)

Phase 3 Tasks – Engineering Design:

- Survey: Including utility marking in the field, x-sectional probe data, surveyed bridge or utility data, bathymetric data, and detailed topographic base mapping
- Additional sediment sampling and testing beyond what has already been completed
- Hydrologic assessment and Hydraulic modeling
- Engineering Design DR & Channel (with possible LA)
- Planting Plans
- Permitting w/ any needed Environmental Evaluations
- Section 106 Historic Consultation
- Easements
- Wetland and resource delineation
- Bridge scour analysis
- Final Cost Estimate
- Project Manual/Specifications & Bid/Construction Management (if not done Design-Build)
- Monitoring Plan & Pre-Removal Monitoring - In Phase 3 and not 1 as originally requested

Phase 4 Tasks – Construction:

- Construction Oversight
- Construction
- As-built Plans
- During and Post Removal Monitoring

Optional Tasks:

In addition, the following optional tasks can be added upon request or as needed based on the results of the preliminary field work and analysis.

a) Analysis of a reference reach
b) Assistance with Public Outreach and Educational Meetings
c) Barge mounted mechanical borings to determine underlying streambed stability if the vibracores cannot be fully advanced due to the character of the impounded sediment
d) Sediment transport analysis
e) Streambank stability analysis

f) Assume no impact on wells or need for analysis
g) Letter of map revision (LOMR) for FEMA
h) Fire suppression alternatives
i) T&E species study or requested ecological studies
j) Fisheries assessment
k) Cost/benefit analysis
l) Additional bridge analysis (geotechnical and structural) if bridge plans are not available
m) Dam repair design and cost estimate
n) Grant assistance
o) Visuals or renderings for outreach

FEE ESTIMATE FOR ENGINEERING SERVICES:

The estimated budget for the proposed scope of work is presented in the attached table. Princeton Hydro and our sub-consultants LimnoTech and Metropolitan Consulting Associates propose to complete the work proposed herein for a fixed fee of **$122,648.00** , according to our reduced 2017 NGO/Municipal rate schedule. All invoices will be accompanied by a description of the work conducted during the invoice period and percent budget expended. **Please note that this budget is based on discounted labor rates, reduced subcontractor markup and no equipment rental or per diem charges.** Princeton Hydro and LimnoTech offer this reduced pricing for this phase of work to help support the Huron River Watershed Council and contribute to cost-sharing if that is needed by the HRWC in pursuing grant funding. The budget savings represented by these discounts is approximately $20,000.

If you have questions about this budget, scope of work, or any other matter, please call Laura Wildman at Princeton Hydro at 860-652-8911.

Princeton Hydro

Huron River Watershed Restoration - Phase 1: Peninsula Paper Dam, City of Ypsilanti

Notes: completed alone; with vibracores, land ownership/composite drawings, and Working Committee coordination (2 calls and 1 in-person at completion)

Huron River, MI

November 28, 2017

		SB	DK	PW	LW	GG					
	Job Title	**Staff Scientists**	**Engineer III**	**Fluvial Geomorphologist / Project Manager**	**Senior Project Manager**	**Principal / Engineer**	**Reimbursable Expenses**	**Direct Expense**	**Subconsultant Fee**	**Total Base Fee (10% added for subs other than construction)**	**Comments**
	2017 Billing Rates	**$ 61.00**	**$ 127.00**	**$ 102.00**	**$ 145.00**	**$ 186.00**	**actual amount**	**actual amount**	**total**		
Phase 1											
Task #	**Task Name**										
1.0	Project Coordination										
	Project Management			15	30					$ 5,880.00	
	Meeting (1 meeting for Ypsilanti only)				24		$ 1,330			$ 4,943.00	1 meeting, 1 LW only, includes a kickoff meeting and stakeholder meeting on the same day
	Working Committee (two 1hr calls)		4	4	4					$ 1,496.00	two 1 hr calls and prep
2.0	Data Collection & Review										
	Data Collection & Review		24	24	8					$ 6,656.00	
3.0	Infrastructure Investigation										
	Utilities	32	16		2					$ 4,274.00	Assumes HRWC collects data at the town (including property boundary layer on GIS)
	Road Crossings & Dam Plans	32	16		2					$ 4,274.00	Assumes HRWC collects data at the town and MDOT
4.0	Mapping										
	Base Mapping for Conceptual	32	24							$ 5,000.00	GIS overlain on aerial for base mapping with utility data drawn in based on town utility mapping
	Composite Drawing for Land Ownership Limits				2				$ 10,500	$ 11,840.00	
5.0	Sediment Characterization & Analysis										
	Sediment Sampling (up to 10 vibracores)	16		16					$ 13,173.00	$ 17,098.00	LimnoTech to organize and supervise vibracore sampling, and LimnoTech to send samples to the lab we are using
	Site Investigation, Geomorphic Assessment & Sediment Probes			46			$ 1,890		$ 2,840	$ 9,895.00	Team with Metro for boat, rods and GPS (assume two 10hr days for Ypsilanti, plus travel for PW only)
	Sediment Analysis (Characterization & Quantification)	16		16					$ 7,300.00	$ 10,638.00	Using existing sediment testing data and Brighton Analytical: Assume 10 cores sampled and tested plus 1 upstream and 1 downstream Ponar = 12 samples analyzed
	Conceptual Sediment Management Plan			24	2					$ 2,738.00	
6.0	Conceptual Design & Cost										
	Concept Design of Dam Removal & Stream Restoration (4 copies)	24	32	32	8	2		$ 160		$ 10,484.00	(4 paper copies)
	Conceptual Engineers Estimate of Probable Construction Cost		32	32	8					$ 8,488.00	
7.0	Reporting										
	Dam Removal Assessment Report (4 copies)	32	48	48	40			$ 200		$ 18,944.00	(4 paper copies) Includes time to incorporate some of the Working Group comments
	Totals	**184**	**196**	**257**	**130**	**2**	**$ 3,220**	**$ 360**	**$ 33,813**	**$ 122,648.00**	

Assumes HRWC will be responsible for:

- T&E check in office
- coordination with dam owners and stakeholders
- visit towns & state to gather utility, bridge and dam data
- requesting the FEMA data
- providing GIS data for base mapping and property boundary layer
- Have economic analysis of their water trail
- Assessment of recreational & access opportunities
- Press
- Public Education
- Assumes field work for all 3 sites are done together
- Assumes Project Management split by all 3 sites

Doesn't include:

- Written progress updates
- Survey, Utility marking in the field, x-sectional probe data, surveyed bridge or utility data, bathymetric data
- H&H
- Investigating potential funding sources
- 30% Engineering Design
- Any phase 2, 3 or 4 tasks
- Any optional tasks

Goal: Our team's scope of work for the Peninsular Paper Dam is focused on gathering the data that will advance the envisioning process for the option of dam removal by assessing the critical issues of sediment quantity and quality, potential infrastructure/utilities impacts, and riverfront land ownership.

Princeton Hydro

Huron River Watershed Restoration - Phase 1: Peninsula Paper Dam, City of Ypsilanti

Schedule

Huron River, MI

November 28, 2017

		# of Weeks																			
Task #	**Task Name**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**
1.0	Project Coordination																				
	Project Management																				
	Meeting (1 meeting)																				in-person
	Working Committee (1 face to face and 2 calls)	call												call							in-person
2.0	Data Collection & Review																				
	Data Collection & Review																				
3.0	Infrastructure Investigation																				
	Utilities																				
	Road Crossings & Dam Plans																				
4.0	Mapping																				
	Base Mapping for Conceptual																				
	Composite Drawing for Land Ownership Limits																				
5.0	Sediment Characterization & Analysis																				
	Sediment Sampling (up to 10 vibracores)																				
	Site Investigation, Geomorphic Assessment & Sediment Probes																				
	Sediment Analysis (Characterization & Quantification)																				
	Conceptual Sediment Management Plan																				
6.0	Conceptual Design & Cost																				
	Concept Design of Dam Removal & Stream Restoration (4 copies)																				
	Conceptual Engineers Estimate of Probable Construction Cost																				
7.0	Reporting																				
	Dam Removal Assessment Report (4 copies)																				

Note: Schedule is dependant on time of year contract is intitated, and weather conditions for field work

REQUEST FOR LEGISLATION
December 19, 2017

To: City Manager, Mayor, and Council

From: Beth Ernat, Director of Community and Economic Development

Subject: DDA Administrative Services Contract

SUMMARY & BACKGROUND: In 2016, the Ypsilanti Community and Economic Development Department ("Department") submitted a proposal to provide Executive Director Services to the Ypsilanti DDA. The YDDA and the City Council approved the services contract in February, 2016. The Department currently provides a team of well qualified individuals with the knowledge, experience, skill, and ability to manage the day-to-day operations, provide staff support to the Board, and provide technical assistance, advice, and guidance to sustain and enhance the Ypsilanti DDA. Additionally, the Department provides these services at a reduced cost to the DDA without dereliction of City services to allow for more DDA resources to be allocated to projects and not staff.

The Department has provided nearly two years of service as the DDA Executive Director. The services contract will expire in February. The YDDA would like to extend services for an additional two-year term. The Department is willing and able to commit to a second two-year term.

The Department has been able to reduce duplication of staff time and services to the business community and core resources of the DDA districts. General accomplishments over the past two years include:

- ❑ Renegotiated the streetscape contract for three years.
- ❑ Approved contract for updating the website
- ❑ Created better social media presence
- ❑ Reinvented the DDA Grant process to make it more transparent and need based.
- ❑ Created the Downtown Dumpster Program (fee for service)
- ❑ Visited most businesses in the district bimonthly.
- ❑ Funded over $60,000 of Façade Improvement and Building Rehabilitation Grants helping to bring over $575,000 in investment into the DDA since DDA Contract.
- ❑ Approved 2 DDA Liquor Licenses
- ❑ Approved 2 OPRA's
- ❑ Created processes for staff and applicants for OPRA's and DDA Liquor License's
- ❑ Working with business owners and land owners to bring the 6 chronically vacant (Thompson Block, 16 N. Washington, 13 N Washington, 17 North Washington, 5 S. Washington, 15 S. Washington) spaces in downtown and depot town to occupied (all are in the process of being redeveloped).
- ❑ Worked to improve the budget from a 124,000 budget shortfall in 2015/16 to a projected $30,000 budget surplus in 2017/18

- ❑ Solicited partnerships to bring in "On The Ground Ypsi" – Concentrate Media
- ❑ Worked to improve partnerships with the existing business groups

The DDA is a part of the municipal entity as its Board members are appointed and confirmed by the municipal entity. The purpose of the DDA is to be a catalyst for development and increased tax revenues. Public Act 197 provides for unique tools to accomplish these goals that are different than those for municipal authorities. The Act does not prohibit the municipal entity from assisting with these goals.

Department Responsibilities and Structure

The current structure of the Community and Economic Development Department is as follows:

Community Development Manager – Joe Meyers
DDA Director – Joe Meyers Stipend Amount $9500.00

Communications	Email and phone inquiries and follow-ups, website and social media updates
Administration	Supervision of Planning, HDC, and Parks and Recreation Commission
Meetings	Internal and external
Research/ Property Sales	Research for residents, businesses, and organization, preparation of deeds, reviews of grants and budget
CD management	Oversight of property disposition program and NEZ District
DDA Management	Budget Preparation, Payroll, accounts payable, website, packet preparation, grant management
Overlap	Projects or consultation related to CD and DDA
Other:	Strong connections to State programs and departments, MEDC and RRC programs, Economic Development Finance Professional, County management experience
Recurring Meetings	DDA, City Council, Parks and Recreation Committee, ELG

City Planner – Bonnie Wessler

Stipend $4,000

Long Range Planning	Ordinance and document reviews and updates
Short Range Planning	Site plan reviews, zoning letters, applications, special projects, GIS management, parking, oversee engineering reviews
Communications	See Click Fix, email, phone, website, and social media
Enforcement	Zoning and plan reviews
Meetings/ Community relations	Internal and External
Traffic	Traffic review committee, WATS rep, MDOT contact
IT Liaison	City Hall liaison with Washtenaw County
DDA	Prepare maps, marketing FFY, technical assistance
Other:	Random question taker, proficient in Zoning Ordinance and City Ordinances, GIS specialist, parking, social media, medical marijuana consultant
Recurring	City Council, Planning Commission, Zone Board of Appeals,

Meetings	Trail Town, Family Empowerment Program, Re-Imagine Washtenaw

Preservation Planner – Cindy Kochanek

Stipend $4,000.00

Site Plan Reviews	Review all applications and actions for the Historic District Commission, Planning and Zoning Board
HDC	Review all applications, prepare packet, staff meeting, minutes
Website	Update all committee and commissions for department
Communications	Email, phone, and in-person inquiries, social media updates
Administration	Complete all mailing and legal notices for department, create maps and database for noticing
DDA	Update website, update available properties, technical assistance
Other:	Provide assistance on grant applications and administration, intern training, assist department secretary, management of projects such as Freighthouse and MParks, and provide ALL Historical research
Recurring meetings	Planning, Zoning, and HDC

Division Secretary (40% of Executive Secretary) – Nan Schuette

Stipend $4000.00

Planning and Zoning	Attending meetings, assisting in preparation of packets, taking and recording Planning and Zoning minutes
Communications	Answering phones, emails, and in-person requests, questions, and complaints
Administration	Payroll, accounts receivables, copying, filing
DDA	Provides administrative support to DDA Director and Coordinator, accounts payable
Other:	Provides budget support, assists and mentors all interns, provides historical knowledge of City, orders all supplies, processes all contracts, and provide scheduling assistance to Director
Recurring Meetings	Planning, Zoning
DDA	Provides support to DDA Director and Coordinator

DDA Coordinator (Part-time, funded by DDA Contract) – Rasheed Atwater $16,606.00

Business Interaction	Meeting with businesses, problem solving, introductions, promotions
Administration	Prepare minutes, accounts payable, emails, and communications
Research	
Meetings	Internal and External
Dumpsters	Provide maintenance and oversight of DDA owned dumpsters
Recurring Meetings	DDA

Director of Community and Economic Development – Beth Ernat

Stipend $7500.00

Meetings	Internal, external, resident
Supervision	Planning, Building, DDA
Communications	Email and phone
Council Relations	Communication with City Council, follow-up, and preparation
Administration	Budget preparation and monitoring, correspondence
Community Outreach	Attend meetings and events, coordinate with various committees
Research	Grant opportunities, economic trends
Representation	Represent City and department at functions
Recurring Meetings	City Council, DDA, WCCVB, WCBRA, LDFA, UCEC, ELG

Costs

The Community and Economic Development Department would continue to provide the above services at the annual cost of $58,000. The costs would include all staff time and fringes currently paid to staff. The Department is able to provide these services at this rate due to much of our work overlapping, having similar goals and expected outcomes of improving business districts in Ypsilanti.

In order to ask employees to work over and beyond their scope of duties, using the contractual agreement of $58,000 per year, the Department employees receive a stipend. The stipends are in addition to annual salary, do not count toward retirement or benefits and each employee has signed a contract with the City that they understand the stipend is for DDA contractual work and will end if the contract ends. Stipends for account for $29,000, a part-time DDA coordinator is $16,600 annually, and $12,400 is transferred to the general fund.

Period of Contract

The Department proposes this contract would be for an additional 24 month period. As an employee of the DDA, the DDA may choose to sever the contract with 30 days' notice. As a contractor to the DDA, the Department may choose to end the contract with 120 days' notice, if the department cannot fulfill all of their duties to the City and/or DDA.

This contract in no way changes or impacts the Intergovernmental Agreement between the City and the DDA. The DDA would continue to pay rent for the offices in City Hall, Accounting Services for the oversight of the budget, its own office supplies, training events, etc. The use of leasing the DDA office will continue to be required because of the files and storage needs that City Hall could not accommodate.

The attached contract only deals with the services of Executive Director and administrative services to be offered by the Department.

The DDA reviewed and unanimously approved this contract on November 16, 2018.

RECOMMENDED ACTION: Staff recommends Mayor and City Council approval to enter into the proposed Administrative Services Contract with the Ypsilanti DDA and the Community and Economic Development Department for Executive Director Services.

ATTACHMENTS: Administrative Services Contract

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: _____

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2017 - 303
12/19/2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, The Community and Economic Development Department seeks to provide Executive Director and administrative services to the Ypsilanti DDA ; and

WHEREAS, the Ypsilanti DDA seeks to enter into an Administrative Services Contract for the services of the Community and Economic Development Department; and

WHEREAS, The City of Ypsilanti approves of the use of City staff for a 24 month contract for services to the Ypsilanti DDA with compensation.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council directs the Mayor and City Clerk to enter into an Administrative Services Contract for 24 months for the Community and Economic Development Department to be employed by the Ypsilanti DDA as the Executive Director and administrative services.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

INTERGOVERNMENTAL CONTRACTUAL SERVICES AGREEMENT

BETWEEN THE YPSILANTI DOWNTOWN DEVELOPMENT AUTHORITY AND

CITY OF YPSILANTI

This agreement is made between the **Ypsilanti Downtown Development Authority ("YDDA") a** Michigan Downtown Development Authority of 1 South Huron Street, Ypsilanti, MI 48197, and the City of Ypsilanti **("CITY")** a Home Rule City of 1 South Huron Street, Ypsilanti, MI 48197**.**

GENERAL RECITALS

Legal Authority. The City is a Michigan Home Rule City and the YDDA is a Downtown Development Authority created by the City. The YDDA is an independent Michigan Authority with Authority powers, including the power to contract. The YDDA in the past has hired a director to administer the Authority. The YDDA is presently without a director and desires to contract with the City to provide the services needed for the administration of the YDDA in the day to day operations.

Conflict of Interest. Both parties recognize that there could be some inherent conflicts of interest in the performance of this contract. The parties agree that in the event that a conflict of interest of a substantial nature should arise, that either party recognizing such conflict shall notify the other party of the conflict and the parties shall determine a proper course of conduct to settle the conflict, including the hiring of an outside administrator for the YDDA.

The parties have negotiated certain terms of a contractual services agreement in which the City will provide DDA Executive Director and support services to the YDDA.

Nothing in this agreement shall alter the intergovernmental agreement between the DDA and City of Ypsilanti (Resolution No. 2015-248 of November 17, 2015)

AGREEMENT

In consideration of the promises of the parties and of the mutual benefits to be derived from the observance of the covenants in this Agreement, the parties agree as follows:

1. **EFFECTIVE DATE.** The parties acknowledge and agree that, the City's start date shall be February 18, 2016.
2. **DUTIES.** The YDDA agrees to employ the City to carry out the usual duties of a YDDA Executive Director and support staff to carry out the will, mission, vision, and business set forth by the YDDA Board. The City Economic and Development Department (**Department)** will perform the contract for the City and will be assigned duties and tasks by the YDDA Board and will act in an efficient and conscientious manner, and will exercise discretion and judgment in the best interest of both parties at all time in performance of the duties. The City shall assign employees to perform this contract, including an assigned employee of the Department to regularly attend YDDA Board

meetings and sub-committee meetings as requested. The Department will prepare annual budgets and reports as required by statute and law for the approval of the YDDA Board.

3. **SCOPE OF WORK.** The parties will annually create and adopt an agreed scope of work for the City. The YDDA will review and evaluate the City on its performance based on the scope of work.
4. **LENGTH OF TERM AND TERMINATION.** The relationship of the parties shall be of contracting governmental bodies.
    a. The parties agree that the term of this agreement shall be for **24 months** from the starting date of this agreement, unless this agreement is terminated prior to that date as provided herein.
    b. This agreement may be terminated at any time during the term, upon the mutual agreement of the parties.
    c. The City may terminate this agreement by giving 120 days prior written notice to the YDDA.
    d. The YDDA may terminate this agreement by giving 30 days prior written notice and the YDDA shall pay for the entire month in which services were provided.
    e. Either party may immediately terminate this agreement for a material and substantial breach of the contract by the other party, or in the event of a conflict of interest that would prohibit the continuation of the services performed.
5. **CONSIDERATION.** The YDDA shall pay not less than $58,000 per year, payable in even monthly installments to the City. Installments to equal $4,833.33 per month, payable in arrears on or about the 28th day of each months.
6. **REPORTING REQUIREMENTS.** The City shall provide an accounting of time spent on YDDA activities by Department staff by the last day of each month.
7. **ASSIGNMENT OF PERSONNEL.** The Director of Community and Economic Development (**Director**) shall be responsible for the assignment of personnel to carry out the terms of this agreement and notify the YDDA. The Director shall notify the YDDA of any personnel changes within thirty (30) days or sooner if possible. The City shall provide staff support of not less than at total combined amount of 30 employee hours per week. Employees of the City shall not be employees of the YDDA and no officer, official, volunteer or employee of the YDDA shall be an employee of the City because of this agreement or the performance thereof.
8. **STANDARD OF PRACTICE.** The City shall perform services on behalf of the DDA in accordance with the standards of professional services and care normally required by an Executive Director of a Downtown Development Authority.
9. **CONFLICT OF INTEREST.** In the case of any direct or perceived conflict of interest, the City shall notify the Chair of the YDDA (**CHAIR**) at the earliest possible time and the Chair and Director will determine if a conflict exists. If a conflict does exist, the Chair will notify the YDDA Board, the Director will notify the City Manager, and the City will withdraw from the particular work and be excused from any situation in which the conflict exists.
10. **TRAINING EXPENSES.** The YDDA shall pay all expenses associated with training or professional development associated directly to the YDDA in addition to the consideration set out above in section 5. The Chair and Director shall agree on the training and professional development.

11. **YDDA OFFICE AND PUBLIC ACCESS.** The City agrees to maintain the YDDA office and create public hours at 1 South Huron Street, Ypsilanti, MI 48197, dedicated email address, dedicated phone numbers, YDDA website, and to have public office hours and accessibility.
12. **IDEMNIFICATION.** To the extent allowed by law, the YDDA shall indemnify and hold the City harmless from any error or omission, tort, professional liability claim, demand, suit or legal action, and will purchase and maintain insurance to defend, save harmless and indemnify the City against the same whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of duties and responsibilities of this contract, provided the City acted both in good faith and within the scope of duties set out in this contract.
13. **INTERPRETATION OF CONTRACT.**
    - **a.** This Agreement constitutes the entire understanding between the YDDA and the City. There are no oral understandings, terms or conditions and no party has relied on any representation, express or implement, not contained in this Agreement.
    - **b.** This Agreement may be changed only by a written amendment signed by both parties.
    - **c.** If any provision or any portion of this agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this agreement shall not be affected and shall remain in full force and effect.
14. **VENUE AND JURISDICITON**. All venue and jurisdiction for any disagreement dispute or claim concerning this contract shall be in Washtenaw County, Michigan.

City of Ypsilanti

Community & Economic Development Department

Memo

To: Beth Ernat, Community & Economic Development Director

From: Bonnie Wessler, City Planner

Date: 20 November 2017

Subject: Washtenaw Ave sidewalk gap

A question was posed as to what the process would be to construct a sidewalk along the Washtenaw frontage of 1301 Washtenaw, at the southwest corner of Anna and Washtenaw. There is currently no sidewalk and no curb ramp to cross Anna St. There is sidewalk to the east and west.

Washtenaw is an MDOT trunkline. South of its initial centerline, there is approximately 40 feet of MDOT right-of-way; it is presumed that the roadway occupies the full width of the right-of-way. The ReImagine Washtenaw plan and associated corridor study (adopted 2014) call for an additional six feet for planned future improvements, which include sidewalks (p 208). Staff presumes, then, that an additional 6' is needed for sidewalk construction, either through fee-simple acquisition or via an easement for nonmotorized transportation. The site may need to be professionally surveyed to delineate the exact easement extent.

At this location is a small retaining wall within that six feet. This retaining wall would have to be removed and a new, larger retaining wall installed. There is a significant grade change between the roadway and the crest of the hill. A survey would be required to determine the extent of the grade change; this could be done as part of the survey mentioned above. This retaining wall would need to be designed by a licensed engineer.

Per the terms of our agreement with the AACIL and current ADA guidance, a crosswalk ramp would be required to be installed for crossing Anna. At present, a receiving ramp does not exist on the south-east corner; thus, ramps would have to be installed on both corners (preventing a "sidewalk to nowhere").

The Master Plan (2013) calls out "Anyone can easily walk, bike, drive or take transit from anywhere in Ypsilanti and to anywhere else in Ypsilanti and beyond" as one of its primary goals. A measureable metric related to this goal is miles of completed sidewalk. The Nonmotorized Plan (2010) calls for the filling of sidewalk gaps throughout the community; Washtenaw is noted as having significant gaps. The Reimagine Washtenaw Corridor Improvement Plan (2014) calls for the completion of sidewalk along both sides of Washtenaw for the entire study area, from Stadium to Cross. This area, due to the condition and location of the retaining wall as well as lack of ramps, is a bottleneck for able-bodied pedestrians and a roadblock for those who use assistive devices or a stroller. The construction of this sidewalk would improve pedestrian

safety, and allow more pedestrians to travel in this area. Pedestrians currently avoid this area due to the barriers to walkability.

Potential grant and other outside funding sources are somewhat limited as this segment of sidewalk is not itself within an eligible tract for CDBG funding; is not part of a right-of-way under local control for Act 51 or Metro Act funding, and is generally too small of a scale for transportation grants such as the TAP grant program. Were this project expanded to include, for instance, sidewalks along the Washtenaw corridor in the City of Ypsilanti and Ypsilanti Township, it would then become eligible for CDBG spending; it would also be more attractive for a TAP grant. MDOT's funding sources are limited; although a sidewalk gap completion program is underway in this MDOT region, it is limited to areas where it currently already owns right-of-way. It may be appropriate for Council to fund this project from the Non-motorized Improvements budget line item.

Staff's current recommendation is to consider this project for specific inclusion in the Capital Improvements Plan during the upcoming annual revision.

Resolution No. 2017-308
December 19, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the City Council Meeting be adjourned, on call, by the Mayor or two (2) members of Council.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

ACTION MINUTES

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, DECEMBER 19, 2017
7:00 p.m.

I. CALL TO ORDER –
The meeting was called to order at 7:05 p.m.

II. ROLL CALL –

Council Member Bashert	Present	Council Member Robb	Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Council Member Richardson	Present		

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –
The agenda was approved as amended

Changes:

Add: Fire Union Presentation under Section VII

Remove: Resolution No. 2017-296, waiving penalties for the failure to file Property Transfer Affidavits, from Section XII to Section XIII from Consent Agenda

Remove: Resolution No. 2017-297, supporting the reinstatement of the Michigan Historic Preservation Tax Credit from Consent Agenda

Add: Reconsideration of the 80/20 healthcare option following Section XXII
Motion to Waive Rules and Reconsider :
Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Richardson
Approved: Yes – 6; No – 1 (Vogt); Absent – 0

VI. INTRODUCTIONS –

VII. PRESENTATIONS –

- Ypsilanti Housing Commission – Executive Director Zachary Fosler
- ~~2017-18 Snow Removal Program – Public Services Director Stan Kirton~~ ***(Removed)***

- STAR Communities – Keith Michalowski and Emily Drennen
- Fire Union presentation ***(added)***

VIII. AUDIENCE PARTICIPATION –

IX. REMARKS BY THE MAYOR –

X. PUBLIC HEARINGS -

XI. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2017-282, approving cooperative agreement between the City of Ypsilanti and the Huron River Watershed.
   Offered By: Council Member Robb; Seconded By: Council Member Bashert
   Approved: Yes – 7; No – 0; Absent – 0

XII. CONSENT AGENDA – Resolution No. 2017-292A

1. Resolution No. 2017-292, approving minutes of November 28, December 5, and December 8, 2017.
   Offered By: Council Member Richardson; Seconded By: Council Member Vogt
   Approved: Yes – 7; No – 0; Absent – 0

2. Resolution No. 2017-293, approving amended 734 Brewery application for liquor license.
   Offered By: Council Member Richardson; Seconded By: Council Member Vogt
   Approved: Yes – 7; No – 0; Absent – 0

3. Resolution No. 2017-294, approving the appointment of Patricia Berry to the Ethics Board.
   Offered By: Council Member Richardson; Seconded By: Council Member Vogt
   Approved: Yes – 7; No – 0; Absent – 0

4. Resolution No. 2017-295, recognizing the Ypsilanti International Elementary School Parent Teacher Organization (YIES) PTO as a non-profit organization operating in the City of Ypsilanti.
   Offered By: Council Member Richardson; Seconded By: Council Member Vogt
   Approved: Yes – 7; No – 0; Absent – 0

~~*5.* Resolution No. 2017-296, waiving penalties for failure to file Property Transfer Affidavits.~~ ***(Moved and Heard During Section XIV)***

~~6. Resolution No. 2017-297, supporting the reinstatement of the Michigan Historic Preservation Tax Credit.~~ ***(Moved and Heard During Section XIV)***

XIII. ORDINANCES – FIRST READING –

Ordinance 1299

1. An ordinance to Amend Chapter 2, "Administration", Article VI, Contracts and Purchasing, of the Ypsilanti City Code.

   A. Resolution No. 2017-298, determination
      Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
      Approved as Amended: Yes – 7; No – 0; Absent – 0

   B. Open public hearing
   C. Resolution No. 2017-299, close public hearing
      Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
      Approved: Yes – 7; No – 0; Absent – 0

2. An ordinance to Amend Chapter 30, Article VI, "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 11 and 12 renumber the remaining Divisions and Sections of the Article; and other changes.

   A. Resolution No. 2017- 300, determination
   Offered By: Council Member Vogt; Seconded By: Mayor Pro-Tem Brown
   Approved: Yes – 7; No – 0; Absent – 0

   B. Open public hearing
   C. Resolution No. 2017-301, close public hearing
   Offered By: Council Member Vogt; Seconded By: Mayor Pro-Tem Brown
   Approved: Yes – 7; No – 0; Absent – 0

XIV. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2017-302, approving STAR Communities Annual Subscription and Certification.
   Offered By: Council Member Bashert; Seconded By: Council Member Richardson
   Approved as Amended: Yes – 7; No – 0; Absent – 0

2. ~~Resolution No. 2017-282, approving cooperative agreement between the City of Ypsilanti and the Huron River Watershed.~~ ***(Moved and Heard Prior to Section XII)***

2. Resolution No. 2017-303, approving Downtown Development Association (DDA) staffing contract.
   Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
   Approved as Amended: Yes – 7; No – 0; Absent – 0

3. Resolution No. 2017-296, waiving penalties for failure to file Property Transfer Affidavits.
   Offered By: Council Member Bashert; Seconded By: Mayor Pro-Tem Brown
   Approved: Yes – 7; No – 0; Absent – 0

4. Resolution No. 2017-297, supporting the reinstatement of the Michigan Historic Preservation Tax Credit.
   Offered By: Council Member Bashert; Seconded By: Mayor Pro-Tem Brown
   Approved: Yes – 7; No – 0; Absent – 0

XV. LIAISON REPORTS –

A. SEMCOG Update
B. Washtenaw Area Transportation Study
C. Urban County
D. Ypsilanti Downtown Development Authority
E. Eastern Washtenaw Safety Alliance
F. Friends of Rutherford Pool
G. Housing Equity Leadership Team
H. Economic Development Coordinating Committee

XIV. COUNCIL PROPOSED BUSINESS –

XV. COMMUNICATIONS FROM THE MAYOR –

XVI COMMUNICATIONS FROM THE CITY MANAGER –

- Schedule Work Sessions for Mandatory Recycling Ordinance and Relocation of Recycling Drop-off Center
- Schedule Goal Setting Sessions

XVII. COMMUNICATIONS –

- Memo from Beth Ernat regarding the sidewalk gap on Washtenaw Ave. near Dom's Bakery
- Road Diet Project Status Report
- Report on Recommendations on Use of Parking Fine Revenue
- Report on Status of Marketing Plan for Water Street
- Report on Heritage Bridge Status
- Report on Status of Replacement or Repair of Depot Town Clock

XVIII. AUDIENCE PARTICIPATION –

XIX. REMARKS FROM THE MAYOR –

XXII. CLOSED SESSION –

Closed Session to discuss collective bargaining pursuant to MCL 15.268(c).
The meeting adjourned to Closed Session at 10:29 p.m.

The meeting reconvened to Open Session at 12:10 a.m.

XXIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Reconsider 80/20 healthcare option.
   Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Richardson
   Failed: Yes – 3; No – 4 (Robb, Vogt, Bashert, Murdock); Absent – 0

2. ~~Resolution No. 2017-304, approving COAM 2017-19 Collective Bargaining Agreement.~~

3. ~~Resolution No. 2017-305, approving POAM 2017-19 Collective Bargaining Agreement.~~

4. Resolution No. 2017-306, approving AFSCME 2017-19 Collective Bargaining Agreement.
   No Action Taken

5. ~~Resolution No. 2017-307, approving IAFF 2017-20 Collective Bargaining Agreement.~~

XXIV. ADJOURNMENT –

Resolution No. 2017-308, adjourning the City Council meeting.
The meeting adjourned at 12:15 a.m.