1. Council Meeting Agenda

   Documents:

   03-6-18 FINAL AGENDA.PDF

2. Council Meeting Packet

   Documents:

   MARCH 6TH COUNCIL PACKET.PDF

3. Council Action Minutes

   Documents:

   ACTION MINUTES 03-6-18.PDF

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, MARCH 6, 2018
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 –**

Washtenaw County Solid Waste Management Plan 2017 Amendment – Commissioner Evan Pratt

AAATA Millage – Gilliam Ream Gainsley, Member of AAATA Board of Directors

VIII. **AUDIENCE PARTICIPATION –**

IX. **REMARKS BY THE MAYOR –**

X. **PUBLIC HEARINGS -**

Issuance of Revenue Notes - Eastern Michigan University Parking System

A. Resolution No. 2018-042, determination
B. Open public hearing
C. Resolution No. 2018-043, close public hearing

XI. **ORDINANCES – FIRST READING** *Ordinance No. 1302*

An ordinance to provide for a service charge in lieu of taxes (PILOT) for Towne Centre (401 W. Michigan Avenue), a housing project for low income persons and families to be financed with a federally-aided or Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq* (the "Act")

A. Resolution No. 2018-044, determination
B. Open public hearing
C. Resolution No. 2018-045, close public hearing

XII. CONSENT AGENDA – Resolution No. 2018-046

1. Resolution No. 2018-047, approving minutes of February 20, and February 21, 2018

2. Resolution No. 2018-048, approving appointments to Boards and Commissions.

3. Resolution No. 2018-049, supporting Governor Snyder's Environmental Initiative

4. Resolution No. 2018-050, approving Washtenaw County Solid Waste Management Plan 2017 Amendment

XIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Discussion of Community Benefits Ordinance

2. Resolution No. 2018-051, in support of flying the transgender flag on Friday, March 30, 2018

3. Resolution No. 2018-052, approving a municipal services agreement for Towne Centre, 401 W. Michigan Avenue

4. Resolution No. 2018-053, approving that the City partner with the Depot Town Downtown Development Authority to contract for design concepts and cost estimates for removing the recycling center and redesigning and expanding parking along Rice Street between Cross and Forest Street including the possibility of relocating Rice Street

5. Resolution No. 2018-026, adopting 2018-19 Council Goals and Budget Priorities

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

XV. COUNCIL PROPOSED BUSINESS –

XVI. COMMUNICATIONS FROM THE MAYOR –

XVII. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. COMMUNICATIONS –

Marijuana Report 2017

XVIII. AUDIENCE PARTICIPATION –

XIX. REMARKS FROM THE MAYOR –

XX. ADJOURNMENT –

Resolution No. 2018-054, adjourning the City Council meeting.

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WASHTENAW COUNTY SOLID WASTE MANAGEMENT PLAN

An Overview of the Process and Plan Document

What is a Solid Waste Management Plan?

- Every county in the state of Michigan is required to have an approved plan
- The purpose is to ensure that waste disposal needs are being met for the next 10 years at facilities that comply with state laws.
- Opportunity for counties to set goals around waste, recycling, and composting.

Where can I find a copy of the Plan?

- Available online at www.ewashtenaw.org/pubicworks.
- Contact Washtenaw County Public Works at publicworks@ewashtenaw.org.

Overview of Planning Process

- Request to open plan by Advanced Disposal (ADS) to pursue expansion
- Appointment of 14-member Solid Waste Planning Committee
- First meeting conducted in August 2015
- Monthly meetings to review, discuss and determine what to include in updated plan
- Request for expansion rescinded by ADS in summer 2016
- Plan update process continued
- No landfill expansion included or approved in approved draft plan

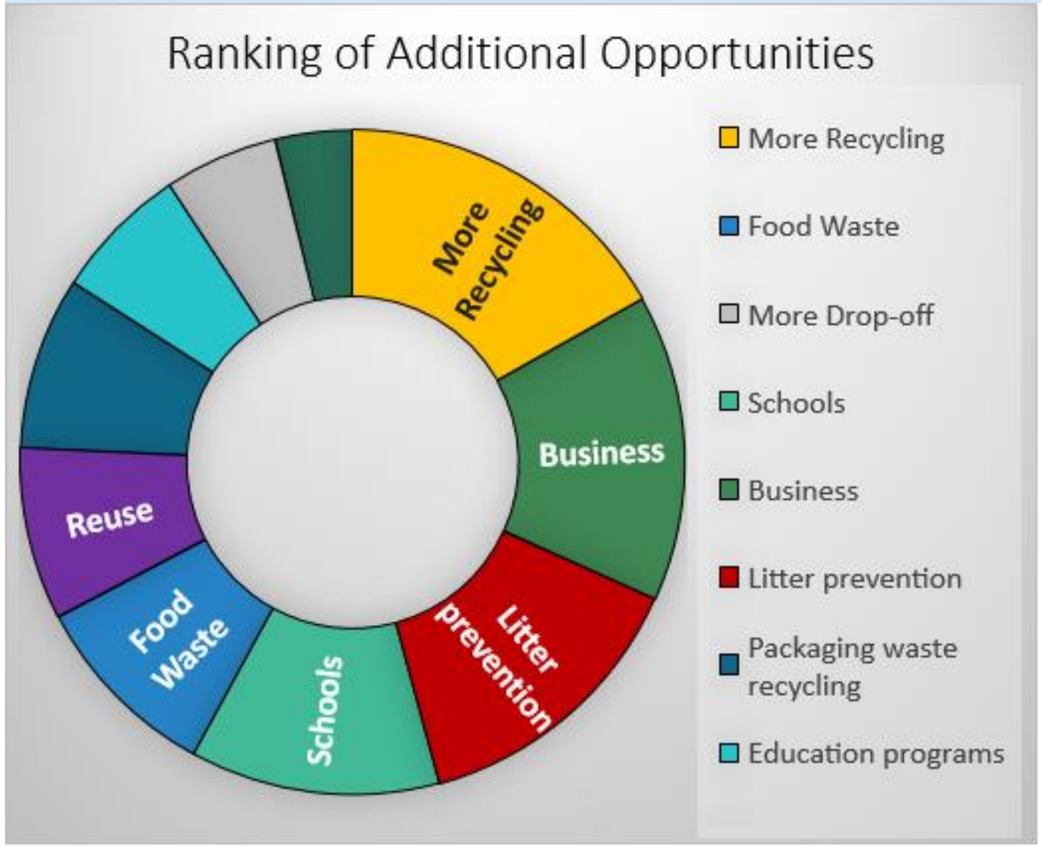
Plan Development Overview

Section	Timing
Database	April 2016 – initial review November 2016 – drafted with narrative
Appendix A (includes evaluation of current systems (SWOT), funding options, additional details, etc)	April 2016 – January 2017
Goals & Objectives	July – Sept. 2016
The Selected System	Oct. 2016
Siting Criteria	November 2016 – February 2017
Implementation Plan	December 2016 - February 2017
Appendix B – Non Selected Systems	February 2017
Executive Summary	March 2017
Appendix D – Other Attachments	April 2017
Appendix C – Public Participation	Finalized prior to submitting to state

Public Engagement during Planning Process

- Rotated Planning Committee Meetings to different locations around the County
- Public Feedback Survey – April – Oct. 2016 (see image to right)
  - 372 responses
- Promotion on social media, county events

From Public Feedback Survey Results



Outcomes of the Plan

- Working towards zero waste
- Reduce need for disposal
- Flexibility to handle emerging waste issues
- Emphasis on education and outreach
- Data informs path forward
- Active implementation

Access & Convenience

More Diversion and Recovery, Less Disposal

Education & Outreach

Data & Measurement

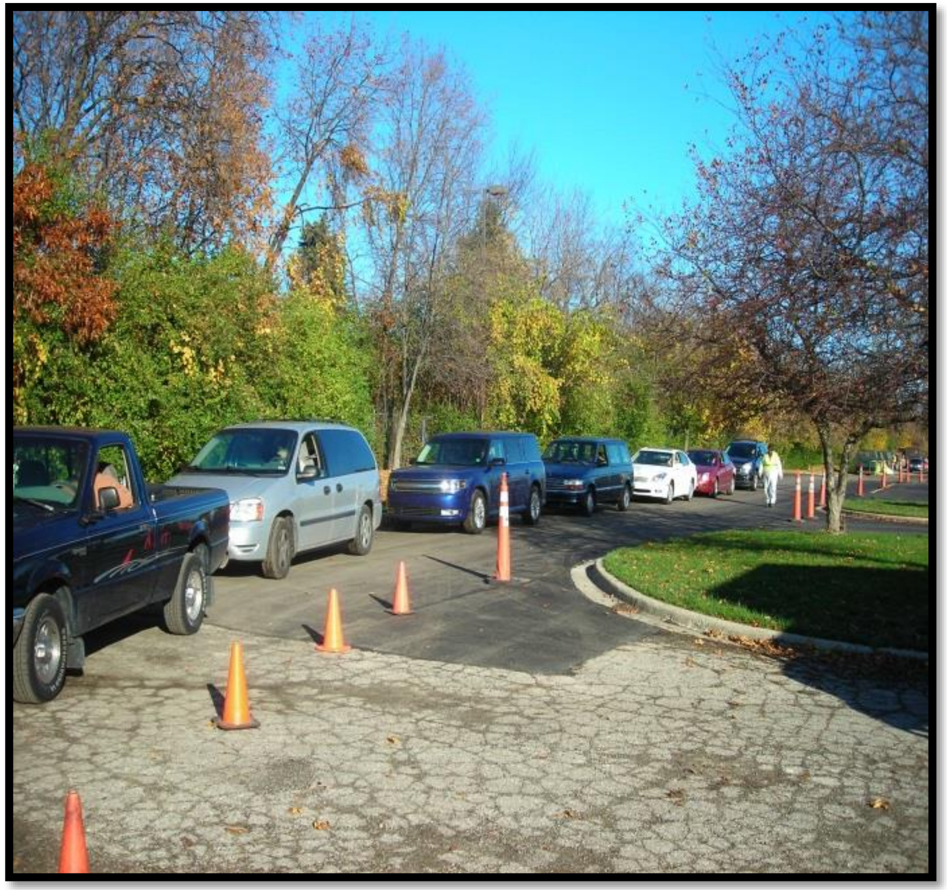
Funding

Coordination & Collaboration

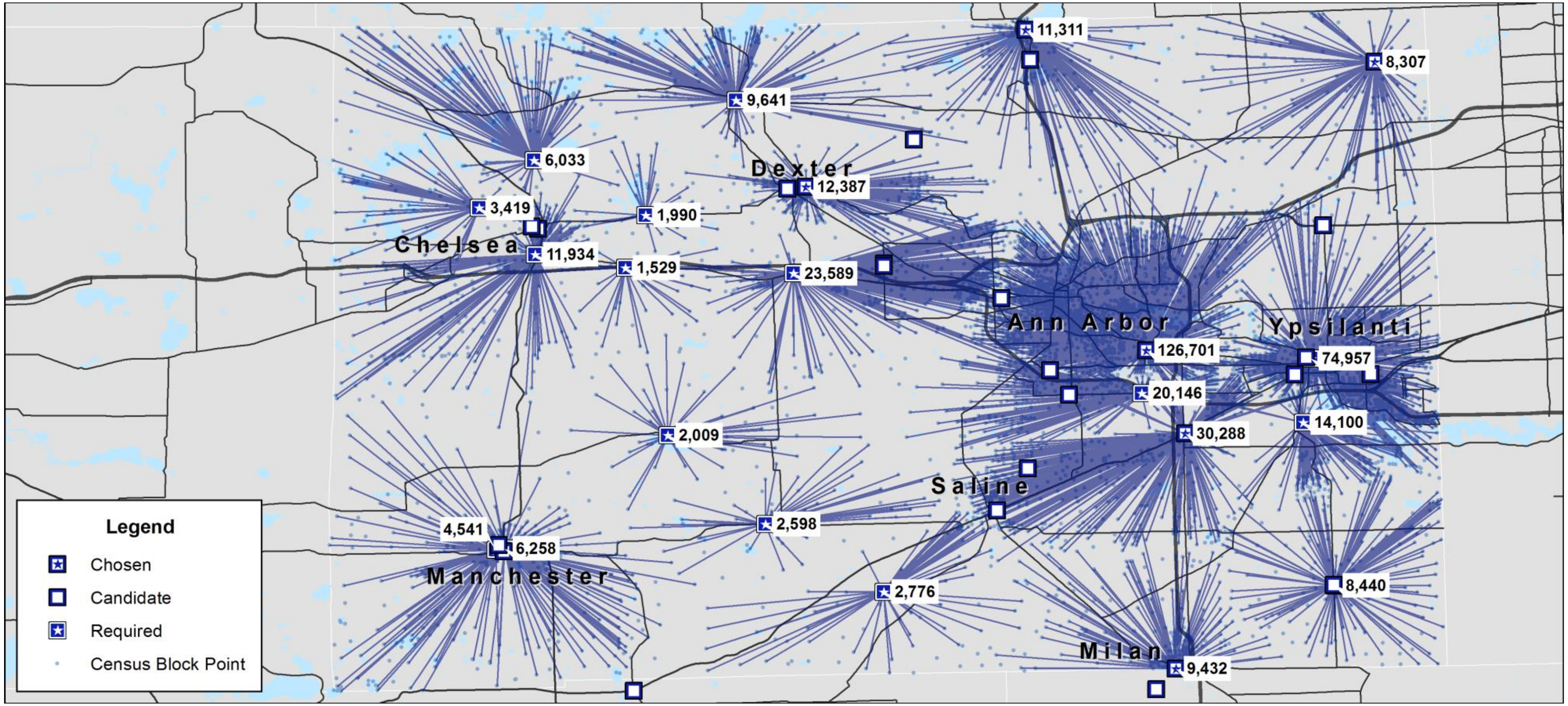

KEY COMPONENTS OF
Effective Municipal Recycling Programs
Building Infrastructure
1
Collection
2
Processing
3
End Markets
4
Education &
Engagement
5
Supporting
Policies
6
Public-Private
Coordination
Ensuring Sustainable System
RRS

Guiding Principle:
Access and Convenience

Programs and services must be accessible and convenient for users.



Example: Diversion Site Feasibility Study



Guiding Principle:
More Diversion & Recovery, Less Disposal

Decrease need for disposal through opportunities to reduce, reuse, and recycle.

Guiding Principle:
Education & Outreach

Proper education & outreach ensures proper participation, awareness of opportunities, and engagement by program users of all ages.

Guiding Principle:
Data & Measurement

Data provides the basis establishing realistic and measurable goals.

Residential Recycling Rate 33%	Commercial Recycling Rate 12%
Percent of County Pop. w/curbside Recycling 66%	Tons Generated in County Requiring Disposal 291,771

Guiding Principle:
Funding

Funding is required to implement goals. Diversification of funding will support long term and sustainable programming.

Guiding Principle: Coordination & Collaboration

Waste is regional and working together can be more impactful, manage costs, and achieve goals.

County Programs:
Household Hazardous Waste

WASHTENAW COUNTY MICHIGAN 1826

WASHTENAW COUNTY HOME TOXICS REDUCTION PROGRAM

HAZARDOUS HOUSEHOLD WASTE COLLECTION 222-3950

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- ✓ Data & Measurement
- Funding
- ✓ Coordination & Collaboration

County Programs:
Clean Sweep Program

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- ✓ Data & Measurement
- ✓ Funding
- ✓ Coordination & Collaboration

County Programs:
Clean-Up Days

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- Education & Outreach
- ✓ Data & Measurement
- Funding
- ✓ Coordination & Collaboration

County Programs:
Shrink Wrap Recycling Program

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- Education & Outreach
- ✓ Data & Measurement
- Funding
- ✓ Coordination & Collaboration

County Programs:
Pharmaceutical & Sharps Take-Back Program

www.DontFlushDrugs.com

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- ✓ Data & Measurement
- ✓ Funding
- ✓ Coordination & Collaboration

County Programs:
Zero Waste Washtenaw – Special Events

ZERØ
WASTE
WASHTENAW

ZeroWasteWashtenaw.com

GUIDING PRINCIPLES

- ✓ Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- ✓ Data & Measurement
- ✓ Funding
- ✓ Coordination & Collaboration

County Programs:
Waste Knot & Environmental Excellence

GUIDING PRINCIPLES

- Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- Data & Measurement
- Funding
- ✓ Coordination & Collaboration

County Programs:
Master Composter Certification Program

GUIDING PRINCIPLES

- Access & Convenience
- ✓ ↑ Diversion & Recovery
- ✓ Education & Outreach
- Data & Measurement
- Funding
- ✓ Coordination & Collaboration

Plan Approval Process

- April 21, 2017 - 90-day public comment period began
- May, June, July 2017- 2 informational meetings and 1 public hearing conducted
- October 19, 2017 – Solid Waste Planning Committee approved plan; forward to Board of Public Works.
- November 15, 2017 - Board of Public Works approved plan and forwarded to Board of Commissioners for approval.

Plan Approval Process - continued

- December 6, 2017 – Board of Commissioners approved plan. County will seek approval from the local units of government (LUG).
- Once approval is received from 67% of all LUG, the plan is submitted to the Michigan Department of Environmental Quality (MDEQ) for final approval.
- Estimated timeline – submit plan to MDEQ early summer 2018.

Plan Implementation

- Establish a Plan Action Committee (PAC) to guide and support County
- Calendar and timeline to achieve milestones for implementation
- Interested in participating? Please contact County at publicworks@ewashtenaw.org

Implementation Plan– Long Term

Implementation Step	Timeline
Appoint Plan Advisory Committee (PAC)	3-6 months after plan approval
Prioritize Programs/Projects	6-12 months after plan approval
Develop Action Plans	6-12 months after plan approval
Purse Funding Mechanisms to Support Plan Implementation	Within first two years
Milestone Reporting	Annual
Strategic Planning for Plan Implementation	Annual
Stakeholder and Public Engagement	Twice per year

Implementation Plan – Short Term

Current Projects:

- Drop-off Station (DOS) Feasibility Study
- Regional Recycling Authority Feasibility Study

CALL TO ACTION!

We want to hear from you!
What are your ideas for the future of solid waste and recycling?

Please contact us at publicworks@ewashtenaw.org to be included in future Plan Implementation actions.

Thank you!

City of Ypsilanti

AAATA Presentation

March 6, 2018

Gillian Ream Gainsley & Matt Carpenter

Relationship

- *Started serving Ypsilanti in 1974 (contracted)*
- *2010 millage (1.0 mills)*
- *2013 City joins AAATA, appoints 1st member to the Board*

Funding & Service Expansion

- ***2014 supplemental millage for improved services (0.7 mills)***
- ***Major service expansion in Ypsi (2014-2016)***
- ***More people, more places, more often***

Millage	Rate	Amount
2010 Millage	0.98	$287,161
2014 Millage	0.70	$204,934
Total Ypsi Funding	Both	$492,095

Ypsilanti Transit Center (YTC)

- ***Opened 1993***
- ***Increased buses and passengers since 2015***
- ***Major repairs in 2017*** *(lighting, bathrooms, planter repair, heating and cooling, and roof repairs)*
- ***Study of YTC launched in 2018***

YTC Study

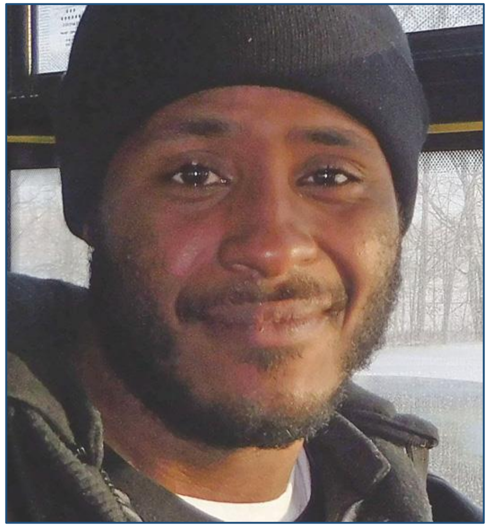
- ***Phase 1:*** *Needs Assessment & Conceptual Planning*
  - *<u>Fall 2017</u>: Public & technical input + Cost/Benefit*
  - *<u>June 2018</u>: Public feedback on preliminary options*
  - *<u>Sept 2018</u>: Final recommendation (TBD)*

- ***Phase 2:*** *Secure Funding, Detailed Design, Implementation*

August 2018 Millage Renewal

- Must renew 0.7 millage to sustain recent services

- Promises Kept
- Record Ridership
- Making a Difference



"The new Sunday service in Ypsilanti makes it so I can work."

– Wayne

Proposed Ballot Language

To maintain the expanded levels of available public transit and paratransit services—including services for seniors and people who have disabilities—shall the Ann Arbor Area Transportation Authority (TheRide) renew and restore an annual tax of 0.7 mills ($0.7000 per $1000 of taxable value) on all taxable property within the City of Ann Arbor, the City of Ypsilanti, and the Charter Township of Ypsilanti for the years 2019-2023 inclusive? An annual tax of 0.7 mills was first approved in 2014. This millage has been reduced to 0.6860 mills under the Headlee Amendment. This proposal would renew the millage and restore it to the originally approved 0.7000 mill amount. The estimate of revenue if this millage is approved is $4,849,066 for 2019. This revenue will be disbursed to TheRide and, as required by law, a portion may be subject to capture by the downtown development authorities of Ann Arbor and Ypsilanti, the

Questions?

Thank You!

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

105 Pearl Street
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: February 20, 2018

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Approval of EMU parking arrangement

SUMMARY/BACKGROUND

The main campus of Eastern Michigan University (EMU) lies within the boundaries of the City of Ypsilanti. EMU has a parking system for students and staff and visitors on campus that includes street parking, lot parking and structure parking. EMU presently operates and manages the parking system.

The EMU Board of Regents recently decided to enter into a public-private partnership to monetize the parking system and contract with Preston Hollow Capital, LLC (PHC), an outside vendor for the operation, management, capital improvement and continuation of the parking system. The contract is memorialized in a "Concession Agreement."

As consideration for receiving the Concession Agreement benefits, PHC will compensate EMU with an upfront payment and yearly payments in the future.

PHC will assign the Concession Agreement to the Provident Group-EMU Properties LLC (the Borrower), an Arizona limited liability company, that will fulfill the Concession Agreement and borrow funds to finance the transaction. The sole owner-member of the Borrower is Provident Resources Group Inc., a Georgia non-profit 501c3 corporation, a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. In furtherance of Provident's charitable mission, Borrower will assume the obligations of PHC under the Concession Agreement to operate, manage continue and improve the parking system under the terms of the Concession Agreement.
~~~~~~~

The Borrower will borrow the funds from the Arizona Industrial Development Authority (AIDA), an Arizona non-profit corporation designated as a political subdivision of the State of Arizona, that will raise the funds by the sale of "Private Activity Bonds" notes, and other obligations in amount up to 65 million dollars.

Private Activity Bonds are tax exempt and Section 147(f) of the Internal Revenue Code 1986 as amended (Code), provides that, in order to qualify for tax exemption, a private activity bond issue must satisfy the necessary public approval requirements. Public approval can be obtained by voter referendum or, more commonly, a public hearing following "reasonable public notice."

EMU has requested the City of Ypsilanti provide the means of satisfying the public notice and approval requirements of the Code by hosting a public hearing and approving the issuance of the private activity bond issue.

The requirements are met by having a public hearing, following proper notice of the public hearing, and legislative approval. EMU and its representatives have furnished a Notice of Public Hearing and proposed resolution. City Clerk McMullan is publishing the Notice of Public Hearing in the Washtenaw County Legal News and setting the matter on for the Public Hearing and City Council consideration of the resolution of approval.

Mr. McClary, Ypsilanti City Manager and I are in agreement that it would be proper for City Council to support EMU and approve the resolution of approval.

I have researched the matter and find that there is no financial obligation or commitment for the city to approve the issuance of the notes as requested.

ATTACHMENTS: Proposed Resolutions to Close Public Hearing, Approve Issuance of AIDA notes

RECOMMENDED ACTION: Adoption of resolutions

DATE RECEIVED:_______________ AGENDA ITEM NO. Resolution No. 2018-042

CITY MANAGER COMMENTS: ______________________________

FOR AGENDA OF:____________ FINANCE DIR. APPROVAL: ________________________

COUNCIL ACTION TAKEN: ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YPSILTANI, MICHIGAN, APPROVING THE ISSUANCE BY THE Arizona Industrial Development Authority OF ITS REVENUE NOTES, IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $65,000,000, TO FINANCE CERTAIN ACQUISITION COSTS RELATING TO THE EASTERN MICHIGAN UNIVERSITY's PARKING SYSTEM FOR Provident Group – EMU Properties LLC

WHEREAS, Preston Hollow Capital, LLC ("PHC") and the Board of Regents (the "Board") of Eastern Michigan University (the "University") are parties to the Concession Agreement for Eastern Michigan University Parking System, dated as of January 4, 2018 (the "Concession Agreement"), pursuant to which, in consideration of the concession payment (the "Concession Payment") to be made by PHC to the University, and certain other consideration, and subject to the terms and conditions of the Concession Agreement, the Board will grant to PHC an exclusive and irrevocable right for and during the term of the Concession Agreement to operate the University's Parking System (as defined below) and to provide Parking System services in connection therewith;

WHEREAS, PHC and Provident Group – EMU Properties LLC (the "Borrower"), an Arizona limited liability company, are entering into an assignment and assumption agreement, pursuant to which all of the rights of PHC under the Concession Agreement will be assigned to, and all of the obligations of PHC under the Concession Agreement will be assumed by, the Borrower;

WHEREAS, the sole member of the Borrower is Provident Resources Group Inc., a Georgia nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code 1986, as amended (the "Code");

WHEREAS, the Borrower has requested the assistance of the Arizona Industrial Development Authority (the "Authority"), an Arizona nonprofit corporation designated as a political subdivision of the State of Arizona, incorporated with the approval of the Arizona Finance Authority, pursuant to the provisions of the Constitution and law of the State of Arizona and the Industrial Development Financing Act, Title 35, Chapter 5, Articles 1 through 5, Arizona Revised Statutes, as amended (the "Act"), to issue its revenue notes, bonds or other obligations, in one or more series, in an aggregate principal amount not to exceed $65,000,000 (the "Notes"), the proceeds of which will be used to make a loan to the Borrower to (a) finance the Concession Payment to use, operate, manage, maintain and rehabilitate the University's parking system, consisting of approximately 1,145 parking garage spaces, 8,309 parking lot spaces and any metered or permitted parking spaces designated as such by the University and located on the roadways and rights-of-ways within the University, including the parking system assets and improvements forming a part of and used in connection with the operation of such parking facilities (collectively, the "Parking System"), (b) finance other required amounts in connection with such acquisition, including certain permissible working capital costs, (c) fund certain reserves as may be required, and (d) finance costs of issuance of the Notes (collectively, the "Project");

WHEREAS, the Parking System, located in the City of Ypsilanti, County of Washtenaw, Michigan (the "City"), is presently is owned by the University and will be owned and/or operated by the Borrower (or its assignee) under and pursuant to the Concession Agreement exclusively for the benefit and support of the University and its students, faculty, visitors and staff, and assisting or otherwise supporting the educational mission of the University;

WHEREAS, pursuant to Section 147(f) of the Code, the financing of the Project and the issuance of the Notes by the Authority requires approval, following a public hearing, by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located;

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is one of the applicable elected representatives eligible to approve the Notes and the financing of the Project under Section 147(f) of the Code;

WHEREAS, the Borrower has requested that the City Council approve the issuance of the Notes and the financing of the Project in order to satisfy the public approval requirement of Section 147(f) of the Code;

WHEREAS, the notice of the public hearing (the "TEFRA Notice") was published in the Washtenaw County Legal News not less than 14 days prior to the date of the public hearing and the TEFRA Notice is attached hereto as Exhibit A;

WHEREAS, on March 6, 2018, a public hearing was held by the City Council at the time and place set forth in the TEFRA Notice with respect to the issuance by the Authority of the above-referenced Notes for the purpose of providing financing for the Project;

WHEREAS, such public hearing was conducted in a manner that provided a reasonable opportunity to be heard for persons with differing views on both the issuance of the Notes and the location and the nature of the Project which is to be financed by the Notes;

WHEREAS, attached hereto as Exhibit B are the minutes of the public hearing prepared by the City Clerk of the City (the "City Clerk"); and

WHEREAS, the City Council now desires to approve the issuance of the Notes and the financing of the Project for the purposes of Section 147(f) of the Code;

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Ypsilanti, Michigan, as follows:

Section 1. It is the purpose and intent of the City Council that this resolution constitutes approval of the issuance of the Notes and the financing of the Project for the purposes of Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f) of the Code.

Section 2. The City Clerk and applicable officers of the City Council are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 3. Nothing in this resolution shall be construed to create any obligation or liability of the City in any respect whatsoever pertaining to the Notes. No statement, representation or recital herein shall be deemed to constitute a legal conclusion or determination that any particular action or proposed action is required, authorized or permitted under the laws of the State of

Michigan, the State of Arizona or the United States. The Notes are not issued by the City or on behalf of the City but are issued by the Authority pursuant to the laws of the State of Arizona on behalf of the Borrower. The Notes shall never constitute an indebtedness or pledge of the City within the meaning of any constitutional or statutory provision, and the owners of the Notes shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the City.

Section 4. The City Clerk shall forward a certified copy of this resolution to:

Orrick, Herrington & Sutcliffe LLP
777 South Figueroa Street, Suite 3200
Los Angeles, California 90017-5855
Attention: Sean Baxter

Section 5. This resolution shall take effect immediately upon its adoption on this 6th day of March, 2018.

PASSED AND DULY ADOPTED at a regular meeting of the City Council of Ypsilanti, Michigan on this 6th day of March, 2018.

CITY COUNCIL OF YPSILANTI, MICHIGAN

By:____________________________________
Mayor

ATTEST:

By: ______________________________
City Clerk

EXHIBIT A

TEFRA NOTICE

[see attached]

<u>EXHIBIT B</u>

MINUTES OF PUBLIC HEARING

[see attached]

Resolution No. 2018-043
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:

The public hearing with respect to the proposed issuance by the Arizona Industrial Development Authority (the "Authority") of its revenue notes, bonds or other obligations in one or more series from time to time pursuant to a plan of financing (the "Notes"), in an amount not to exceed $65,000,000 is hereby closed.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

From:	Lauren London
To:	John Barr
Cc:	Frances McMullan; Darwin McClary; dkelly20; Michael Valdes; Vicki Reaume; Leigh Greden; Craig W. Hammond
Subject:	Re: EMU parking - March 6 meeting
Date:	Tuesday, February 20, 2018 9:59:56 AM

Hi John,

Sure thing. I have forwarded to Leigh Greden, Vicky Reaume, Mike Valdes, and Dan Kelly from EMU, as well as our outside counsel, Craig Hammond.

One tiny grammatical correction to the second paragraph of the RFL, last sentence: the word should be "memorialized," not "memorized." We'll update on attendance and any additional comments shortly. Thanks.

Lauren M. London
Associate General Counsel
Eastern Michigan University
11 Welch Hall
Ypsilanti, MI 48197
Phone: (734) 487-8079
E-mail: llondon2@emich.edu

On Tue, Feb 20, 2018 at 9:51 AM, John Barr <JBarr@barrlawfirm.com> wrote:

> Hi Frances,
>
> Attached are the following for the March 6 meeting regarding the EMU parking matter: 1) RFL, 2) Resolution of approval, 3) Resolution to close public hearing.
>
> Please let me know if you have any questions.
>
> Lauren would you please review and forward to your folks for any additional comments. Please let Frances know of anyone that will be at the meeting for EMU. Thanks.
>
> John

JOHN M. BARR

BARR, ANHUT & ASSOCIATES, P.C

Attorneys at Law

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SEE: http://www.barrlawfirm.com/ FAQs - Disclaimer

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

R E Q U E S T F O R L E G I S L A T I O N

DATE: March 1, 2017

FROM: Dan DuChene, Assistant Ypsilanti City Attorney

SUBJECT: City of Ypsilanti Tax Exemption Ordinance – Towne Centre

SUMMARY/BACKGROUND

Last year Jonathan Rose Companies purchased a controlling interest in several Forest City properties, Towne Centre being among them. Towne Centre is currently exempt from property taxes and pays a service charge in lieu of taxes (PILOT) pursuant to Section 15a of the State Housing Development Authority Act and Chapter 30, Article VI, Division 2 of the Code of Ordinances. The current PILOT payment is five percent of 95 percent of shelter rents (rent less utilities). The PILOT ordinance, which provides for the exemption and PILOT, would expire when MSHDA no longer has an interest in the property. Jonathan Rose assumed the MSHDA mortgage when it took over Towne Centre, thus the PILOT ordinance is still in effect.

Jonathan Rose is now seeking to refinance this debt through HUD, which requires a Housing Assistance Payments (HAP) Contract. This financing would still qualify the property for exemption under state law, but the PILOT ordinance would expire. Thus, Jonathan Rose is requesting a new PILOT ordinance, which is what is before City Council for consideration.

This new ordinance provides for a PILOT payment of six percent of contract rents and/or shelter rents (rent received less utilities). Additionally, Jonathan Rose is proposing an additional payment to the City through a Municipal Services Agreement, which Council will consider separately from this ordinance. More information about the Municipal Services Agreement will be provided in the RFL for that resolution. However, as this relates to the ordinance: the ordinance would expire on its own terms if the Municipal Services Agreement is no longer in effect and the PILOT payment would rise to 10 percent of contract and/or shelter rents for any year in which the City is not paid according to the Municipal Services Agreement.

A few final notes about the proposed ordinance: First, any unit that is not occupied by a low-income person or family is not exempt under the ordinance. Second, staff at MSHDA has reviewed the proposed ordinance and have provided suggestions to the language, which were incorporated in the version for Council consideration. Finally, Jonathan Rose has provided a memo providing some background on the matter and information about the proposal in addition to a proforma discussing the specific financials. These are both attached for Council review, as well as the HAP Contract.

RECOMMENDED ACTION: Review and consideration

DATE RECEIVED:________________ AGENDA ITEM NO: Resolution No. 2018-044

CITY MANAGER COMMENTS: ____

FOR AGENDA OF:____________ FINANCE DIR. APPROVAL: ____________________

COUNCIL ACTION TAKEN:____

Resolution No. 2018-044
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "City of Ypsilanti Tax Exemption Ordinance-Towne Centre" be approved on First Reading.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

Resolution No. 2018-045
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That a Public Hearing on an ordinance entitled "City of Ypsilanti Tax Exemption Ordinance-Towne Centre" be officially closed.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

CITY OF YPSILANTI
NOTICE OF ADOPTED ORDINANCE
Ordinance No. 1301

An Ordinance to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with a federally-aided or Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq* (the "Act").

1. THE CITY OF YPSILANTI HEREBY ORDAINS

SECTION 1. This Ordinance shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance-Towne Centre."

SECTION 2. 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 Ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance 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.

SECTION 3. Definitions.

A. 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.

B. Authority means the Michigan State Housing Development Authority.

C. Contract Rents means the total Contract Rents (as defined by the U.S. Department of Housing and Urban Development ("HUD") in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended) received in connection with the operation of a housing project during an agreed annual period, exclusive of Utilities.

D. Low Income Persons and Families means persons and families eligible to move into a housing project.

E. Mortgage Loan means a loan that is Federally-Aided (as defined in Section 11 of the Act) or 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 a housing project, and secured by a mortgage on the housing project.

F. Sponsor means Towne Centre Place Associates Limited Dividend Housing Association and any entity that receives or assumes a Mortgage Loan.

G. 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.

SECTION 4. 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. It is further determined that Towne Centre Place is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing project identified as Towne Centre Place 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. 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 Ordinance, 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 Ordinance. Therefore, in consideration of the Sponsor's offer to rehabilitate 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 6% of the Annual Shelter Rents/Contract Rents actually collected by the housing project during each operating year. Contemporaneous with the adoption of this Ordinance, Sponsor entered into a Municipal Services Agreement (Agreement) with City. The Agreement provides, in part, for Owner to pay an annual Services Improvement Fee to the City on or before July 1 of each year. In any operating year that the Services Improvement Fee is not paid to the City, as described by and according to the Agreement, the annual service charge shall be equal to 10% of the Annual Shelter Rents/Contract Rents actually collected by the housing project during that operating year.

SECTION 6. 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 Ordinance.

SECTION 7. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, 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.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance 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 15 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*).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate so long as the duration of the Agreement described in Section 5 and so long as the Sponsor and the Project receive rental subsidy from HUD under a Housing Assistance Payments (HAP) Contract, but not longer than 50 years.

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 _____________, 2018.

____
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 ________________, 2018.

____
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 ___________________, 2018.

____
Frances McMullan, City Clerk

Notice Published: ____________________________

First Reading: _______________________________

Second Reading: _____________________________

Published: __________________________________

Effective Date: ______________________________

CLARUS GLOBAL ALLIANCE, LLC

POB 1460 / 151 Route 10 North
Grantham, NH 03753

v. 800.217.8016 | c. 860.841.9881
e. Barry@ClarusGlobalSolutions.com

TWO-PAGE MEMORANDUM

Date: February 10, 2018
To: Dan Duchene, City of Ypsilanti
From: Barry Cunningham
Re: PILOT Agreement

TOWNE CENTRE – Cash Flow Analysis

	Assumes $79,000	**Assumes $100,000**
Revenue	$1,550,684	$1,550,684
Operating Expenses	-$1,009,000	-$1,030,000
NOI before Cap Ex	$541,684	$520,684
Cap Ex Deposits	-$60,350	-$60,350
NOI after Cap Ex Deposit	$481,334	$460,334
Debt Service		
P&I	-$376,741	-$376,741
MIP	$0	$0
Cash Flow After DS	$104,593	$83,593
Mortgage Assumptions:		
Closing Date	TBD	TBD
Loan Amount	$6,160,000	$6,160,000
Term (yrs.)	10	10
Amortization (yrs.)	30	30
Maturity Date	TBD	TBD
Interest Rate:		
10 Year Treasury	2.84%	2.84%
Investor Spread	1.71%	1.71%
GNMA Fee	0.00%	0.00%
Servicing Fee	0.00%	0.00%
Note Rate	4.55%	4.55%
FHA Mortgage Ins. Premium	0.00%	0.00%
All-in Rate	4.55%	4.55%
Initial Curtail Rate	1.57%	1.57%
Mortgage Constant	6.12%	6.12%
Annualized Debt Service	$376,741	$376,741
DSCR	**1.28**	**1.22**
Property Tax Assumption	**$79,000**	**$100,000**

MESSAGE

The lender had originally been operating under the assumption the taxes would approximate current levels. In 2017, the calculation was $79,000. This led to a DCR of 1.28 whereas the lender requires a minimum is 1.20.

Based on the pro forma, the property could absorb up to $100,000 before it creates a problem. They have a rate lock to the end of February and rates have risen. So, if they miss the end of the month, the metrics shifts to the negative. As you requested, we can shift the agreement more to the Municipal Services side to address the concerns of the council.

Proposal

When I first calculated the PILOT and Municipal Services (MS) agreement, I was basing it on gross rent ($1,666,526), not on actual collected rent (called effective gross rent or EGI). I apologize for that. The difference being vacancy. You'll note that the lender's figure on page 1, $1,550,684 is net of an estimated vacancy of 7%. In other words, this is what is estimated. The outline below uses the $1,550,684. Of course, it is important to note that if it's higher, then the PILOT payment would be higher.

To address the concern you expressed about percentage of rent toward the PILOT, I am using the 6% you requested. Here is how it looks compared to last year. All of the increase accrues to the City in the form of the Municipal Services Agreement.

Proposal	
Total Collected Rents	$1,550,684
Less Utilities (est)	$200,000
Shelter Rent	$1,350,684
PILOT Percent	**6%**
PILOT Tax	$81,041
Municipal Svcs Agmt	**$20,000**
Total Payment	$101,041
Total Payment Last Year - 2017	$79,000

Please let me know if you think I or someone from Jonathan Rose Companies should be in attendance for the meeting on the 20th.

Sincerely,

[redacted]

Barry J Cunningham, PhD, MAI

TOWNE CENTRE ORDINANCE

Information Sheet
Council Meeting
March 6, 2018

Background

Towne Centre Place has operated under a PILOT agreement with the City since its inception in 1973. In June 2017, the owner, Forest City, sold a fractional interest to **Jonathan Rose Companies** who simply assumed the existing debt. In order to take the property into the next forty years, the owners have now sought to refinance the property, complete needed renovations, and establish a sound replacement reserve account for ongoing needs in the future.

Minimum standards for the lender include the need to maintain a certain debt-coverage-ratio in order to do the loan. Because of the nature of the property, cash flow has always been a limiting force behind the inability to make improvements as needed. And based on the current ordinance, we would lose the existing PILOT when we refinance and eliminate current MSHDA debt. Consequently, we are seeking the approval of the City to renew the PILOT agreement under terms outlined below.

Terms of Agreement

Under the old agreement, we paid a percent of collected rent – after utility costs – to the City in the form of a PILOT. It was based on taking 5% of 95% of actual collected rents. With your approval, we are looking to establish two agreements:

1. A PILOT – paying 6% of contract rents – minus utilities; and,
2. A *Municipal Services Agreement* (MSA) – of $20,000, paid annually and adjusted based on inflation.

The purpose of the change is to provide the City with a separate payment that goes directly to the City at their discretion. <u>The sum of this agreement is to immediately increase the amount being paid to the city</u>. Two years ago, the total payment was about $50,000. Last year, it increased to $79,000.

Under this agreement, the first-year payment would rise to about $100,000.

About the Owner

Jonathan Rose Companies is a national developer, owner's representative, and investment management firm. The company's mission is to strengthen communities of opportunity by developing innovative real estate solutions that build value, enhance resilience, and cultivate wellbeing. We work with cities and not-for-profits to build green, affordable and mixed-income housing, along with cultural, health and educational infrastructure. Since its founding in 1989, the firm has completed over $2 billion of work. The firm's innovative work has modeled widely duplicated solutions, and won awards from a wide range of notable organizations, including the *Urban Land Institute*, the *National Trust for Historic Preservation*, the *American Planning Association*, the *American Institute of Architects* and many others. The reader is encouraged to visit our WEBSITE and look at various projects completed.

Towne Centre Place

The property has had some challenges as its aged. For some time, the constraints of the original financing arrangements limited our ability to address those challenges. However, many steps have been taken to rectify problems and improve the lives and experiences of its residences. For example, we recently replaced the original elevators at a cost exceeding $1 million dollars.

The central purpose of the Ordinance is to place the property on a solid financial footing, having the needed reserves to address issues as they arise in the future.

Part I
Housing Assistance Payments Contract

Rental Assistance Demonstration (RAD) for the Conversion of Rent Supplement or Rental Assistance Payment to Project-Based Section 8 (Component 2)

U.S. Department of Housing and Urban Development
Office of Multifamily Housing Programs

Type of Financing at Time of Conversion:	Section 8 Project Number:	FHA Project Number (if applicable):
MSHDA Conventional	Towne Centre Place MI28RR00001	044-084NIRAP

This contract is a housing assistance payments contract (Contract) between the United States of America, acting through the Department of Housing and Urban Development (HUD), and Towne Centre Place Associates Limited Housing Dividend (Owner). The Contract is subject to Notice PIH 2012-32 (HA), including 24 C.F.R. Part 880 (as in effect November 5, 1979, as amended), as modified and as published in Appendix I of Notice PIH 2012-32 (HA).

☑ Check the adjacent box if the project will not undergo Initial Repairs, in which case section 1.5 of this Contract shall apply, the initial Contract Rents shall be as provided in Exhibit 1A, and neither section 1.6 of the Contract nor Exhibit 1B or Exhibit 1C of the Contract shall apply.

☐ Check the adjacent box if any units under the Contract will undergo Initial Repairs, in which case section 1.6 of this Contract shall apply, the initial Contract Rents shall be the Post-Rehab Contract Rents as provided in Exhibit 1B, and neither section 1.5 of the Contract nor Exhibit 1A of the Contract shall apply.

1.1 Statutory Authority, Purpose of Contract, and Contract Terminology.

(a) **Statutory Authority.** The Contract is entered pursuant to the Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, 125 Stat. 673 – 675 (Nov. 18, 2011); as amended by the Consolidated Appropriations Act, 2014, Pub. L. No. 113-76, 128 Stat. 635 (Jan. 17, 2014); as further amended by the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. No. 113-235, 128 Stat. 2757 – 2758 (Dec. 6, 2014), as further amended from time to time; section 8 of the United States Housing Act of 1937 (Act), 42 U.S.C. 1437 et seq.; and the Department of Housing and Urban Development Act, 42 U.S.C. 3531 et seq.

(b) **Purpose.** The purpose of the Contract is to effectuate the conversion of a Rent Supplement or a Rental Assistance Payment (RAP) project to a Multifamily Housing project with Project-Based Rental Assistance under section 8 of the Act.

(c) **Terminology.** Terms in the Contract that are defined in 24 C.F.R. Part 880, as modified and as published in Appendix I of Notice PIH 2012-32 (HA), and in 24 C.F.R. Part 5, which applies pursuant to 24 C.F.R. § 880.104(d), shall have the meaning set forth therein. The following terms shall have the meaning set forth in the section of Notice PIH 2012-32 (HA) captioned "Definitions": Anniversary of the HAP Contract, Initial Repairs, Operating Cost Adjustment Factor, Project-Based Rental Assistance, and Surplus Cash. The term "As-Is Contract Rents" means rents that reflect the market value of the contract units before any repairs are performed. The term "Post-Rehab Contract Rents" means rents that reflect the market value of the contract units after the Initial Repairs are completed.

1.2 Scope; Assignability of Contract; and HUD Requirements.

(a) **Scope of Contract.** The Contract consists of Part I, Part II, and the exhibits identified in section 1.4(d) of the Contract, which are hereby incorporated into and made a part of the Contract.

(b) **Assignability of Contract.** HUD may assign the Contract at any time to a public housing agency (PHA) for the purpose of PHA administration of the Contract to the extent permitted under any Annual Contributions Contract (ACC) between HUD and the PHA. Unless and until HUD assigns the Contract to a PHA, HUD shall be the Contract Administrator (CA) and, in that capacity, a party to the Contract. Upon any assignment of the Contract by HUD to a PHA, the PHA shall assume all the contractual obligations of HUD under the Contract (or of any PHA to which HUD had previously assigned the Contract) and shall replace HUD (or any PHA to which HUD had previously assigned the Contract) as the CA and as a party to the Contract during the ACC term.

(c) **HUD Requirements.** The Contract shall be construed and administered in accordance with Notice PIH 2012-32 (HA) (Notice). With the exception of the provisions of 24 C.F.R. Part 880 and section 8 of the Act that are identified in Appendix I and Appendix II of the Notice, respectively, as inapplicable, the Contract shall further be construed and administered in accordance with all statutory requirements and all HUD regulations and other requirements, including any amendments to and/or changes in statutory requirements, HUD regulations (including 24 C.F.R. Part 880), and other requirements. However, any changes in HUD requirements, except to the extent required by statute, that are inconsistent with the provisions of sections 2.3(a)(1) or 2.6 of the Contract, shall not be applicable.

(d) **Statutory Changes during Term.** If any statutory change during the term of the Contract is inconsistent with section 2.3(a)(1) or 2.6 of the Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of such sections because of such statutory change, then the Contract Administrator or the Owner may terminate the Contract upon notice to the other party.

1.3 Effective Date, Initial Term, and Funding For Initial Term of Contract.

(a) **Effective Date and Initial Term.** The Contract begins on October 1, 2016 and shall run for an initial term of twenty (20) years.

(b) **Funding for Initial Term.**

(1) Execution of the Contract by HUD is an obligation of HUD of $ 248,361, an amount sufficient to provide housing assistance payments for approximately 2 months of the first annual increment of the Contract term.

(2) HUD will provide additional funding for any remainder of the first annual increment and for subsequent annual increments, including any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate amount of time within the Contract term to which it will be applied.

1.4 Fiscal Year, Project Description, Statement of Services, and Exhibits.

(a) **Fiscal Year.** The ending date of each Fiscal Year shall be December 31.
(Insert March 31, June 30, September 30, or December 31, as approved by HUD.) The Fiscal Year for the project shall be the 12-month period ending on this date. However, the first Fiscal Year for the project is the

period beginning with the effective date of the Contract and ending on the last day of the Fiscal Year which is not less than 12 months after the effective date.

(b) Project Description (Print or type the street address(es) and the number of units by bedroom size).
401 Michigan Avenue
Ypsilanti, Michigan
169 - 1 bedrooms
1- 2 bedroom

(c) Statement of Services, Maintenance and Utilities Provided by the Owner.

(1) Services and Maintenance: Leasing, administrative team, maintenance, janitorial.

(2) Equipment: Range, refrigerator, a/c, disposal, carpet, drapes, kitchen exhaust

(3) Utilities: hot water, sewer and heating.

(4) Other: laundry, outdoor open parking, community spaces

(d) Exhibits. The exhibits to the Contract consist of the following:

(1) **Exhibit 1A**: Schedule of Contract Units and Contract Rents (applicable only to projects not undergoing Initial Repairs);

(2) **Exhibit 1B**: Schedule of Contract Units and "Post-Rehab" Contract Rents (applicable only to projects undergoing Initial Repairs);

(3) **Exhibit 1C**: Schedule of Contract Units and "As-is" Contract Rents (applicable only to projects undergoing Initial Repairs);

(4) **Exhibit 2**: Daily Debt Service; and

(5) **Exhibit 3**: Affirmative Fair Housing Marketing Plan.

1.5 Initial Contract Rent-Setting for Projects that Will Not Undergo Initial Repairs. If the project will not undergo Initial Repairs, the initial Contract Rents shall be as provided in Exhibit 1A.

1.6 Initial Contract Rent-Setting for Projects that Will Undergo Initial Repairs.

(a) If one or more units under the Contract will undergo Initial Repairs, except as otherwise provided in this section 1.6, the initial Contract Rents shall be the Post-Rehab Contract Rents as provided in Exhibit 1B.

(b) The Owner shall ensure that the Initial Repairs are completed and that a cost certification prepared in such form as approved by HUD is received by HUD no later than N/A, unless such date is extended in writing by HUD.

(c) If HUD receives the cost certification by the required date, unless HUD rejects the cost certification in writing in accordance with section 1.6(f) below, the Post-Rehab Contract Rents as provided in Exhibit 1B shall remain the initial Contract Rents, which shall be adjusted annually, or continue to be adjusted annually, in the manner prescribed in section 2.6 of this Contract.

(d) If HUD does not receive the cost certification by the required date, the Contract Rents shall be reduced to the As-Is Contract Rents as provided in Exhibit 1C effective the first day of the month following the date specified in section 1.6(b), or such other date as extended in writing by HUD, subject to the offsetting procedure as provided in section 1.6(f).

(e) If upon timely receipt of the cost certification, HUD determines that the Initial Repairs were not performed in a manner that substantially comports with the scope of work or identifies other deficiencies that warrant rejecting the cost certification, HUD will reject the cost certification and will notify the Owner in writing of such determination. Such notification shall identify the deficiencies in the cost certification and shall prescribe a time within which the Owner must cure the deficiencies. Unless otherwise provided by HUD in writing, upon such notice rejecting the cost certification, the Contract Rents shall be reduced to the As-Is Contract Rents as provided in Exhibit 1C effective the first day of the month following the date of such notice, subject to the offsetting procedure as provided in section 1.6(f).

(f) If for any reason the As-Is Contract Rents come into effect pursuant to this section 1.6, unless otherwise provided by HUD in writing, the initial Contract Rents shall be applied retroactively starting with the effective date of the Contract using the As-Is Contract Rents as provided in Exhibit 1C. Furthermore, beginning the month in which the As-Is Contract Rents come into effect, the Contract Rents shall be offset by the difference between the Post-Rehab Contract Rents, including any annual rent adjustments paid at the Post-Rehab Contract Rent level, and the As-Is Contract Rents until the difference has been repaid to HUD.

(g) HUD may, in its sole discretion and upon such terms and conditions it deems necessary, allow the Owner to complete the Initial Repairs, cure any identified deficiencies, and provide a cost certification in order to re-establish the Post Rehab Contract Rents.

1.7 Owner Obligation to Operate Project. The Owner agrees to operate the project for the full initial term of the Contract specified in section 1.3(a) and for each renewal term in accordance with the Contract, Notice PIH 2012-32 (HA), all statutory requirements, and all HUD regulations and other requirements, including any amendments to and/or changes in statutory requirements, HUD regulations (including 24 C.F.R. Part 880), and other requirements.

1.8 Flood Insurance Applicability.

☑ If the adjacent box is checked, the Owner agrees that the project will be covered, during the life of the property, regardless of transfer of ownership, by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.

Signature Page

Warning: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses any writing containing any materially false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of the executive branch of the Government of the United States, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

As evidenced by the signature below of their authorized representative, the Owner and HUD hereby agree to the terms of this Contract, the scope of which is set forth in section 1.2(a) of the Contract.

Owner

Name of Owner (Print or Type)

Towne Centre Place Associates Limited Dividend Housing

By: [redacted]
Signature of [redacted]

Name of Signatory (Print or Type)
Jay Magee

Official Title (Print or Type)
Vice President

Date (mm/dd/yyyy): 09/22/2016

United States of America
Secretary of Housing and Urban Development

By: [redacted] Digitally signed by: JOSHUA OSBORNE DN: CN = JOSHUA OSBORNE C = US O = U.S. Government OU = Department of Housing and Urban Development Date: 2016.09.30 12:21:51 -05'00'
Signature of authorized representative

Name of Signatory (Print or Type) Joshua Osborne

Official Title (Print or Type) Chief, Account Executive Branch

Date (mm/dd/yyyy): 9/30/2016

Exhibit 1A

Schedule of Contract Units and Contract Rents

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
118	one bedroom	$750	$11	$761
41	one bedroom	$760	$12	$772

Exhibit 1B

Schedule of Contract Units and "Post-Rehab" Contract Rents

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent

Exhibit 1C

Schedule of Contract Units and "As-Is" Contract Rents

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent

Exhibit 2

Daily Debt Service

Number of Bedrooms	Number of Contract Units	Daily Debt Service
0	________	$________
1	160	$460.72
2	________	$________
3	________	$________
4	________	$________
5	________	$________

This information is used for computing assistance payments for vacant units under section 2.3(d) of the Contract.

Exhibit 3

Affirmative Fair Housing Marketing Plan

STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

KEVIN ELSENHEIMER
EXECUTIVE DIRECTOR

July 12, 2016

Ms. Patricia Churgovich
Director of Federally Assisted Housing
Forest City Residential Management, LLC
50 Public Square, Suite 1200
Cleveland, OH · 44113-2204

Re: Affirmative Fair Housing Marketing Plan Certification
Towne Centre Place, MSHDA No. 378

Dear Ms. Churgovich:

Attached please find a copy of the Affirmative Fair Housing Marketing Plan (Plan) Certification, dated May 5, 2016, for the above-referenced development.

A copy of both the approved Plan and certification must be kept on-site at all times and be made available for review when requested by MSHDA staff. Copies will also be retained in our office. The Plan should be reviewed frequently to ensure it is being implemented properly and it must be updated or certified at least once every five years unless otherwise notified.

We encourage you to make every possible good faith effort to carry out the provisions and fulfill the objectives of your AFHM Plan. Your firm's performance in the implementation of this Plan will be a decisive factor in determining its future eligibility for participation in any Authority-financed housing programs.

If you have any questions, I can be reached at the address indicated, at 313.456.3585 or at whitmorem@michigan.gov. You may also contact Willa Ray at 313.456.3583 or rayw@michigan.gov. Thank you for your continued cooperation in updating our records.

Sincerely,

[redacted]

Michele Whitmore
Asset Manager/AFHMP Compliance
Asset Management Division

Attachment

cc: Willa Ray

Cadillac Place • 3028 West Grand Boulevard, Suite 4-600, P.O. Box 02990, Detroit, Michigan 48202
michigan.gov/mshda • 313.456.3540 • TTY 800.382.4568

AFFIRMATIVE FAIR HOUSING MARKETING PLAN UPDATE CERTIFICATION

Towne Centre Place Associates LDHA, (the "Development Owner"), the owner of Towne Centre Place, located in Ypsilanti, Michigan, MSHDA Number 378, by and through its duly authorized representative below hereby certifies the following:

The Development Owner's analysis finds that the current Affirmative Fair Housing Marketing Plan ("AFHMP") is satisfactory, including demonstrating that marketing outreach is targeting diverse areas and individuals least likely to apply for housing at this development. The analysis, which is on file with the Development Owner, determined that an updated plan is not required to be submitted to the Michigan State Housing Development Authority (the "Authority") at this time.

I certify that the above statements, as well as the date, signature, and identifying information of the authorized signer of the Development's Owner are hereby true, accurate, and complete.

[redacted]

5-5-16

Date

Director of Federally Assisted Housing
Forest City Residential Management, LLC.

*Submit completed form to rayw@michigan.gov and/or whitmorem@michigan.gov for approval.

MSHDA Mgmt. 440D (3/15)

APR 28 2011

STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
EXECUTIVE DIRECTOR

cc: S. Watson
Towne Centre
Auditor File

April 14, 2011

Ms. Patricia L. Churgovich
Senior Operations Manager
Forest City Residential Management Group
50 Public Square, Ste. 1200
Cleveland, OH 44113-2204

Re: Affirmative Fair Housing Marketing Plan
Towne Centre Place, MSHDA No. 378

Dear Ms. Churgovich:

Attached please find the Affirmative Fair Housing Marketing Plan dated February 2, 2011 for the above-named MSHDA development, which has been reviewed and approved by MSHDA's Asset Management Division.

A copy of the approved Plan must be kept on-site at all times, and be made available for review when requested by MSHDA staff. A copy of the approved Plan will also be retained in our office. The Plan should be reviewed frequently to ensure it is being implemented properly and it must be updated at least once every five years unless otherwise notified.

We encourage you to make every possible good faith effort to carry out the provisions and fulfill the objectives of your AFHM Plan. Your firm's performance in the implementation of this Plan will be a decisive factor in determining its future eligibility for participation in any Authority-financed housing programs.

If you have any questions, I can be reached at the address indicated, at 313.456.3583 or at Rayw@michigan.gov. Thank you for your continued cooperation in updating our records.

Sincerely,

[redacted]

Willa Ray
Affirmative Fair Housing Compliance Officer
Asset Management Division

Attachment

MSHDA AFFIRMATIVE FAIR HOUSING MARKETING PLAN

COMPLETE FORM AND SUBMIT TO: MSHDA 735 E. Michigan Ave. PO Box 30044 Lansing, MI 48909 Attn: Director, Asset Management or submit electronically to afhm@michigan.gov

1. INTRODUCTION

The Michigan State Housing Development Authority requires that all MSHDA financed developments maintain a current approved Affirmative Fair Housing Marketing (AFHM) plan on-site. The Affirmative Fair Housing Marketing Plan (AFHM) is required to ensure that owners of MSHDA-financed housing developments are taking necessary steps to eliminate discriminatory practices involving MSHDA-financed housing. If your AFHM plan is five years or older, or if your plan is lost and cannot be found, you will need to revise and re-submit your plan to MSHDA for approval. The revised plan should incorporate current demographics and be reflective of the marketing area as it is today.

2. APPLICATION AND PROJECT IDENTIFICATION

A. Applicant Name, Address (City, State, & Zip Code) and Telephone Number (including area code)

Forest City Residential Management, Inc.
50 Public Square
Suite 1200
Cleveland, OH 44113-2203
(216) 621-6060

APPROVED

D. MSHDA Development Number and HAP Contract No. if applicable
MSDHA #378

Number of Units 170

E. Rental Range
From $ 460 to $ 470

F. Type of Multifamily Housing:
X Elderly Non-elderly

G. Approximate Starting Dates (mm/dd/yyyy)
Advertising occupied
Occupancy occupied

B. Development Name, Location/Address (include: City, State, and Zip Code) and Telephone Number (including area code)
Towne Centre Place
401 West Michigan Ave
Ypsilanti, MI 48197
(734) 482-6600

C. Housing Market Area Boundaries & Census Tract
4107

H. Name of Managing Agent, Address (include: City, State, and Zip Code) and Telephone Number (including area code)
Forest City Residential Management, Inc.
50 Public Square
Suite 1200
Cleveland, OH 44113-2203
(216) 621-6060

3. TYPE OF AFFIRMATIVE MARKETING PLAN – Check Appropriate Box

New X Updated

X Minority White (non-minority) Area Mixed Area (with ____ % minority residents)

4. DIRECTION OF MARKETING ACTIVITY

Indicate below which group(s) in the housing market area is/are least likely to apply for the housing because of its location and other factors without special outreach efforts taking place.

White (non-Hispanic) Black (non-Hispanic) X American Indian or Alaskan Native Hispanic Families with Children
X Asian/Native Hawaiian/Pacific Islander Other (Please specify) ____________
X Persons with Disabilities (MSHDA requires all developments to affirmatively market to people with disabilities)

5. MARKETING PROGRAM

A. Commercial Media

Check the media to be used to advertise the availability of this housing:

X Newspaper(s)/Publications Radio TV Billboard(s) X Website X Other (specify) Direct Mail

Name of Newspaper, Radio or TV Station	Racial/Ethnic Identification of Readers/Audience	Size/Duration of Advertising
Heritage News Paper	Multi-Cultural	1.5 x 2.5 Block Ad – As Needed
Ann Arbor News	Multi-Cultural	1.5 x 2.5 Block Ad – As Needed
Telecable Guide	Multi-Cultural	1.5 x 2.5 Block Ad – As Needed

B. Brochures, Signs and HUD's Fair Housing Poster

(1) Will brochures, leaflets, or handouts be used to advertise? √ Yes ____ No. If yes, attach a copy and explain how this printed material will be distributed: Distributed as community outreach information and as handouts for applicant prospects.

(2) For project site sign: indicate sign size 10.5' x 135" ; Logotype size 5.5" x 5.5" . Attach a photograph of project sign.

(3) Fair Housing Poster must be conspicuously displayed whenever rentals and showings take place. Fair Housing Posters will/are displayed in the:

X Rental/Leasing Offices(s) On-Site Management Office(s) Model Unit(s)

Other specify) ______

C. Community Contacts

To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups & organizations listed below that are located in the housing market area. If more space is needed, attach an additional sheet. Notify MSHDA of any changes in this list. Attach a copy of correspondence to be mailed to these groups/organizations. (Provide all requested information.)

Name of Group/Organization	Group Identification	Approximate Date of Contact or Proposed Contact (mm/dd/yyyy)	Person Contacted or to be Contacted
1. City of Ann Arbor/Recreation	Multi-Cultural	Quarterly	Director
2. Charter Township of Ypsilanti	Multi-Cultural	Quarterly	Director
3. Housing Bureau for Seniors	Multi-Cultural	Quarterly	Director
4. Ypsilanti Senior Community Center	Multi-Cultural	Quarterly	Director
5.			
6.			

Address & Telephone	Method of Contacts	Indicate the specific function Group/Organization will undertake in implementing the Marketing Program
1. 1320 Baldwin, Ann Arbor 734-794-6250	In-Person/Flyer	Referrals
2. 2025 E. Clark Rd., Ypsilanti 734-544-3836	In-Person/Flyer	Referrals
3. 2401 Plymouth Rd., Ann Arbor 734-996-6345	In-Person/Flyer	Referrals
4. 1015 Congress St., Ypsilanti 734-483-5014	In-Person/Flyer	Refferals
5.		
6.		

6. Future Marketing Activities

Check the box(s) that best describe future marketing activities to fill vacancies as they occur after the development is initially occupied.

X Newspapers/Publications Radio TV X Brochures/Leaflets/Handouts X Site Signs X Community Contacts

X Others (specify) Direct Mail

7. Experience and Staff Instructions (See Instructions)

Staff has experience X Yes No

On separate sheets, indicate training to be provided to staff on Federal, State and local fair housing laws and regulations, as well as this AFHM Plan. Attach a copy of the instructions to staff regarding fair housing.

8. AFHM Plan Goals (Attach Additional Sheets to this Form)

Based on the racial/ethnic demographics in your market area, indicate the number of units you expect to rent to the population you identify as least likely to apply for housing at your development. Be sure to provide the same information for persons with disabilities.

Provide a breakdown of the overall marketing budget and that part of the budget that will be used to implement the Plan. Indicate how much money is budgeted for commercial media usage. Indicate who is responsible for completing the outreach program.

Briefly outline in writing the prior experience of the Management Agent in marketing subsidized housing developments, including MSHDA-financed housing, and achieving affirmative marketing goals including persons with disabilities marketing goals and achievements.

Review and Update: By signing this form, the applicant agrees to review its AFHM Plan every 5 years and update as needed to ensure continued compliance with MSHDA's Affirmative Fair Housing Marketing Requirements.

Signature of person submitting Plan & Date of Submission: [redacted]

Dated: February 2, 2011

Name (type or print) Patricia Churpovich

Title & Name of Company Senior Manager of Operations & Administration — Forest City Residential Management, Inc.

FOR MSHDA/HUD USE ONLY

Approval By: Reviewing Employee Signature [redacted]	
Name (type or print) Michele E. Whitmore	
Title AFHM Compliance Officer	
Date 4/14/2011	

Part II
Housing Assistance Payments Contract

Rental Assistance Demonstration (RAD) for the Conversion of Rent Supplement or Rental Assistance Payment to Project-Based Section 8 (Component 2)

U.S. Department of Housing and Urban Development
Office of Multifamily Housing Programs

Section 8 Project Number:	FHA Project Number (if applicable):
Towne Centre Place MI28RR00001	044-084NIRAP

2.1 OWNER'S WARRANTIES.

(a) Legal Capacity. The Owner warrants that it has the legal right to execute this Contract and to lease dwelling units covered by this Contract.

(b) Condition of Property. The Owner warrants that the rental units to be leased by the Owner under the Contract are in decent, safe and sanitary condition (as defined and determined in accordance with HUD regulations and procedures) or will be in such condition no later than the date of completion of Initial Repairs as set forth in section 1.6(b) of this Contract. The Owner further warrants that it will remedy any defects or omissions covered by this warranty if called to its attention within 12 months of the date of completion of work indicated in indicated in the previous sentence.

2.2 FAMILIES TO BE HOUSED; CONTRACT ADMINISTRATOR (CA) ASSISTANCE.

(a) Families to Be Housed. The Contract Units are to be leased by the Owner to eligible Low-Income Families (Families) for occupancy by such Families solely as private dwellings and as their principal place of residence. (See also section 2.9.)

(b) CA Assistance.

(1) The CA hereby agrees to make housing assistance payments on behalf of Families for the Contract Units, to enable the Families to lease decent, safe, and sanitary housing pursuant to section 8 of the Act.

(2) If there is a Utility Allowance and if the Allowance exceeds the total Family contribution, the Owner shall pay the Family the amount of the excess. The CA will pay funds to the Owner in trust solely for the purpose of making this payment. Any pledge by the Owner of payments properly payable under this Contract shall not be construed to include payments covered by this paragraph (b)(2). (See 24 C.F.R. § 880.501(e).)

2.3 HOUSING ASSISTANCE PAYMENTS TO OWNER.

(a) Housing Assistance Payments on Behalf of Families.

(1) Housing assistance payments shall be paid to the Owner for units under lease for occupancy by Families in accordance with the Contract. The housing assistance payment will cover the difference between the Contract Rent and that portion of the rent payable by the Family as determined in accordance with the HUD-established schedules and criteria.

(2) The amount of housing assistance payment payable on behalf of a Family and the amount of rent payable by the Family shall be subject to change by reason of changes in Family Income, Family composition, extent of exceptional medical or other unusual expenses or program rules in accordance with the HUD-established schedules and criteria; or by reason of a change in any applicable Utility Allowance approved or required by the CA. Any such change shall be effective as of the date stated in a notification of the change to the Family, which need not be at the end of the Lease Term.

(b) Vacancies During Rent-Up. If a Contract Unit is not leased as of the effective date of the Contract, the Owner is entitled to housing assistance payments in the amount of 80 percent of the Contract Rent for the unit for a vacancy period not exceeding 60 days from the effective date of the Contract, provided that the Owner (1) commenced marketing; (2) has taken and continues to take all feasible actions to fill the vacancy, including, but not limited to, contacting applicants on its waiting list, if any, and advertising the availability of the unit in a manner specifically designed to reach eligible Families; and (3) has not rejected any eligible applicant, except for good cause acceptable to the CA.

(c) Vacancies after Rent-Up. If an eligible Family vacates a unit, the Owner is entitled to housing assistance payments in the amount of 80 percent of the Contract Rent for the first 60 days of vacancy if the Owner:

(1) Certifies that it did not cause the vacancy by violating the lease, the Contract or any applicable law or by moving a Family to another unit;

(2) Notified the CA of the vacancy or prospective vacancy and the reasons for it immediately upon learning of the vacancy or prospective vacancy;

(3) Has fulfilled and continues to fulfill the requirements specified in paragraphs (b)(1), (2), and (3) of this section; and

(4) Certifies that any eviction resulting in a vacancy was carried out in compliance with section 2.8.

(d) Vacancies for Longer than 60 Days. If an assisted unit continues to be vacant after the period specified in paragraph (b) or (c) of this section, the Owner may apply to receive additional payments for the vacancy period in an amount equal to the principal and interest payments required to amortize that portion of the debt service attributable to the vacant unit (see Exhibit 2) for up to 12 additional months for the unit if:

(1) The unit was in decent, safe and sanitary condition during the vacancy period for which payments are claimed;

(2) The Owner has fulfilled and continues to fulfill the requirements specified in paragraph (b) or (c) of this section, as appropriate; and

(3) The Owner has demonstrated to the satisfaction of HUD that:

(i) For the period of vacancy, the project is not providing the Owner with revenues at least equal to project expenses (exclusive of depreciation), and the amount of payments requested is not more than the portion of the deficiency attributable to the vacant unit; and

(ii) The project can achieve financial soundness within a reasonable time.

(e) Prohibition of Double Compensation for Vacancies. The Owner is not entitled to payments for vacant units to the extent it can collect for the vacancy from other sources (such as security deposits, other amounts collected from the Family, payments from the CA under section 2.7(b), and governmental payments under other programs). If the Owner collects any of the Family's share of the rent for a vacancy period in an amount which, when added to the vacancy payment, results in more than the Contract Rent, the excess must be reimbursed as HUD directs.

(f) **CA Not Obligated for Family Rent**. The CA has not assumed any obligation for the amount of rent payable by any Family or the satisfaction of any claim by the Owner against any Family other than in accordance with section 2.7(b) of this Contract. The financial obligation of the CA is limited to making housing assistance payments on behalf of Families in accordance with this Contract.

(g) Owner's Monthly Requests for Payments.

(1) The Owner shall submit monthly requests to the CA or as directed by the CA for housing assistance payments. Each request shall set forth: (i) the name of each Family and the address and/or number of the unit leased by the Family; (ii) the address and/or the number of each unit, if any, not leased to Families for which the Owner is claiming payments; (iii) the Contract Rent as set forth in Exhibit 1 for each unit for which the Owner is claiming payments; (iv) the amount of rent payable by the Family leasing the unit (or, where applicable, the amount to be paid the Family in accordance with section 2.2(b)(2)); and (v) the total amount of housing assistance payments requested by the Owner.

(2) Each of the Owner's monthly requests shall contain a certification by it that to the best of its knowledge and belief (i) the dwelling units are in decent, safe, and sanitary condition, (ii) all the other facts and data on which the request for funds is based are true and correct, (iii) the amount requested has been calculated in accordance with the provisions of this Contract and is payable under the Contract, (iv) none of the amount claimed has been previously claimed or paid under this Contract, and (v) the Owner has not received and will not receive any payments or other consideration from the Family, the PHA (where the CA is a PHA), HUD, or any other public or private source for the unit beyond that authorized in this Contract and the lease.

(3) If the Owner has received an excessive payment, the CA, in addition to any other rights to recovery, may deduct the amount from any subsequent payment or payments.

(4) The Owner's monthly requests for housing assistance payments are subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly and willfully makes or uses any writing containing any materially false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of the executive branch of the Government of the United States, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

2.4 MAINTENANCE, OPERATION AND INSPECTION.

(a) **Maintenance and Operation**. The Owner agrees to maintain and operate the Contract Units, unassisted units, if any, and related facilities to provide decent, safe, and sanitary housing, including the provision of all the services, maintenance and utilities set forth in section 1.4(c), in accordance with HUD's Uniform Physical Condition Standards and Inspection Requirements, currently codified in 24 C.F.R. Part 5 Subpart G, and HUD's Uniform Physical Condition Standards for Multifamily Properties, currently codified in 24 C.F.R. Part 200 Subpart P. The Owner also agrees to comply with the lead-based paint regulations at 24 C.F.R. Part 35. If the CA determines that the Owner is not meeting one or more of these obligations, the CA shall have the right to take action under section 2.19(b).

(b) Inspection.

(1) Prior to occupancy of any Contract Unit by a Family, the Owner and the Family shall inspect the unit and both shall certify that they have inspected the unit and have determined it to be decent, safe, and sanitary. The Owner shall keep copies of these reports on file for at least three years.

(2) The CA shall inspect or cause to be inspected the Contract Units and related facilities at least annually, or as otherwise directed by HUD, and at such other times (including prior to initial occupancy and rerenting of any unit) as may be necessary to ensure that the Owner is meeting its obligation to maintain the units in decent, safe, and sanitary condition including the provision of the agreed-upon utilities and other services. The CA shall take into account complaints by occupants and any other information

coming to its attention in scheduling inspections and shall notify the Owner and the Family of its determination.

(c) Units Not Decent, Safe, and Sanitary.

(1) If the CA notifies the Owner that it has failed to maintain a dwelling unit in decent, safe, and sanitary condition and the Owner fails to take corrective action within the time prescribed in the notification, the CA may exercise any of its rights or remedies under the Contract, including reduction or suspension of housing assistance payments, even if the Family continues to occupy the unit. If, however, the Family wishes to be rehoused in another dwelling unit with section 8 assistance and the CA does not have other section 8 funds for such purposes, the CA may use the abated housing assistance payments for the purpose of rehousing the Family in another dwelling unit. If the Family continues to occupy the unit, it will do so in accordance with the terms of its lease, including the termination date and amount of rent payable by the Family.

(2) The foregoing provision, section 2.4(c)(1), shall be construed and applied in accordance with section 2.1(b) of the Contract.

(d) **Notification of Abatement.** Any reduction or suspension of housing assistance payments shall be effective as provided in written notification to the Owner. The Owner shall promptly notify the Family of any such abatement.

(e) **Overcrowded and Underoccupied Units.** Where the CA determines a unit is larger or smaller than appropriate for an eligible Family, the Owner agrees to correct the situation in accordance with HUD regulations and requirements in effect at the time of the determination.

2.5 FINANCIAL REQUIREMENTS.

(a) Submission of Financial and Operating Statements.

The Owner agrees to comply with HUD's Uniform Financial Reporting Standards, currently codified in 24 C.F.R. Part 5 Subpart H.

(b) Use of Project Funds.

(1) Project funds must be used for the benefit of the project, to make mortgage payments, to pay operating expenses, to make required deposits to the replacement reserve in accordance with section 2.5(c) of the Contract, and to provide distributions to the Owner as provided in section 2.5(b)(2) of the Contract.

(2) For the life of the Contract, Surplus Cash may be distributed to the Owner only at the end of each fiscal year of project operation following the effective date of the Contract after all project expenses have been paid, or funds have been set aside for payment, and all reserve requirements have been met.

(c) Replacement Reserve.

(1) The Owner shall establish and maintain a replacement reserve in an interest-bearing account to aid in funding extraordinary maintenance and repair and replacement of capital items in accordance with applicable regulations.

(i) The obligation of the Owner to deposit into the replacement reserve shall commence upon the effective date of the Contract. The amount of the deposit to the replacement reserve will be adjusted each year by the amount of the automatic annual adjustment factor. See 24 C.F.R. Part 888.

(ii) The reserve must be built up to and maintained at a level determined by HUD to be sufficient to meet projected requirements. Should the reserve achieve that level, the rate of deposit to the reserve may be reduced with the approval of HUD.

(iii) All earnings including interest on the reserve must be added to the reserve.

(iv) Funds will be held by the mortgagee and may be drawn from the reserve account and used only in accordance with HUD guidelines and with the approval of, or as directed by, HUD.

(v) In the event the project is not subject to any financing, funds will be held by the Owner, and may be drawn from the reserve account and used only in accordance with HUD guidelines and with the approval of, or as directed by, HUD.

(vi) The Owner shall not fund extraordinary maintenance and repair and/or replacement of capital items out of project funds without the prior written consent of HUD.

(2) In the case of HUD-insured projects, the provisions of this paragraph (c) will apply instead of the otherwise applicable mortgage insurance requirements.

2.6 RENT ADJUSTMENTS.

(a) Operating Cost Adjustment Factor. Contract Rents will be adjusted annually by HUD's Operating Cost Adjustment Factor (OCAF) at each anniversary of the HAP contract, subject to the availability of appropriations for each year of the Contract term and provided that the OCAF-adjusted rent potential shall not exceed the Maximum Rent. The Maximum Rent is equal to the greater of (1) 110% of the Fair Market Rent (FMR) potential based on the FMRs in effect at such time for the FMR area in which the project is located, less Utility Allowances; or (2) the comparable market rent potential for the market area, as demonstrated by a Rent Comparability Study (RCS) prepared in accordance with HUD requirements and procured and paid for by the Owner. If the Maximum Rent exceeds the OCAF-adjusted rent potential, the Contract Rents shall be adjusted by the OCAF. If the OCAF-adjusted rent potential exceeds the Maximum Rent, the adjusted rents shall be limited by the Maximum Rent.

(b) Exception to Application of Maximum Rent. When an RCS has been used to establish the initial Contract Rents or to justify an OCAF-adjusted rent potential in excess of 110% of the Fair Market Rent potential any time during the term of the Contract, for the next four annual rent adjustments, the Maximum Rent shall not apply and the Contract Rents shall be adjusted by the OCAF.

(c) Terminology. For purposes of this section 2.6, the term "OCAF-adjusted rent potential" means the sum of all OCAF-adjusted Contract Rents for all units under the Contract; the term "Fair Market Rent potential" means the sum of all fair market rents for all units under the Contract; and the term "comparable market rent potential" means the sum of all comparable market rents for all units under the Contract.

2.7 MARKETING AND LEASING OF UNITS.

(a) Compliance with Equal Opportunity Requirements. Marketing of units and selection of Families by the Owner shall be in accordance with the Owner's HUD-approved Affirmative Fair Housing Marketing Plan (Exhibit 3 to this Contract) and with all regulations relating to fair housing advertising. Projects shall be managed and operated without regard to race, color, religion, sex, disability, familial status or national origin.

(b) Security Deposits. The Owner agrees to comply with applicable section 8 regulations and other requirements, as revised from time to time, regarding security deposits and to comply with all State and local law.

(c) Eligibility, Selection and Admission of Families.

(1) The Owner shall be responsible for determination of eligibility of applicants, selection of Families from among those determined to be eligible, computation of the amount of housing assistance payments on behalf of each selected Family and of total Family contributions and recordkeeping in accordance with applicable HUD regulations and requirements.

(2) The Owner shall not charge any applicant or assisted Family any amount in excess of the total Family contribution except as authorized by HUD.

(3) In initial renting of the Contract Units, the Owner must comply with the income eligibility requirements of section 16(c)(1) of the Act [42 U.S.C. § 1437n(c)(1)] and 24 C.F.R. § 5.653(d)(1). The Owner must further comply with the income targeting requirements of section 16(c)(3) of the Act [42 U.S.C. § 1437n(c)(3)] and 24 C.F.R. § 5.653(c). Section 16(c)(4) – (6) of the Act [42 U.S.C. § 1437n(c)(4) – (6)] shall also apply.

(4) The Lease entered into between the Owner and each selected Family shall be on the form of Lease approved by HUD.

(5) (i) The Owner shall make a reexamination of Family income, composition, and the extent of medical or other unusual expenses incurred by the Family at least as often as required by HUD regulations or other requirements, and appropriate redeterminations shall be made by the Owner of the amount of Family contribution and the amount of housing assistance payment, all in accordance with applicable HUD regulations and requirements.

(ii) If a Family reports a change in income or other circumstances that would result in a decrease of total Family contribution between regularly scheduled reexaminations, the Owner, upon receipt of verification of the change, must promptly make appropriate adjustments in the total Family contribution. The Owner may require in its lease that Families report increases in income or other changes between scheduled reexaminations.

(iii) A Family's eligibility for housing assistance payments continues until the total Family contribution equals the total housing expense for the unit it occupies. The termination of eligibility at this point will not affect the Family's other rights under the lease nor preclude resumption of payments as a result of later changes in income or other circumstances during the term of this Contract.

(6) Where fewer than 100 percent of the units in the project are covered by this Contract, assisted Families shall be dispersed throughout. At initial rent-up, the Owner shall lease the units identified in Exhibit 1 to eligible Families. Thereafter, the Owner may lease other units of appropriate size and type to eligible Families in accordance with Exhibit 1.

(7) The Owner shall maintain as confidential all information relating to section 8 applicants and assisted Families, the disclosure of which would constitute an unwarranted invasion of personal privacy.

(d) Rent Redetermination after Adjustment in Utility Allowance. In the event that the Owner is notified of a CA determination approving or requiring an adjustment in the Utility Allowance applicable to any of the Contract Units, the Owner shall promptly make a corresponding adjustment in the amount of rent to be paid by the affected Families and the amount of housing assistance payments.

(e) Processing of Applications and Complaints. The Owner shall process applications for admission, notifications to applicants, and complaints by applicants in accordance with applicable HUD and PHA regulations (where the CA is a PHA), and requirements and shall maintain records and furnish such copies or other information as may be required by HUD or the PHA.

(f) Review; Incorrect Payments. In making housing assistance payments to Owners, the PHA (where the CA is a PHA) or HUD will review the Owner's determinations under this section. If, as a result of this review, or other reviews, audits or information received by the PHA or HUD at any time, it is determined that the Owner has received improper or excessive housing assistance payments, the PHA or HUD shall have the right to deduct the amount of such overpayments from any amounts otherwise due the Owner, or otherwise effect recovery.

2.8 Termination of Tenancy or Section 8 Assistance by the Owner. The Owner agrees not to terminate any tenancy of or assistance on behalf of an assisted Family except in accordance with all HUD regulations and other requirements in effect at the time of the termination and any State and local law.

2.9 Reduction of Number of Units for Failure to Lease to Eligible Families.

(a) Limitation on Leasing to Ineligible Families. The Owner may not at any time during the term of this Contract lease more than 10 percent of the assisted units in the project to families which are ineligible under section 8 requirements at initial occupancy without the prior written approval of HUD. Failure on the part of the Owner to comply with this prohibition is a violation of the Contract and grounds for all available legal remedies, including specific performance of the Contract, suspension or debarment from HUD programs and reduction of the number of units under the Contract, as set forth in paragraph (b) of this section. (See also section 2.19.)

(b) Reduction for Failure to Lease to Eligible Families. If, at any time beginning six months after the effective date of the Contract, the Owner fails for a continuous period of six months to have at least 90 percent of the assisted units leased or available for leasing by Families eligible under section 8 requirements at initial occupancy, HUD (or the PHA at the direction of HUD, as appropriate) may, on at least 30 days' notice, reduce the number of units covered by the Contract. HUD or the PHA may reduce the number of units to the number of units actually leased or available for leasing plus 10 percent (rounded up). This reduction, however, will not be made if the failure to lease units to eligible Families is permitted in writing by HUD under paragraph (a) of this section.

(c) Restoration. HUD will agree to an amendment of the ACC or the Contract, as appropriate, to provide for subsequent restoration of any reduction made pursuant to paragraph (b) of this section if:

(1) HUD determines that the restoration is justified by demand,

(2) The Owner otherwise has a record of compliance with its obligations under the Contract, and

(3) Sufficient appropriations are available to support the funding of the units to be restored.

2.10 NONDISCRIMINATION.

(a) General. The Owner shall not in the selection of Families, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, religion, sex, disability, familial status, or national origin.

(b) Members of Certain Classes. The Owner shall not automatically exclude anyone from participation in, or deny anyone the benefits of, the Housing Assistance Payments Program because of membership in a class, such as unmarried mothers, recipients of public assistance, and disabled persons.

(c) The Fair Housing Act. The Owner shall comply with all requirements imposed by the Fair Housing Act, which prohibits discrimination in the sale, rental, financing and advertising of housing on the basis of race, color, religion, sex, handicap, familial status, or national origin, and any related rules and regulations.

(d) Title VI of the Civil Rights Act of 1964 and Executive Order 11063. The Owner shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, et seq.; the HUD Regulations issued thereunder, 24 C.F.R. Part 1; the HUD requirements pursuant to these regulations; and

Executive Order 11063 and the regulations and requirements issued thereunder at 24 C.F.R. Part 107 to the end that, in accordance with that Act, Executive Order 11063, and the regulations and requirements of HUD, no person in the United States shall, on the grounds of race, color, religion (creed), sex, or national origin, be excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program, or be otherwise subjected to discrimination. This provision is included pursuant to HUD's implementing regulations for Title VI at 24 C.F.R. Part 1, the implementing regulations for Executive Order 11063 at 24 C.F.R. Part 107, and the HUD requirements pursuant to the regulations. The obligation of the Owner to comply therewith inures to the benefit of the United States of America, HUD, and the PHA (where the CA is a PHA), any of which shall be entitled to invoke any remedies available by law to redress any breach or to compel compliance by the Owner.

(e) <u>Section 504 of the Rehabilitation Act of 1973</u>. The Owner shall comply with all the requirements imposed by section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794 et seq., and HUD regulations issued thereunder at 24 C.F.R. Part 8. Section 504 provides that no qualified individual with a disability shall, on the basis of disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from Federal financial assistance. Accordingly, the Owner (1) shall not discriminate against any qualified individual with a disability on the basis of disability, and (2) shall cause to be incorporated into all contracts executed in connection with this project a provision requiring compliance with rules and regulations issued pursuant to section 504.

(f) <u>Employees of Owner</u>.

(1) In carrying out the obligations under this Contract, the Owner will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, disability, familial status, or national origin. The Owner will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, creed, religion, sex, disability, familial status, or national origin. 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.

(2) The Owner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by HUD setting forth the provisions of this nondiscrimination clause. The Owner will in all solicitations or advertisements for employees placed by or on behalf of the Owner state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, disability, familial status, or national origin. The Owner will incorporate the foregoing requirements of this paragraph in all of its contracts for project work, except contracts for standard commercial supplies or raw materials, and will require all of its contractors for such work to incorporate such requirements in all subcontracts for project work.

(g) <u>Age Discrimination Act of 1975</u>. The Owner shall comply with any rules and regulations issued or adopted by HUD under the Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq. at 24 C.F.R. Part 146, which prohibits discrimination on the basis of age in programs and activities receiving Federal financial assistance.

<u>2.11 COOPERATION IN EQUAL OPPORTUNITY COMPLIANCE REVIEWS</u>. The Owner and the PHA (where the CA is a PHA) agree to cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to or permitted by all applicable civil rights statutes, Executive Orders, and rules and regulations.

<u>2.12 PROPERTY AND LIABILITY INSURANCE</u>. The Owner agrees that the project shall be covered at all times by commercially available property and liability insurance to protect the project from financial loss. To the extent insurance proceeds permit, the Owner agrees to promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project.

<u>2.13 FLOOD INSURANCE</u>. (See section 1.8 of the Contract for applicability.) The Owner agrees that the project will be covered, during the life of the property, regardless of transfer of ownership, by flood insurance in an

amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.

2.14 REPORTS AND ACCESS TO PREMISES AND RECORDS.

(a) The Owner shall furnish any information and reports pertinent to this Contract as reasonably may be required from time to time by HUD and the PHA (where the CA is a PHA).

(b) The Owner shall permit HUD and the PHA (where the CA is a PHA) or any of their duly authorized representatives to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner that are pertinent to compliance with this Contract, including the verification of information pertinent to the housing assistance payments.

2.15 DISPUTES.

(a) Projects for which a PHA is the CA.

(1) Any dispute concerning a question of fact arising under this Contract which cannot be resolved by the PHA (where the CA is a PHA) and the Owner may be submitted by either party to the HUD Field Office, which will promptly make a decision and furnish a written copy to the Owner and the PHA.

(2) The decision of the Field Office will not be reviewable unless, within 30 calendar days from the date of receipt of the Field Office's determination, either party mails or otherwise furnishes to HUD a written appeal with written justification addressed to the Secretary of Housing and Urban Development. Both parties shall proceed diligently with the performance of the Contract and in accordance with the decision of the Field Office pending resolution of the appeal.

(b) Projects for which HUD is the CA. Any dispute concerning a question of fact arising under this Contract which cannot be resolved by agreement between the HUD Field Office and the Owner may be submitted by the Owner to the Secretary of Housing and Urban Development. Both parties shall proceed diligently with the performance of the Contract and in accordance with the decision of the Field Office, pending resolution of the appeal.

2.16 INTEREST OF MEMBERS, OFFICERS, OR EMPLOYEES OF PHA, MEMBERS OF LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.

(a) No person or entity in the following clauses shall have an interest, direct or indirect, in this Contract or in any proceeds or benefits arising from it, during his or her tenure or for one year thereafter.

(1) any member or officer of the PHA (where it is the CA or the Owner), except where his or her interest is as a tenant;

(2) (i) any employee of the PHA (where it is the CA or the Owner) who formulates policy or influences decisions with respect to the section 8 project;

(ii) any other employee of the PHA (where it is the CA or the Owner), except where his or her interest is as a tenant;

(3) any member of the governing body or the executive officer of the locality (city or county) in which the project is situated;

(4) any member of the governing body or executive officer of the locality (city or county) in which the PHA (where it is the CA or the Owner) was activated;

(5) any other State or local public official (including State legislators), who exercise any functions or responsibilities with respect to the section 8 project;

(6) any PHA (which is not the CA), where any of its members, officers, or employees has a personal interest in the project, including an interest by reason of membership on the board of the PHA which is the CA (except an employee who does not formulate policy or influence decisions with respect to the section 8 project may have an interest as a tenant).

(b) Members of the classes described in paragraph (a) who involuntarily acquire an interest in the section 8 program or in a section 8 project, or who had acquired prior to the beginning of their tenure any such interest, must disclose any interest or perspective interest to the PHA (where it is the CA or the Owner) and the HUD Field Office, and may, with appropriate justification, if consistent with State law, apply to the HUD Field Office (through the PHA where it is the CA) for a waiver. Any other requests for waivers of paragraph (a) must be referred to HUD Headquarters, with appropriate recommendations from the Field Office, for a determination of whether a waiver will be granted.

(c) No person to whom a waiver is granted shall be permitted (in his or her capacity as member of a class described in paragraph (a)) to exercise responsibilities or functions with respect to a Contract executed, or to be executed, on his or her behalf, or with respect to a Contract to which this person is a party.

(d) The Owner shall insert in all contracts, subcontracts, and arrangements entered into in connection with the project or any property included or planned to be included in the project, and shall require its contractors and subcontractors to insert in each of the subcontracts, the provisions of paragraphs (a) through (d).

(e) The provisions of paragraphs (a) through (d) of this section shall not apply to a utility service if the rates are fixed or controlled by a governmental agency or applicable to the Depositary Agreement.

<u>2.17 INTEREST OF MEMBER OR DELEGATE TO CONGRESS</u>. No member of or delegate to the Congress of the United States of America or resident commissioner shall be admitted to any share or part of this Contract or to any benefits which may arise from it.

<u>2.18 ASSIGNMENT, SALE, FORECLOSURE, OR DEED IN LIEU OF FORECLOSURE</u>.

(a) The Owner agrees that it has not made and will not make any sale, assignment, or conveyance or transfer in any fashion of this Contract or the project, or of any part of the Contract or the project, or any of the Owner's interest in the Contract or the project, without the prior written consent of HUD. However, in the case of an assignment as security for the purpose of obtaining financing of the project, HUD shall consent in writing if HUD has approved the terms of the financing.

(b) The Owner agrees to notify HUD (and the PHA where it is the CA) promptly of any proposed action covered by paragraph (a) of this section. The Owner further agrees to request the prior written consent of HUD for any such proposed action.

(c) The Owner agrees that HUD may condition any prior written consent required under section 2.18(a) of this Contract on any reasonable requirements related to the effective administration of the Contract, as determined by HUD.

(d) (1) For purposes of this section, a sale, assignment, conveyance, or transfer includes but is not limited to one or more of the following:

(i) A transfer by the Owner, in whole or in part,

(ii) A transfer by a party having a substantial interest in the Owner,

(iii) Transfers by more than one party of interests aggregating a substantial interest in the Owner,

(iv) Any other similarly significant change in the ownership of interests in the Owner, or in the relative distribution of interests by any other method or means, and

(v) Any refinancing; or any restructuring of permanent debt by the Owner of the project, including any loan modification.

(2) An assignment by the Owner to a limited partnership, in which no limited partner has a 25 percent or more interest and of which the Owner is the sole general partner, shall not be considered an assignment, conveyance, or transfer. An assignment by one or more general or limited partners of a limited partnership interest to a limited partner, who will have no more than a 25 percent interest, shall not be considered an assignment, conveyance, or transfer.

(3) The term "substantial interest" means the interest of any general partner, any limited partner having a 25 percent or more interest in the organization, any corporate officer or director, and any stockholder having a 10 percent or more interest in the organization.

(e) The Owner and the party signing this Contract on behalf of the Owner represent that they have the authority of all of the parties having ownership interests in the Owner to agree to this provision on their behalf and to bind them with respect to it.

(f) Except where otherwise approved by HUD, this Contract, and the ACC (if applicable) shall continue in effect and housing assistance payments will continue in accordance with the terms of the Contract in the event:

(1) Of assignment, sale, or other disposition of the project or this Contract, or the ACC,

(2) Of foreclosure, including foreclosure by HUD,

(3) Of assignment of the mortgage or deed in lieu of foreclosure,

(4) The PHA or HUD takes over possession, operation or ownership,

(5) The Owner prepays the mortgage.

<u>2.19 DEFAULTS BY PHA (if a PHA is the CA) AND/OR OWNER.</u>

(a) <u>Rights of Owner if PHA (where the CA is a PHA) Defaults under Contract.</u>

(1) <u>Events of Default.</u> The occurrence of any of the following events, if the Owner is not in default, is defined as a default under the ACC:

(i) If the PHA (where the CA is a PHA) fails to perform or observe any term or condition of this Contract;

(ii) If the Contract is held to be void, voidable, or ultra vires;

(iii) If the power or right of the PHA (where the CA is a PHA) to enter into the Contract is drawn into question in any legal proceeding; or

(iv) If the PHA (where the CA is a PHA) asserts or claims that the Contract is not binding upon the PHA for any such reason.

(2) <u>Owner Request for HUD Determination of Default.</u> If the Owner believes that an event as specified in paragraph (a)(1) has occurred, and the Owner is not in default, the Owner may, within 30 days of the initial occurrence of the event:

(i) Notify HUD of the occurrence of the event;

(ii) Provide supporting evidence of the default and of the fact that the Owner is not in default; and

(iii) Request HUD to determine whether there has been a default.

(3) HUD Determination of Default and Curing of Default. HUD, after notice to the PHA (where the CA is a PHA) giving it a reasonable opportunity to take corrective action, or to demonstrate that it is not in default, shall make a determination whether the PHA is in default and whether the Owner is not in default. If HUD determines that the PHA is in default and that the Owner is not, HUD shall take appropriate action to require the PHA to cure the default. If necessary for the prompt continuation of the project, HUD shall assume the PHA's rights and obligations under the Contract, including any funds. HUD shall continue to pay annual contributions with respect to the units covered by this Contract in accordance with the ACC and this Contract until reassigned to the PHA. All rights and obligations of the PHA assumed by HUD will be returned as constituted at the time of the return: (i) when HUD is satisfied that all defaults have been cured and that the project will thereafter be administered in accordance with all applicable requirements, or (ii) when the Contract is at an end, whichever occurs sooner.

(4) Enforcement by Owner. The provisions of this paragraph (a) are made for the benefit of the Owner, the lender, the PHA where it is the lender and then only in its capacity as lender, and the Owner's other assignees, if any, who have been specifically approved by HUD prior to the assignment. These provisions shall be enforceable by these parties against HUD by suit at law or in equity.

(b) Rights of PHA (where the CA is a PHA) and HUD if Owner Defaults under Contract.

(1) Events of Default. A default by the Owner under this Contract shall result if:

(i) The Owner has violated or failed to comply with any provision of, or obligation under, this Contract or of any Lease, including failure to correct any deficiencies identified by the CA in connection with any annual or other inspection; or

(ii) The Owner has asserted or demonstrated an intention not to perform some or all of its obligations under this Contract or under any Lease; or

(iii) For projects with mortgages insured by HUD or loans made by HUD, the Owner has violated or failed to comply with the regulations for the applicable insurance or loan program, with the insured mortgage, or with the regulatory agreement; or the Owner has filed any false statement or misrepresentation with HUD in connection with the mortgage insurance or loan.

(2) CA Determination of Default. Upon a determination by the CA that a default has occurred, the CA shall notify the Owner and the lender, with a copy to HUD (where the CA is a PHA), of

(i) The nature of the default;

(ii) The actions required to be taken and the remedies to be applied on account of the default (including actions by the Owner and/or the lender to cure the default); and

(iii) The time within which the Owner and/or the lender shall respond with a showing that all the required actions have been taken.

If the Owner and/or lender fail to respond or take action to the satisfaction of the CA (and HUD, where the CA is a PHA), the CA shall have the right to take corrective action to achieve compliance in accordance with paragraph (b)(3), or to terminate this Contract with HUD approval (where the CA is a PHA), in whole or in part, or to take other corrective action to achieve compliance in the CA's discretion, or as directed by HUD (where the CA is a PHA).

(3) Corrective Actions. Pursuant to paragraph (b)(2) of this section, the CA, in its discretion or as directed by HUD (where the CA is a PHA), may take the following corrective actions either directly or in conjunction with or acting through a PHA:

(i) Take possession of the project, bring any action necessary to enforce any rights of the Owner growing out of the project operation, and operate the project in accordance with the terms of this Contract until such time as HUD determines that the Owner is again in a position to operate the project in accordance with this Contract. If the CA takes possession, housing assistance payments shall continue in accordance with the Contract.

(ii) Collect all rents and charges in connection with the operation of the project and use these funds to pay the necessary expenses of preserving the property and operating the project and to pay the Owner's obligations under the note and mortgage or other loan documents.

(iii) Apply to any court, State or Federal, for specific performance of this Contract, for an injunction against any violation of the Contract, for the appointment of a receiver to take over and operate the project in accordance with the Contract, or for such other relief as may be appropriate. These remedies are appropriate since the injury to the PHA (where the CA is a PHA) and/or HUD arising from a default under any of the terms of this Contract could be irreparable and the amount of damage would be difficult to ascertain.

(iv) Reduce or suspend housing assistance payments.

(v) Recover any overpayments.

(4) HUD Rights.

(i) Notwithstanding any other provisions of this Contract, in the event HUD determines that the Owner is in default of its obligations under the Contract, HUD shall have the right, after notice to the Owner, the trustee, if any, and the PHA (where the CA is a PHA) giving them a reasonable opportunity to take corrective action, to proceed in accordance with paragraph (b)(3).

(ii) In the event HUD takes any action under this section, the Owner and the PHA hereby expressly agree to recognize the rights of HUD to the same extent as if the action were taken by the PHA. HUD shall not have the right to terminate the Contract except by proceeding in accordance with paragraphs (b)(1), (2), and (3) of this section and with the ACC.

(c) **Remedies Not Exclusive and Non-Waiver of Remedies.** The availability of any remedy under this Contract or the ACC, where applicable, shall not preclude the exercise of any other remedy under this Contract or the ACC or under any provisions of law, nor shall any action taken in the exercise of any remedy be considered a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

2.20 EXCLUSION OF THIRD PARTY RIGHTS.

(a) A Family that is eligible for housing assistance under the Contract is not a party to or a third party beneficiary of the Contract.

(b) Nothing in the Contract shall be construed as creating any right of any third party to enforce any provision of the Contract, or to assert any claim against HUD or the PHA (where the CA is a PHA), under the Contract.

2.21 NO AGENCY RELATIONSHIP BETWEEN HUD AND THE PHA (WHERE THE CA IS A PHA). If the CA is a PHA under ACC with HUD, the PHA is not the agent of HUD, and the Contract does not create any relationship between HUD and any suppliers, employees, contractors, or subcontractors used by the PHA to carry out functions or responsibilities in connection with administration of the Contract under the ACC.

Resolution No. 2018-046
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the following items be approved:

1. Resolution No. 2018-047, approving minutes of February 20, and February 21, 2018

2. Resolution No. 2018-048, approving appointments to Boards and Commissions.

3. Resolution No. 2018-049, supporting Governor Snyder's Environmental Initiative

4. Resolution No. 2018-050, approving Washtenaw County Solid Waste Management Plan 2017 Amendment

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

Resolution No. 2018 - 047
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

THAT the minutes of February 20th and February 21, 2018 be approved.

OFFERED BY: ______________________________

SUPPORTED BY:______________________________

YES: NO: ABSENT: VOTE:

Draft

CITY OF YPSILANTI
REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, FEBRUARY 20, 2018
7:00 p.m.

I. <u>CALL TO ORDER</u> –

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

II. <u>ROLL CALL</u> –

Council Member Bashert		Present	Council Member Robb	Present
Mayor Pro-Tem Brown	(7:15)	Present	Council Member Vogt	Present
Council Member Murdock		Present	Mayor Edmonds	Present
Council Member Richardson		Present		

III. <u>INVOCATION</u> –

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

IV. <u>PLEDGE OF ALLEGIANCE</u> –

"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. <u>AGENDA APPROVAL</u> –

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

Council Member Murdock moved to add a discussion on sexual harassment.

City Clerk Frances McMullan informed Council it has been added to the Closed Session.

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

VI. <u>INTRODUCTIONS</u> –

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, Fire Chief Max Anthouard, and Economic Development Director Beth Ernat.

VII. <u>PRESENTATIONS</u> –

VIII. <u>AUDIENCE PARTICIPATION</u> –

1. Mark Swanson, 119 W. Michigan, stated the South Huron parking lot in the downtown has seen an increase in crime. He hopes the Police Department can do something to correct this problem.

It has been over a year since the Police Department has had a dedicated police officer. The general feeling is crime will only increase as the weather gets warmer. He urged Council to do something to get this problem under control.

2. Robert Barnes, 3637 Briarlee Way, Ann Arbor, stated he is here to regarding the rental inspection increase. He isn't saying there shouldn't be an increase, but he is opposed the way it is structured. He thinks it unfairly penalizes landlords that take care of their rental properties. The new fees would double the cost of rental inspections.

3. Dave Heikkinen, 133 W. Michigan, stated since the ordinance requires property owners to clear sidewalks of snow within twenty-four hours. He expects city parking lots would be cleared for customers in that same amount of time. He hopes the new plan being worked on will be successful. The only building closed after that snow storm was city hall, and it should have been open to support the city during that snow storm. The businesses would like to see a parking plan developed and implemented by the time the Smith Furniture building is open for business. He encouraged Council to take part in the things that are occurring in the community.

4. Beth Currans, 915 Woods Dr., stated she is here to submit recommendations from REDY, Rising for Economic Democracy in Ypsilanti for the development of a Community Benefits Ordinance (CBO).

5. Brian Geiringer, Pearl Street, provided additional information regarding information regarding the development of a CBO.

6. Erica Mooney, River Street, explained how the input for the development of a CBO occurred and provided further recommendation.

7. Alex Nori, honored the seventeen people that lost their lives in Florida. He was assaulted in June of 2015 and he believes the investigation into the assault was handled poorly. He complained to the Police Department, and he felt disrespected. He said he has over 200 pages of evidence against the Police Department and he wants justice.

8. Stewart Beal, 113 Buffalo, spoke against the increase in rental inspection fees. He requested Council delay the approval of the resolution. Stated inspectors could decrease their workload by using better technology. Inspectors currently do not use a checklist for inspections, they only look at things and write down what they see. The new fee schedule, on top the tax increase for the Water Street Debt Millage and increase in water fees, would make keeping rents affordable in the city very difficult.

9. Sue Melke, 330 Chidester #409, asked how through are inspections if they can be completed in two hours.

IX. REMARKS BY THE MAYOR –

— There will be a discussion later on the agenda regarding snow related issues.

X. PUBLIC HEARINGS -

XI. CONSENT AGENDA – Resolution No. 2018-028

1. Resolution No. 2018-029, approving minutes of February 6, 2018.

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   THAT the minutes of February 6, 2018 be approved.

2. Resolution No. 2018-030, approving appointment of Craig Hupy to the Tax Review Board.

   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	EXPIRATION
Craig Hupy **1124 N. Congress** **Ypsilanti, MI 48197**	**Tax Review Board**	**2/28/2021**

3. Resolution No. 2018-031, supporting House Bill 4362 to require the State to reimburse local taxing units for the state's portion of taxes created by the disabled veterans property tax exemption.

   RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

   WHEREAS, House Bill 4362 was introduced on February 12, 2018 by Rep. Jeff Yaroch of the State Tax Policy Committee; and

   WHEREAS, House Bill 4362 would amend the General Property Tax Act (MCL 211.7b) to transfer the tax loss from local taxing units to the state in regard to a property tax exemption for disabled veterans; and

   WHEREAS, under current law, when a property tax exemption for a disabled veteran is granted, each local taxing unit bears the loss of its portion of the taxes upon which an exemption has been granted; and

   WHEREAS, a disabled veteran is defined as a person totally disabled as a result of military service and entitled to veterans' benefits at the 100% rate; and

   WHEREAS, a disabled veteran exemption continues when the disabled veteran dies, as long as the surviving spouse remains unmarried; and

   WHEREAS, currently the City of Ypsilanti has eight (8) parcels that were exempt for 2017, with a total taxable value of $419,843; and

   WHEREAS, under House Bill 4362, for taxes levied after December 31, 2017, the state would have to reimburse each local taxing unit for its portion of the taxes upon which an exemption had been granted.

   NOW, THEREFORE, BE IT RESOLVED that the Ypsilanti City Council endorses and supports House Bill 4362 and urges the Michigan Legislature to pass this important legislation.

BE IT FURTHER RESOLVED THAT a copy of this resolution be forwarded to the Michigan Legislature, Washtenaw County Legislators, and House Tax Policy Committee (see attachment).

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

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

XII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2018-032, directing the City Manager and/or his designee to release a Request for Proposals for traffic engineering services for Road Diet Capacity Analysis along Huron Street, Hamilton Street, Washtenaw Avenue and Michigan Avenue.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, The Michigan Department of Transportation is programming road repairs to Huron and Hamilton for 2020; and

WHEREAS, The City of Ypsilanti has interest in the future design and possible changes to the design of the roadways of Huron Street, Hamilton Street, Washtenaw Avenue, and Michigan Avenue; and

WHEREAS, In order to make recommendations for future changes to the rights of way, the City is responsible for the submission of traffic engineering analysis;

WHEREAS, In order to understand the costs associated with a traffic engineering study it is imperative to release a Request for Proposals.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council directs the City Manager and/or his designee to release a Request for Proposals for Traffic Engineering Services for Road Diet Capacity Analysis along Huron Street, Hamilton Street, Washtenaw Avenue, and Michigan Avenue.

FURTHER BE IT RESOLVED THAT the Ypsilanti City Council is not bound to accept all or any of the proposals without further consideration of costs and scope of work.

OFFERED BY: Council Member Murdock
SECONDED BY: Council Member Richardson
Economic Development Director Beth Ernat stated this item has been repeatedly discussed by Council. The Master Plan outlines this road diet at length in order to slow traffic. MDOT recommends if the city wants this considered it would be responsible for all pre-engineering costs. In order to determine what the costs would be the city needs to solicit bids for a traffic engineer.

Mayor Edmonds asked where the updated procurement ordinance is referenced in the Request for Proposals (RFP). Ms. Ernat responded when reviewing bids staff would follow the procurement policy. Ms. Edmonds asked the RFP includes the questions that would be needed to evaluate the bid to the policy. Ms. Ernat replied the language in the RFP is standard, but she could amend the RFP to reference the policy and include it. Ms. Edmonds asked if RFP can include a standard reference to the policy. City Attorney John Barr responded that document can be created.

City Manager Darwin McClary asked if engineering services are considered professional services, and if so are the subject to the procurement policy. Mr. Barr responded yes, engineering services are professional services and are subject to the policy.

Council Member Murdock stated the RFL lists MDOT's schedule to repave the listed roads in 2020. He asked if that was rescheduled form 2022. Ms. Ernat responded the engineering for the MDOT construction begins in 2020, but the construction will occur in 2022. Mr. Murdock asked if much of this work was completed by the Washtenaw County Road Commission. Ms. Ernat replied considerable amount of work has been completed, however, but the engineering needs to be completed using current road standards. Those documents would also be available to any company that would bid to complete this work.

Council Member Murdock asked why OHM wouldn't complete the engineering. Ms. Ernat responded OHM serves as the city's consultant, and this work is above the scope of their contract. The scope of their contact is $25,000 but if the wish they can certainly bid on the project.

Council Member Murdock asked why this RFP is coming from the Economic Development Department and not the Department of Public Services. Ms. Ernat responded because it has been repeatedly asked for by Council and her department took it on because the City Planner also regularly attends the WATS meetings.

Council Member Murdock asked why the diet would not be extended to the I-94 freeway. Ms. Ernat responded because WATS is preforming a pedestrian crossing study for that stretch of road. Mr. Murdock stated the changes the city does to the road would need to connect with that section of road. Ms. Ernat responded it would connect to what has already been designed.

Council Member Murdock stated an evaluation of the many intersections effected by this is not included in the RFP. Ms. Ernat replied the main impact being asked is for Huron and Hamilton, which will require consideration for any crossing intersection. Mr. Murdock stated if consideration is not required why other intersections were listed. Ms. Ernat responded because they are key pedestrian crossing intersections. Mr. Murdock asked if Pearl and Ferris are not key pedestrian crossings. Ms. Ernat responded they are not currently treated as such, but there will be an analysis of all circulation. Mr. Murdock stated other traffic calming methods will not work with a road diet. Ms. Ernat responded any secondary roadways are the responsibility of the city and not MDOT. However, if Council wishes to add those intersections there will be a significant increase to the cost for engineering. Mr. Murdock asked how a roadway can be designed without understanding what the impact. Mayor Edmonds interjected the way she read the RFP is that it includes the whole corridor, which would include the unlisted intersections. Mr. Murdock responded if specific intersections are being listed it should include the others. Ms. Ernat responded the listed intersections can be removed, or all intersections can be added if Council wishes. She added MDOT has supervised the creation of the RFP and is designed to meet their standards. Mr. Murdock stated the reason for this analysis is to determine how this would impact the traffic flow of those intersections. Ms. Ernat responded that data will be collected, but there is a difference between design and data. Council Member Bashert asked why certain intersections were included in the RFP. Ms. Ernat responded as examples, or they already had treatments. Ms. Bashert suggested removing the listed intersections from the RFP.

Council Member Bashert moved to remove the listed intersections from the RFP.

No second the motion fails.

Council Member Murdock stated he does not want to remove intersections but he might want to add Huron and Pearl, Hamilton and Pearl, and Huron and Cross.

Council Member Murdock moved, Council Member Robb seconded to add intersections Huron and Pearl, Hamilton and Pearl, and Huron and Cross.

On a roll call, the vote to amend Resolution No. 2018-032 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

On a roll call, the vote to approve Resolution No. 2018-032 as amended 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. 2018-033, awarding Parking Ticket Services contract to Complus Data Innovations, (CDI) Inc.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, City Council approved the publication of a Request for Proposal (RFP) to solicit bids for a third-party parking ticket processing service; and

WHEREAS, the City Clerk issued an RFP on December 5, 2017 at 8:00 a.m. with a closing date of January 16, 2018 at 3:00 p.m.; and

WHEREAS, the RFP was advertised on MITN and the city's website; and

WHEREAS, the City Clerk's office received three bids of which one was disqualified due to late submission; and

WHEREAS, the Parking Committee reviewed the two eligible bids and recommends the contract be awarded to Complus Data Innovations (CDI), Inc.

NOW, THEREFORE BE IT RESOLVED that the Ypsilanti City Council awards the Parking Ticket Processing Service contract to Complus Data Innovations, (CDI), Inc. and directs staff, subject to review and approval by the City Attorney, to negotiate an agreement to present to City Council for final approval.

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

Assistant City Attorney Dan DuChene explained the resolution will authorize the Attorney's Office to negotiate a contract with Complus Data Innovations (CDI).

Mayor Edmonds asked if the RFP abided by the requirements of the Procurement Policy. Mr. DuChene responded the RFP was issued long before the approval of that policy. He added the recommended company is the closer of the two that submitted bids.

Council Member Robb asked what increase in collection the city can expect to receive by selecting this company. Mr. DuChene responded he is not certain of how much it will increase collections. Mr. Robb asked how much this contract will cost the city annually. Mr. DuChene responded Council gave the staff the directive to offset costs by increasing ticket fines. Mr. Robb asked why this bid was selected over the other bid. Mr. DuChene responded the hardware and software components, Complus has a large presence in Michigan, and Complus is working to develop a similar process with the district court in Ann Arbor that would need to be developed in Ypsilanti. City Clerk Frances McMullan added Complus included much of what the city needs in the cost, while if the city selected the other company the additional service would increase the cost. Complus also has a good collection rate as compared with the other company.

Council Member Robb stated the selection of this company would not address outstanding fees. Mr. DuChene responded this RFP was the first of two, the second RFP will be to collect outstanding fines. Mr. Robb asked why they could not be completed simultaneously. Mr. DuChene replied if both RFPs were issued at the same time the city would have no idea of the internal procedures would be no get judgments in order to collect outstanding fines. Mr. Robb asked if either of these companies gave information on what they can do for revenue collection. Ms. McMullan replied she spoke with representatives from both companies and explained the city does have outstanding citations that would need to be collected. Mr. Robb stated nothing in the documents provided to Council give estimates on how much it will increase revenue in the city. Approval of this resolution would cost the city $35,000 a year, regardless if it is passed on to the consumer or not, and there are not projections into how it will increase revenue. Mr. DuChene responded the purpose of parking enforcement is top change behavior not to create revenue.

Council Member Bashert asked if the city will learn more of the details once it enters into negotiations with the selected company. Mr. DuChene responded in the affirmative, he added benchmarks can be discussed as a part of negotiations, but he isn't certain if it would be included in the contract. Ms. Bashert stated she believes parking enforcement will be more effective if parking meters are in workable condition, or converted to smart meters. She asked if that can be addressed in the next Fiscal Year. City Manager Darwin McClary responded that can definitely be examined. Ms. Bashert added there are two unique questions; what the city will do in the future to enforce parking and what will it do to collect outstanding revenue. Mr. DuChene responded in the affirmative, and explained the second RFP issued will address outstanding fines.

Mayor Edmonds stated the Economic Development Department has explained a need for an updated parking study, and she encourages Council to move that forward with that study. Council Member Robb stated the Downtown Development Authority should pay for that study.

Council Member Murdock asked if the city has done business with Complus in the past. Ms. McMullan responded in the affirmative, they provide the online and phone payments for parking citations for the city. Mr. Murdock stated on the tally sheet it appears Complus submitted the higher bid. Ms. McMullan responded the other company does not include many of the services the city would need in that bid amount, those would be an additional cost to the city. Mr. Murdock stated Complus passes a lot of its costs onto the violator.

Council Member Robb stated the city should not select a company without understanding what would be the cost to the city. Mr. DuChene replied until there are signatures on the contract there is no agreement. Mr. Robb asked if the Attorney's will renegotiate the quoted costs. Mr. DuChene responded the Attorney's Office has not negotiated to renegotiate. Mayor Edmonds interjected the approval of this resolution only authorizes the Attorney's Office to negotiate a contract with Complus. Mr. DuChene stated if Council has specific area it would like the Attorney's Office to address it will do so. Council Member Murdock stated the $3.50 for online and phone payment would not be a cost to the city, it would be a cost to the user. Council Member Bashert stated she received a ticket in Detroit and these type of fees were included, this is what most jurisdictions are charging for these services.

On a roll call, the vote to approve Resolution No. 2018-033 was as follows:

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

VOTE:

YES: 5 NO: 2 (Robb, Murdock) ABSENT: 0 VOTE: Carried

3. Resolution No. 2018-034, approving extension of the Ozone House purchase agreement.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, A request has been received for a second extension of the Purchase Agreement for the property located at the northwest corner of Huron River Drive and Superior Road for an additional 90 days; and

WHEREAS, The Purchaser of the property, Ozone House, has offered an additional $10,000 for the extension of the Purchase Agreement and has acted in good faith and needs additional time to complete due diligence for the purchase of the property; and

WHEREAS, The subject property is City-owned, vacant, and does not have a back-up offer.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council directs the Mayor and the City Clerk to enter into a 90-day extension of the Purchase Agreement with Ozone House for the property located at the northwest corner of Huron River Drive and Superior Road.

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

Ms. Ernat introduced Krista Girty, the New Director of Ozone House. She explained why the purchase agreement requires an extension.

Mayor Edmonds asked if a ninety day extension of the purchase agreement will be enough time to complete necessary tasks. Ms. Ernat responded in the affirmative.

Mayor Edmonds stated she has read much of the delays were a result of the Washtenaw County Road Commission. She asked if it would be appropriate for the City Manager to contact the road commission to address these issues, or if Council should pass a resolution. Ms. Ernat replied it would be helpful to have the City Manager address this issue with the road commission. A representative of Ozone House stated the Road Commission was approved the location of the curb cuts, the issue is in the development of the pedestrian crosswalk.

Council Member Bashert asked for an explanation regarding the issue Ozone House is having with sand in the strata. She asked if it would impede in the construction of the facility. Ms. Ernat responded it will affect the construction, but it would necessarily terminate the project. She explained the cost impact depends on how deep the sand goes, it could be a $10,000 fix, or up to $500,000. If it is a $500,000 fix it could be fatal to the project. Ms. Bashert asked if Ozone House has serious concerns on how the sand will impact the project. An Ozone House representative stated soiling borings have been completed, but there needs to be come follow up to the test.

Mayor Edmonds appreciated that sometimes projects take longer due to unforeseen circumstances, and that Ozone House has offered an additional $10,000 in earnest money.

On a roll call, the vote to approve Resolution No. 2018-034 as 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. 2018-035, approving extension of 220 N. Park purchase agreement.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City and Norfolk Development Corporation entered into a Purchase and Sales Agreement with a 90-day term to negotiate a Development Agreement for the property located at 220 N. Park; and

WHEREAS, due to holidays and unforeseen delays in drafting a development agreement the parties were unable to negotiate said agreement within the 90 days; and

WHEREAS, an extension of 60 days to negotiate the development agreement would be mutually beneficial.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council directs the Mayor and City Clerk to sign an extension of the Purchase and Sales Agreement with Norfolk Development Corporation until April 23, 2018.

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

Ms. Ernat provided a synopsis of why the extension is being requested.

On a roll call, the vote to approve Resolution No. 2018-035 as 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. 2018-036, approving Rental Inspection Fee Schedule.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti operates a rental inspection program; and

WHEREAS, City Council seeks to increase the fees associated with the rental inspection program in order to have a more complete cost recovery system for operations of the rental inspection department; and

WHEREAS, City staff has researched the cost of operations, the staff time associated with operations, and the comparable costs in similar communities.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council approves the proposed Fee Schedule Update for the Rental Inspection Program to go into effect on April 1, 2018

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

Ms. Ernat provided a synopsis of why the resolution being offered for approval.

Council Member Robb stated the reason why a requested fees be adjusted is to cover the cost of operating. However, the proposed increases would charge a landlord ninety dollars for an inspection, which would include a possible inspection. That would only amount to a ten dollar increase, while a landlord whose property does not require a re-inspection an additional forty-eight dollars. The question he has is what does it cost to inspect a unit, and whatever that cost is should be the fee. Ms. Ernat responded eight out of ten communities are following the same practice, she said the analysis was not just about evaluating fees, but evaluation the entire process. Mayor Edmonds suggested a refund, or credit if a re-inspection is not required. Ms. Ernat replied the directive was to increase fees. Mr. Robb responded the directive was to capture the costs of operation. Ms. Ernat responded the adjusted fees cover the costs of operations, however she is willing to decrease some of the proposed fees.

Mayor Edmonds suggested postponing this item and allow time to meet with landlords to discuss the fee increases.

Council Member Richardson moved, seconded by Mayor Pro-Tem Brown to postpone until the second meeting in April Resolution No. 2018-036.

On a roll call, the vote to postpone Resolution No. 2018-036 was as follows:

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

VOTE:

YES: 1 NO: 6 (Edmonds, Murdock, Robb, Vogt, Brown, Bashert) ABSENT: 0 VOTE: Carried

Council Member Bashert stated she is frustrated with Council because it gave staff direction to examine the fee structure for inspections and submit changes for approval. Staff preformed the study and it is being discarded by Council because it believes the analysis was not as extensive as it wanted. Staff then preformed a very extensive analysis and now that is being discounted. She asked a little respect be given to staff for performing exactly what Council directed them to do. She asked what in the proposal the new standard is, especially for university towns. Ms. Ernat replied it seems that jurisdictions are almost all moving to include the re-inspection costs into the inspection fees. The fact was surprising to her, but it makes sense because it streamlines the process. Also surprising was the amount of jurisdictions that require registration. The annual registration fee was not appealing to staff because the city does not have the staff to perform annual inspections. She added in order for the proposed process to be successful and additional part-time staff person will be necessary, and it will be included in her department's proposed budget.

Mayor Edmonds stated when discussing inspections in university towns Ms. Ernat mentioned universal pre-inspection and requiring annual registration. She asked if there were other items that should be included on that list. Ms. Ernat responded she sees several jurisdictions moving toward a longer timeframe for compliant buildings. She suggested employing a year test for single family structures to see if that would be successful in Ypsilanti. If it is successful multifamily structures would be included in that process.

Council Member Murdock stated inspections take a different amount of time depending on the unit. He asked if overhead costs are included in the proposed fees. Ms. Ernat responded her proposal includes staff salary, just for the rental program not the building program, office supplies, equipment, and training. The fees do not include overhead outside of the department. Ms. Murdock asked if Ms. Ernat's salary was included in the costs. Ms. Ernat responded no. Mr. Murdock asked if the attorney's or the city manager's salary were included. Ms. Ernat responded no. She added costs of vehicles and gas were not included in the fees either.

Mayor Edmonds stated she feels the analysis was performed well, but feels before approving the fees there should be a discussion with other stakeholders. Ms. Ernat replied she is more than happy to work with this community's property owners. She asked if Council wants the fees to match what is being spent for inspections, or make a compromise with city landlords. Ms. Edmonds stated she does not feel the meeting will be a negotiation, instead hold a discussion and hear different considerations. Then submit a report to Council regarding that discussion and include any possible changes to the recommendation.

Council Member Robb asked what the proposed rental inspection fees would do to the city's revenue. Ms. Ernat responded it would increase revenue by roughly $57,000. Mr. Robb asked how that estimate was determined. Ms. Ernat replied passed on past re-inspections, the city would average approximately 574 inspections per year. Mr. Robb asked if re-inspections would decrease from approximately 800 to 574. Ms. Ernat responded in the affirmative. Mr. Robb asked if the 574 is only re-inspections. Ms. Ernat responded in the affirmative. Mr. Robb asked for an analysis of how many inspections require a re-inspection. Ms. Ernat responded in the affirmative, and explained the billing process is categorized as an inspection it does not provide if it is a re-inspection. In order to provide that data each file would need to be examined. Mr. Robb responded this information is important because he wants to ensure the city will not begin to lose revenue. Ms. Ernat agreed, and explained that is why the base fee was increased.

Council Member Bashert stated she is not sure why Council would delay the vote to approve the fees. The reasons to postpone this vote is the analysis was incorrect, involve stakeholders to provide feedback, or Council no longer cares about covering costs. If Council is going to postpone this resolution she would like to understand why and inform staff of that reason. Mayor Edmonds responded she would like input from community stakeholders to ensure the proposed changes are equitable. Council Member Murdock stated he would like to hear input from stakeholders and publicize this potential change. He stated he wants to recoup costs of operations, but there might be another way to adjust the fees to do so.

Council Member Robb stated the throughput must improve with the onetime fee. Ms. Ernat replied the new fee schedule the treasury code could be changed in order to track increase in revenue for re-inspections. Mr. Robb asked that Ypsilanti Township and Ann Arbor be asked how it calculated its fees. Ms. Ernat replied she does not feel they are comparable. Mr. Robb stated Ypsilanti is a college town, and the Township is an extension of that area. Ms. Ernat responded the Township uses Washtenaw County to perform its inspections. Mr. Robb asked that Washtenaw County be asked how it calculates its fees. He wants to be able to explain why the fees were increased to the proposed levels. The reason he wants to increase fees is not to increase revenue, but to effectively capture costs of operation. He wants to have appropriate documentation that shows fees were increased to do that. Ms. Ernat responded in the affirmative.

Council Member Murdock moved, seconded by Mayor Pro-Tem Brown to reconsider postponing Resolution No. 2018-036 until the second meeting in April.

On a roll call, the vote to reconsider postponing Resolution No. 2018-036 until the second meeting in April 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

On a roll call, the vote to postpone Resolution No. 2018-036 until the second meeting in April 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. 2018-037, approving change to Rental Pre-Payment Policy.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti requires inspections of rental property every two years; and

WHEREAS, Resolution No. 2011-170 required the prepayment of rental inspection fees for any property owner/landlord that had rental inspection fees placed on the tax rolls for nonpayment; and

WHEREAS, the creation of a late fee and Administrative Hearings Bureau enforcement would address the issue of payment of rental inspection fees and keep enforcement local; and

WHEREAS, the Rental division is experiencing lost revenue in conjunction with the prepayment policy.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council that effective April 1, 2018, Resolution 2011-170 is rescinded and this resolution enacted that requires any property owner/landlord that fails to pay rental inspection fees within 30 days of inspection will not receive a certificate of compliance, will be assessed a late fee of 50 percent the original fees, and will be issued a citation for allowing occupancy without a certificate of compliance. Additionally, if fees are not paid following a second notice and a lien is required to be placed on the tax rolls, a $100 lien collection fee be added.

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

Ms. Ernat provided a synopsis of why this resolution is being requested of approval.

Council Member Murdock stated he thought a resolution was approved that would not allow a certificate of occupancy (C of O) to awarded if there were unpaid fees. Ms. Ernat replied that is the policy she is seeking to change. She explained the change being requested is an Administrative Hearings Bureau ticket would be issued and charging half the original cost. Mr. Murdock asked if the property does not have a C of O what will happen to the tenants. Ms. Ernat responded a citation would be issue to the property owner, the tenants would not be impacted for as early as ninety days and as late as a hundred-eighty days. If the issue is unresolved, and fees and fines not paid, the city will seek an order for eviction. Mr. Murdock stated he was under the impression the inspection was already completed and the fees were not paid. He does not want tenants to be evicted because fees were unpaid. Ms. Ernat stated there are two ways to approach this; through civil court or put the outstanding fees on the tax roll. Mr. Murdock replied if the city issues an AHB citation every day there is a violation they might evict the tenants. Ms. Ernat responded if there are no safety issues the city will not seek to have the tenant evicted. Mr. Murdock stated the tenant shouldn't suffer because the landlord does not have a certificate of occupancy. If the tenant is evicted the landlord should pay relocation fees. Ms. Ernat responded that is not in the city's power, and could not be enforced. Mr. Murdock replied there are a dozen cities that require relocation fees to be paid by the landlord.

Mayor Edmonds stated the purpose of this resolution is to recoup fees owed to the city. Ms. Ernat responded in the affirmative.

Council Member Robb asked if fees are required to be paid prior to inspection. Ms. Ernat responded when an inspection is scheduled they are informed fees must be paid be a certain date. Mr. Robb replied the process should be once fees are paid the inspection would be scheduled. Ms. Ernat responded that would delay the program significantly. Mr. Robb replied a payment is required prior to scheduling the inspection it should not delay the process. Ms. Ernat responded there is not currently a way to get on the prepayment list. Mr. Robb asked how many property owners are on the prepayment list. Ms. Ernat responded the list is extensive, the ordinance requires the city communicate by letter that fees are outstanding. Mr. Robb stated there could be a change that if a property owners is on time with their fees for five years they can be removed from the list. Ms. Ernat suggested doubling the fees, she explained the Administrative Hearings Bureau is a good program that allows issues such as these to be controlled locally. Mr. Robb stated his concerns is that the AHB has a lot of outstanding fees. Ms. Ernat stated outstanding fees have changed since the program's inception.

Council Member Richardson asked if staff is requesting removing the prepayment requirement. Ms. Ernat responded in the affirmative. Ms. Richardson asked if the property would still receive a C of O. Ms. Ernat responded no. Ms. Richardson asked what would happen to the tenant. Ms. Ernat responded the process would be the same as it currently is.

Council Member Robb stated this will not increase throughput it will increase fees. Ms. Ernat stated if the inspection is a no show a late fee will be issued. Mr. Robb responded the scheduled spot would still be lost. Ms. Ernat responded in the affirmative, but a fee would be collected for the no show. Mr. Robb asked how many times a property owner has not paid and a C of O not issued and the case went to AHB. Ms. Ernat responded she does not have that data available at this time. Mr. Robb asked if any of the cases were civil cases that asked for eviction. Ms. Ernat responded she believes there are two to three open cases, and it is a difficult decision to prosecute.

Council Member Murdock stated the landlord can be issued AHB citations for every day they have tenants without a C of O. Ms. Ernat replied that is the practice, and the Building Department is not going after any tenant unless they are in an unsafe conditions. Mr. Murdock stated if the tenant is in an unsafe situation they landlord should pay relocation fees and Council should approve an ordinance that requires that.

Council Member Vogt stated the intent of this resolution is to hit landlords with fines in order to change behavior. He supported Council Member Murdock's proposal to pass an ordinance requiring landlords to pay relocation costs. He supported the approval of the resolution.

Council Member Robb asked how many inspection no shows does the city have. Ms. Ernat responded there were three last month. Mr. Robb asked if this would undue seven years of policy for forty no shows. Ms. Ernat responded potentially.

On a roll call, the vote to approve Resolution No. 2018-037 was as follows:

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

VOTE:

YES: 5 NO: 2 (Robb, Murdock) ABSENT: 0 VOTE: Carried

7. Resolution No. 2018-038, approving appointments to the Streets Capital Improvements Program Committee.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City Manager has established an ad hoc administrative Streets Capital Improvement Plan Review Committee to review the capital improvement needs for streets within the city and to help formulate recommendations to the city council and planning commission on the multi-year Streets Capital Improvement Program; and

WHEREAS, the term of the committee will expire on May 31, 2018; and

WHEREAS, the City Manager has requested that the city council appoint two of its members to serve on this committee;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the city council does hereby appoint Council Member Murdock and Council Member Robb from the city council to serve on the City Manager's ad hoc administrative Streets Capital Improvement Plan Review Committee to review the capital improvement needs for streets within the city and to help formulate recommendations to the city council and planning commission on the multi-year Streets Capital Improvement Plan for a term to expire on May 31, 2018.

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

Mayor Edmonds asked which members of Council would like to participate on the committee. Council Member Bashert responded she would like to serve on the committee. Ms. Edmonds stated three Council Members would like to serve and there are only two available spots. She asked who served on the committee last. Council Member Robb stated he believes Council Members Vogt and Murdock served last. Ms. Edmonds recommended Council Members Robb and Bashert serve on the committee.

Council Member Robb moved, seconded by Mayor Pro-Tem Brown to remove Council Member Murdock and replace him with Council Member Bashert.

On a roll call, the vote to amend Resolution No. 2018-038 was as follows:

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

VOTE:

YES: 5 NO: 2 (Robb, Murdock) ABSENT: 0 VOTE: Carried

On a roll call, the vote to approve Resolution No. 2018-038 as amended was as follows:

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

VOTE:

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

8. Resolution No. 2018-039, recommending activation of the Snow Emergency Ordinance. **(Discussion Only)**

Mayor Edmonds stated there is an existing snow emergency ordinance, which has not been used in many years.

Council Member Robb stated the last time this ordinance was to be updated the map provided included every street in the city. The ordinance was voted down because a snow emergency ordinance cannot include every street.

Mayor Edmonds asked if the city can close a parking lot without an ordinance. City Attorney Barr stated the snow emergency ordinance has been activated once, and if Council wishes to close a parking lot it may do so by resolution. The current ordinance provides the City Manager the authority to call a snow emergency.

Council Member Bashert asked if there was a snow this winter that would have warranted a snow emergency. City Manager responded in the affirmative. Ms. Bashert asked if the snow emergency was issued it would have solved some of the complaints and issues that were caused by this last snow storm. Mr. McClary responded he is not aware of any complaints that resulted from the streets, but the public parking lots were a problem.

Mayor Pro-Tem Brown stated the issue is not necessarily about parking but all snow removal. Mayor Edmonds responded the ordinance is about routes. Mr. McClary replied the ordinance focuses on street parking. If the desire of Council is that the city does not act on these provisions the ordinance needs to be amended. Otherwise the City Manager has the ability to declare a snow emergency. Ms. Brown stated the modes of notifying the community need to be updated.

Mayor Edmonds suggested adding parking lots to the list on the ordinance. Mr. McClary replied currently he has a process of issuing an administrative directive. Absent any formal direction he will direct staff to complete the work. He suggested providing twenty-four hour notice of when vehicles need to be removed in order to plow. The city needs to make sure that the parking lots are safe to use, and need to be cleared. Ms. Edmonds responded there were many mornings before cars arrived the lots could have been plowed. She asked that ADA spots be prioritized, both for street parking and in the lots. Mr. McClary stated the Department of Public Services has the directive to move snow from one spot to another as long as it is preapproved.

Mayor Pro-Tem Brown asked what the current route map is for the snow emergency. Mr. McClary stated the policy is major streets are given first priority and local streets are given second priority.

Council Member Robb asked where the snow emergency signs are posted in the city. Mr. McClary replied that is something that needs to be addressed. Council Member Bashert stated the signs are posted. Mr. Robb stated he believes the signs are there he just does not know the routes. Mr. McClary responded as a part of his administrative directive maps will be made available, and posted on the city website and other venues.

Council Member Richardson stated she has received complaints about clearing snow from the curbs. Mr. McClary responded the administrative directive that is being developed. Ms. Richardson stated there was an issue at the Parkridge, and she was informed the Housing Commission is responsible for Armstrong and they need to be made aware. Mr. McClary responded he is currently working to address that situation.

9. Resolution No. 2018-026, adopting 2018-19 Council Goals and Budget Priorities.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

Whereas, the City Charter requires that each year in February, City Council provides the City Manager, by resolution the budget priorities for the next fiscal year.

NOW THEREFORE BE IT RESOLVED, in accordance with Section 5.02 of the City Charter, the following direction is hereby given:

That the City Manager shall present City Council with a balanced Resources Allocation Plan for Fiscal Year 2018-2019 using the City's organizational values and the following goals and priorities.

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

Mr. McClary stated the Charter requirement is for Council to determine what its budget priorities are for direction to the City Manager to prepare the budget. Mayor Edmonds stated from the direction of the City Manager she was under the impression the City Manager would be compiling the goals from what Council submitted. Mr. McClary stated he wants to change the process of the City Manager dictating what the goals are to Council deciding the goals. Ms. Edmonds stated Dr. Bernstein facility to goal sessions in which Council goals were developed. Council Member Richardson stated that is the system Council has generally followed, but for some reason some things were changing.

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.

Mayor Pro-Tem Brown stated from the discussion during the last meeting she was under the impression that the priorities Council selected would be compiled by the City Manager. Council Member Bashert stated she was under the same impression, and from what was submitted there seems to be some consensus form Council about certain goals.

Council Member Murdock stated he was under the impression that the goals created during the goal setting session were what was going to be used by the City Manager to create the budget. Mayor Edmonds asked if there were too many items developed during goal session why a priorities were listed. Mr. McClary responded there is no way to accomplish all of the listed goals which is why he asked for the list to be priorities. Ms. Edmonds stated there were a number of goals that appeared in multiple categories, which made the list appear longer. She recommended taking that feedback and compile the goals.

Council Member Bashert suggested staff consolidate the goals, and those with lower priority ask if it is something Council still wishes to do this Fiscal Year.

Council Member Murdock stated he would like the City Manager to use the revenue captured through the county safety millage to a capital project fund for FY 2019 - FY 2026. That would capture $3 million for capital projects, and we use other revenue to fund the other projects. Mayor Edmonds stated that is a well thought out idea, and she might support that if General Fund money were used. She feels the public safety millage be used specifically for public safety and mental health.

Mayor Edmonds stated since the goals were not approved during the first meeting in February the city is in violation of the City Charter. She would feel more comfortable if this would be approved. Mr. McClary stated the goals will need to be approved no later than the March 6th meeting to prepare the budget. He asked if there is consensus to place the funds captured through the safety millage in the Capital Improvement fund.

Council Member Vogt moved, seconded by Mayor Pro-Tem Brown to postpone Resolution No. 2018-026 until the March 6th meeting.

On a roll call, the vote to Resolution No. 2018-026 until March 6th was as follows:

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

VOTE:

YES: 5 NO: 2 (Robb, Murdock) ABSENT: 0 VOTE: Carried

XIII. <u>LIAISON REPORTS</u> –

A. SEMCOG Update - None
B. Washtenaw Area Transportation Study – Council Member Murdock informed Council the meeting will be held tomorrow, February 21st. He forwarded Council information regarding Washtenaw County exploring a Wayne and Washtenaw County transit initiative.
C. Urban County - None
D. Ypsilanti Downtown Development Authority – Mayor Edmonds stated the DDA has received another round of grant applications. There are more businesses opening in the business districts and great investment into the community. There is great interest in parking issues and moving the recycling center from its current location. There is strong frustration by Depot Town stakeholders regarding Freighthouse related parking. There will be a Memorandum of Understanding (MOU) coming from the DDA regarding the Freighthouse in the near future.

   Council Member Robb requested the DDA provide a recommendation to Council regarding the development of the Thompson Block and the parking it will require.
E. Eastern Washtenaw Safety Alliance – None
F. Friends of Rutherford Pool– Council Member Bashert stated the Friends of Rutherford Pool are in the process of drafting the grant application to fund the construction of the proposed bathhouse. She had a discussion with John Weiss about the city contribution for that construction, which will be a part of budget discussions.
G. Housing Equity Leadership Team – Mayor Edmonds stated there has been discussion regarding the housing voucher system.
H. Economic Development Coordinating Committee – None

XIV. COUNCIL PROPOSED BUSINESS –

Robb

- He asked why the city is not enforcing the property maintenance code for the former Pub 13 building.

  Ms. Ernat explained because the city has approved an OPRA for that development construction cannot begin in earnest because it would trigger the assessment of the building. Council Member Robb replied the building is in violation of the property maintenance code. This sets a precedent that if a property is awarded a tax abatement they do not have to abide by the code. Ms. Ernat responded staff has been working with the property owner to assist going through Michigan Economic Development Corporation (MEDC) process. Mr. Robb replied they are in violation of the code and citations are not being written. Ms. Ernat responded there has been forward progress on the MEDC loans and it is anticipated building permits will be issued within the next month. Mr. Robb stated the property has been approved for a Community Revitalization Program (CRP) Loan and the city should be issuing citations. Ms. Ernat replied the property cannot move forward until the MEDC approves other loans. Mr. Robb stated there must be another way to address this issue and each property owner should be treated the same. Council Member Bashert asked a Council Member Robb is accusing staff of bias. Mr. Robb responded no, and explained if this was another property owner citations would have been issued. Mr. Barr interjected at least in the Attorney's Office every single person is treated the exact same. Mr. Robb stated Council is being told citations cannot be written because if an OPRA Council approved. However, anyone else that is in violation of the code is written a citation. Ms. Ernat replied that is incorrect. She explained staff has property plans with multiple property owners as in when and how work is being completed on their property. If the city is going to be a business friendly community the city must work within certain confines. If work begins on this property now it will not receive state incentives and that property would not be redeveloped. Mr. Robb stated that property was in violation of the code prior to being approved for an OPRA and a citation was not issued. Ms. Ernat replied the property owner brought the building to safety standards, and that was all they could do at that time. Mr. Robb stated work on the façade began prior to the approval of the OPRA. Ms. Ernat responded the awning needed to be removed because it was falling, and was done at the request of staff.

Bashert

- Asked Council to replace her with Council Member Murdock on the Streets Capital Improvement Plan Review Committee.

  Council Member Bashert moved, seconded by Council Member Vogt to replace her with Council Member Murdock on the Streets Capital Improvement Plan Review Committee.

On a roll call, the vote to replace Council Member Bashert with Council Member Murdock on the Streets Capital Improvement Plan Review Committee 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

- She asked for the regular parking on the front lawn of 966 W. Cross be addressed.

- E. Cross was terribly damaged by the last freeze and thaw and needs attention.

<u>Murdock</u>

- Asked when E. Cross was last repaved.

  Council Member Robb responded 2010. Council Member Murdock stated N. Adams between Pearl and Michigan Ave. is beginning to see issues and that construction was completed only a couple of years ago. Needless to say there are potholes everywhere throughout the city that need to be addressed.

- Asked if the city received the results from the environmental and market tests performed by the International Village Development.

  Ms. Ernat responded no. Council Member Murdock asked if the developer was supposed to submit those results to the city. Ms. Ernat replied she and the Attorney's Office will follow-up with the developer.

- The tax bill recently passed included a segment that allowed for Opportunity Zones. There is a deadline for declaring all census tracts, and all of the city's census tracts are eligible. He asked if there is something the city needs to do to make that declaration.

  Mr. McClary responded there is nothing the city needs to do and believes the counties are completing that work. Council Member Murdock asked if that would be beneficial to the city to ask the county to do that work. Mr. McClary responded there are forty-seven census tracts in Washtenaw and Livingston Counties that would comply with that criteria. Four of the tracts are in Livingston the remainder are in Washtenaw and most are on the eastside of the county. The criteria of what will be used is still being refined to make the recommendation back to the state because they can only recommend 25%. He explained the information he received today was the County is mostly looking at greenfield areas that are developable. Mr. McClary disagrees and feels census tracts in downtown areas should be the recommendation. He isn't certain what the economic capabilities are for greenfields. Mr. Murdock responded it has to do with the bonding capabilities. Mr. McClary added the County and SPARK are making the determination of what the recommendations are. Mayor Edmonds stated this is why Ypsilanti needs representation on the SPARK Board.

- Asked for an update on warning, citations, and abatements issued after the last snow storm.

  Mr. McClary responded in the affirmative.

- There has been discussion on social media and mention during audience participation regarding crime in Ypsilanti. There was a CoPAC meeting the Chief described the downtown as a center for crime, however, that has not been included in reports received by Council.

  Chief DeGiusti responded one person at the meeting took something out of context. He explained crime mapping the city uses illustrates "hotspots" for activity and includes minor infractions. The map shows the downtown as the area of the city that has the most crime. The person assumed a crime wave was occurring in the downtown, but the majority are minor offenses. Council Member Murdock stated there were seven or eight police cars in the downtown when he came in tonight. Chief DeGiusti responded they were responding to a fight between thirty juveniles. He explained lately the transit center become a hub of activity, and the department is looking for ways to address that. Council Member Bashert asked if the fight was gang related. Chief DeGiusti responded it is groups of kids, and he would not call it gang related.

Richardson

- Acknowledged and offered condolences to the families affected by the shooting in Florida. Certainly something needs to be done in this country about gun control.

- Friday, February 23rd is the Brotherhood Banquet sponsored by Brown Chapel and tickets are still available. The reception is at McKinney Union and begins at 6:00 p.m. and dinner starts at 6:30 p.m.

- Black History Month event will start at 4:00 p.m. Friday, February 23rd at the Parkridge Center.

- On Thursday, February 22nd the Parkridge Community Center will be chowing the movie "Walking While Black". The movie will begin at 6:00 p.m. until 8"00 p.m. and refreshments will be served.

- She received a complaint the recycling was not picked up on Huron St.

- She received many calls regarding City Hall announcing it would be closed prior to this last snow storm. Her concern is that it was called ahead of time rather than waiting until the snow actually fell.

XV. COMMUNICATIONS FROM THE MAYOR –

Nominations:

Ethics Commission
Steven Landstrom – term expiration: 2/1/2023
716 Stanley St.
Ypsilanti, MI 48198

Elizabeth Currans – term expiration: 2/1/2023
915 Woods Dr.
Ypsilanti, MI 48197

Police Advisory Commission
Daquann Harrison (Ward 2)
1118 N. Huron River Dr. #3
Ypsilanti, MI 48198

Gail Wolkoff (Ward 2)
1728 Whittier Rd.
Ypsilanti, MI 48197

Heather Freeling (Ward 1)
422 S. Huron St.
Ypsilanti, MI 48197

Bill Riccobono (Ward 3)
503 Roosevelt Blvd.
Ypsilanti, MI 48197

Kathleen McCormick (Ward 1)
407 Ainsworth Cir.
Ypsilanti, MI 48197

Andy Fanta (Ward 2) ***(Added)***
1221 Westmoorland St
Ypsilanti, MI 48197

Sustainability Commission
Bryan Foley
425 Ainsworth Circle
Ypsilanti, MI 48197

- Stated she would be scheduling the budget sessions soon and will forward potential dates to Council.

  Council Member Murdock stated he would like to see the terms staggered for the Police Advisory Commission. Mayor Edmonds responded she will provide terms on the resolution for approval. Council Member Murdock stated there are no nominations from Ward 3. Ms. Edmonds responded Mr. Riccobono is from Ward 3. Mr. Murdock replied he lives in Ward 2.

  Council Member Bashert stated she has an issue with those that speak during public comment and refuse to give their address. There is a person being nominated for the Ethics Board that did not provide her address during audience participation. If that individual is going to hold other people in the city accountable for their behavior then that needs to be addressed. Mayor Edmonds stated that has been occurring for some months, and Council could discuss how to address that. The reason she has not been enforcing that is because one person felt giving their address provided a safety concern. Ms. Bashert stated a concern regarding public safety might not have come from a mentally healthy place. She feels anonymity encourages toxic behavior that has occurred. Council Member Richardson stated she understands the safety concerns from those who refuse to give their address. Mr. Barr stated under the Open Meetings Act a person taking part in public comment must give their name. By law Council cannot demand a person's address be given, although it can be requested. Ms. Bashert responded she was not talking about the policy in particular, rather she was referencing a person who wishes to sit on the Ethics Board.

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

- Provided his report to Council.

- There has been issues getting information from the County Road Commission regarding the removal of the hidden driveway signs on Hewitt. He has called the managing director and hopes to receive information shortly.

  Council Member Vogt asked if the Road Commission removed the signs. Mr. McClary responded in the affirmative. Mr. Vogt asked the reason for the sign removal. Mr. McClary responded their policy is the Commission will remove any signs they determine are illegal, he is uncertain why the signs were illegal. Mr. Vogt stated the signs were on city property.

- Provided information on the requirement for red recycling bins.

Council Member Murdock stated he does not know why that become a policy for recycling. And when the policy was changed the Department of Public Services did not inform the community of the change.

- Informed Council he provided them a list of upcoming agenda items.

XVII. <u>COMMUNICATIONS</u> –

- Police Staffing Recommendations
- Fire Staffing Recommendations

XVIII. <u>AUDIENCE PARTICIPATION</u> –

1. William Teepen, 718 Laurel, stated he attended a meeting at the Riverside Arts Center regarding the development of a Community Benefits Ordinance. He stated he supports its creation.

XIX. <u>REMARKS FROM THE MAYOR</u> –

Recycling Work Session scheduled for Wednesday, February 21, 2018 at 7:00 p.m. at Spark East, 215 W. Michigan Ave.

XX. <u>CLOSED SESSION</u> –

Resolution No. 2018-040 - Closed session to discuss collective bargaining strategy pursuant to MCL 15.268(c) and an attorney's opinion pursuant to MCL 15.268(e).

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the collective bargaining agreements for the city's AFSCME, COAM, and IAFF bargaining units expired on June 30, 2017; and

WHEREAS, it is necessary for the City Council and city administration to meet and confer periodically in closed session on collective bargaining strategy;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the City Council does hereby approve convening into closed session pursuant to Section 8(c) of the Michigan Open Meetings Act, Public Act 267 of 1976, being MCL 15.268(c), for the purpose of strategy sessions connected with the negotiation of the AFSCME, COAM, and IAFF contracts.

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

On a roll call, the vote to adjourn to Closed Resolution No. 2018-036 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

XXI. BUSINESS FROM CLOSED SESSION –

1. ~~Approval of 2017-2020 AFSCME Collective Bargaining Agreement~~ ***(Removed)***
2. Approval of 2017-2020 COAM Collective Bargaining Agreement

On a roll call, the vote to approve Resolution the 2017-2020 COAM Contract 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

XXII. ADJOURNMENT –

Resolution No. 2018-041, adjourning the City Council meeting.

On a voice vote, the motion carried, and the meeting adjourned at 11:25 p.m.

Draft

CITY OF YPSILANTI
COUNCIL WORK SESSION AGENDA
SPARK EAST, 215 W. MICHIGAN AVE.
WEDNESDAY, FEBRUARY 21, 2018
7:00 P.M.

I. CALL TO ORDER –

The meeting was called to order at 7:04 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 (8:30)		

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-

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

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

VI. AUDIENCE PARTICIPATION -

1. Sue Melke, 330 Chidester #409, stated she lives in a large apartment complex and management does not want recycling because of the mess. She feels recycling should be mandatory and supports any ordinance that would support it.

2. Mark Teachout, 974 Prospect, Ypsilanti Township, stated there is a serious issue with parking in the business districts. He supports the movement of the recycling center not only to increase parking but to avoid losing potential Department of Natural Resources grant funding.

VII. REMARKS FROM THE MAYOR –

- None

IX. PRESENTATION -

Washtenaw County Solid Waste Master Plan - Noelle Bowman, Solid Waste Program Specialist

Evan Pratt, Water Resource Commissioner and the Washtenaw County Public Works Director, provided a presentation regarding regional cooperation.

Council Member Robb stated when Bill Bolo was the Department of Public Services Director he championed these initiatives. The city has this information regarding regional participation and the ability to make it work.

Mayor Edmonds asked where the county is in terms of coordinating with other institutional players. Mr. Pratt responded the solid waste plan will have an implementation committee to provide guidance. The vision is to form a nine person committee that would include institutional representation on potentially three of the seats. The committee would be selected by the Public Works Board.

Mayor Edmonds asked if there is potential for a regional recycling authority. Mr. Pratt responded there is definitely potential for the creation of an authority.

Jeff Krcmarik, Environmental Supervisor, provided a presentation regarding the county solid waste master plan.

Mayor Edmonds asked if the potential public sites for compost are county owned. Mr. Krcmarik responded no, but they are owned by a public entity. Mr. Pratt added the jurisdictions were asked if they were willing to offer land as a possible site. Ms. Edmonds asked for further detail about the proposed site in Ypsilanti Township. Mr. Krcmarik responded Township Hall and Ridge and Clark. Ms. Edmonds asked if there were any locations in the city. Mr. Pratt responded he does not recall, but he doesn't believe so.

Mayor Edmonds asked for additional information regarding schools. Mr. Pratt responded in late 2014 the state offered some grants and the county partnered with Recycle Ann Arbor, the Ecology Center, and Waste Management to provide recycling for schools. The partnership worked through the Washtenaw Intermediate School District (WISD) to provide recycling, but eventually the grant expired. The Board of Public Works reacted very positively to the program, and the decision was made to continue the program using county funds and expand. Currently the program operates in fourteen schools and expect that number to increase to twenty before the end of March. The program exists in three of the eleven of Ypsilanti schools and is expanding to the high school. Ms. Edmonds asked which three schools in Ypsilanti uses the program. Mr. Pratt responded Estabrook, Adams Technical, and Perry School.

Council Member Bashert asked this program can be communicated to the schools in Ypsilanti. An audience member responded Ypsilanti International Elementary School (YIES) has its own program, but the recycling is only intermittently picked up by the city. Mr. Pratt responded he would like a point of contact to work with YIES.

Mayor Edmonds asked if the city already picks up recycling from Ypsilanti schools. Department of Public Services Director Stan Kirton responded Estabrook, Adams Technical, and Perry School. DPS Facilities Manager Chris Simmons stated the county was picking up Estabrooks recycling for some time. Mr. Pratt responded yes, but the bins were frequently empty, possibly because they were being picked up by the city. Ms. Edmonds replied for this reason it makes sense to coordinate these efforts. She asked if education efforts from the Ecology Center could assist the city to coordinate recycling with the school system.

Council Member Bashert asked if paper and metal are easily marketable. Mr. Pratt responded in the affirmative. Ms. Bashert stated she understands there is little market for glass, but is that true for plastics. Mr. Pratt responded in the affirmative. Ms. Bashert asked if the current recyclable is typical for the market. Mr. Krcmarik responded this market is longer term because it is beginning to be a consumer market.

Mayor Edmonds asked where recycling is taken now. Mr. Kirton responded Western Washtenaw in Chelsea. Mr. Simmons replied that is only for curbside recycling not electronics.

Council Member Murdock asked what is done with glass recyclables. Mr. Simmons replied the city needs to review options, but it might have to drop it from the program.

Mayor Edmonds asked if Strategic Materials outside of Indianapolis still the closest processor for glass. Mr. Krcmarik responded there is another processor in Ohio near Cincinnati. Council Member Bashert asked how many people a processor would employ.   Mr. Pratt responded around twelve to fourteen people, but they do use low security prisoner as staff. He explained they do this to manage their labor costs. Ms. Edmonds stated the community she grew up in used individuals with developmental disabilities as employees.

Council Member Murdock stated Ann Arbor used to subsidize the salaries of employees to get them to a living wage.

Council Member Murdock asked if the city picks up recycling for the three schools in the city. Mr. Simmons responded the city has not serviced Perry School for a while, but yes. Mr. Murdock asked why he is receiving communication from YIES that theirs in not being picked up. Mr. Simmons replied he isn't certain but his guess is they are not using the appropriate bin. Mr. Murdock responded he also isn't sure where YIES leaves their recycling, but the best location would be off of Oak. Mr. Pratt suggested meeting to see what is covered and what is not. The city and county could also discuss a transitional plan for the county to take over the servicing of schools. Mayor Edmonds stated with the school systems diversion rate they should be able to see some cost savings with dumpster services. Mr. Pratt responded in the affirmative.

Mayor Edmonds asked who picks up the recycling at the county facilities in the city. Mr. Krcmarik responded he believes it is Advanced Disposal, but not all county facilities have the same contractor.

X. <u>**WORK SESSION -**</u>

Presentation and Discussion Points – Beth Ernat, Economic Development Director

Economic Development Director Beth Ernat provided a presentation regarding the Depot Town Recycling Center.

Mayor Edmonds stated the city could staff an oil drop-off day. Ms. Ernat responded in the affirmative.

Mayor Edmonds asked what kind of structure would be built of the city used a roll off. Ms. Ernat responded there would be no structure with a roll off, the city would only need to build a structure if it decided to maintain a center. Ms. Edmonds asked if there was any consideration to fencing off part of a roll off to screen neighbors from the site. Ms. Ernat responded that would depend on the location.

Council Member Bashert asked about how much recycling is brought to the drop-off center. Council Member Murdock responded around two tons a week. Ms. Bashert asked what that compares to yards. Mr. Simmons responded it is one to one when compacted. Mr. Murdock replied loose recycling would be around fifty yards.

Mr. Kirton stated the city pays $8,000 to $9,000 a year operating the center.

Mr. Simmons it makes more sense to use the resources used for the center to expand the curbside program for commercial and apartment complexes. If the city decides against the center a strategy would need to be developed to handle oil and electronics.

Council Member Murdock stated the people that generally the center are commercial properties are apartment dwellers who do not have recycling services. Mr. Simmons responded in the affirmative. Mr. Murdock added the center is also used for oil, batteries, and electronics. Mr. Simmons responded in the affirmative. Mr. Murdock said if the city did service commercial and apartment complexes it would reduce the use of the center. Mr. Simmons stated when the county develops a regional center it will provide drop-off services. Mr. Pratt stated the proposed regional site should be able to handle those items.

Council Member Bashert stated if oil, batteries, electronics, and Styrofoam are removed from the equation expanding the curbside recycling service to commercial properties and apartment complex it should address the issue. Ms. Ernat stated the item that business produce the most of is cardboard. Mr. Simmons added it doesn't make any sense to bring cardboard to a center that cannot compact it. Council Member Murdock stated the amount of cardboard produced by restaurants is a tremendous amount. Ms. Ernat responded in the affirmative.

Council Member Murdock stated the Department of Environmental Quality (DEQ) might take issue with putting the center at the compost site. The other proposed locations would remove desperately needed parking. Ms. Ernat responded that is what staff is trying to avoid.

Council Member Murdock asked if Styrofoam is still bailed. Mr. Simmons responded in the affirmative.

Mayor Edmonds asked DPS Director Kirton his opinion on the proposed locations and the roll off style. Mr. Kirton responded the use roll offs in the township and it is very difficult to keep the site clean. Ms. Edmonds asked his opinion on proposed locations for the roll off especially the compost site. Mr. Kirton responded it is a possibility. Mr. Simmons responded there is also a park at that location. Ms. Ernat stated staff is also concerned about the debris blowing into the river and causing contamination. She added it would consolidate services and more easily provide surveillance of the site, but it is a parkland. She asked Mr. Pratt his opinion of the location. Mr. Pratt responded there are issues with the site, but the county would not need to provide approval. However, it could still cause issues being awarded DNR grants.

Council Member Bashert asked if a dumpster enclosure recycling drop-off would create an issue with DNR. Ms. Ernat responded it would depend on the enclosures permanence. She asked is it something that could be sustained for two to three years until a regional center is implemented. Council Member Murdock stated a roll off wouldn't leave a big footprint.

Council Member Bashert asked if EMU would be interested in allowing the city space if the city allowed access to their students. EMU Director of Grounds Managements Dieter Otto replied EMU would consider it.

Council Member Murdock asked if it could be placed at the development at Lowell and Huron River Drive. Ms. Ernat responded that could be a possibility, but there could be an issue with access. Mayor Edmonds interjected that location would be not very centrally located. She sees the compost site as the most reasonable until the creation of the regional center. Mr. Murdock asked where at that site would the roll off be placed. Ms. Ernat added a roll off would require a space the size of two and a half parking spots.

DDA Director Joe Meyers stated he has helped to create drop-off sites and a population of around 4,000 would require around ten dumpsters. This keeps the dumpsters from filling too quickly and becoming a nuisance. It does work but you do need in a significant amount of area.

Council Member Bashert asked if this was in a community that offered curbside services. Mr. Meyers responded no, but it was only in a community of 4,000 residents. He does believe this system would work in any of the proposed areas, it would just need to be creative.

Council Member Vogt stated he would assume the stream would be mixed, and not separated into glass, plastic, paper, and other. Ms. Ernat responded a separated stream could be considered, depending on the size and the provider. Mr. Vogt stated smaller bins and a greater are would allow for more flexibility. Mr. Meyers responded in the affirmative.

City Attorney John Barr asked what EMU's recycling process is and if the Ford Lake property would work for the site. Mr. Otto responded EMU uses roll offs for apartments and compactors for larger buildings for all recycling. Ms. Ernat asked what Ford Lake site is Mr. Barr was referring to. Mr. Barr replied the old waste water plant. Council Member Murdock asked if Angstrom would be interested in providing a site. Ms. Ernat responded there is potential for the Angstrom site, but it is a floodway.

Council Member Bashert stated it appears this is the system the city would like to implement. Ms. Ernat responded ultimately that is Council's decision, staff just wanted to provide some options but the recycling center must be moved.

Mayor Edmonds appreciates Mr. Simmons comments regarding were the city should be, but the city needs a system until the county opens the regional center. She asked his opinion on what Mr. Simmons would like to be implemented. Mr. Simmons replied unsupervised drop-off is asking for contamination and illegal dumping. He would more like to see expanding curbside services to commercial properties and apartment complexes. There are challenges but there is a way to coordinate with the complexes to face those issues.

Mayor Edmonds asked to turn the focus of the discussion to commercial and apartment complexes. Ms. Ernat replied through the DDA staff has been speaking with Big Belly, a company that provides solar power, waste and recycling systems, which includes smart stations on the street that communicate with the host. The station measures itself by weight and volume and report to the host when they need to be emptied. Washtenaw Community College (WCC) currently has three sets of the bins, and are looking to expand that contract. If implemented this would replace the open pedestrian cans in the business district. The issue DPS has with the open pedestrian cans is people dump entire trash bags in the cans. Big Belly's receptacles provide a limited open mouth that does not allow a bag of that size. Big Belly only provides five year leases and each receptacles cost $200 a month, which includes maintenance. Currently the DDA is examine potentials ways to finance this service. Mr. Kirton asked if the city would capture any of the advertising revenue. Ms. Ernat responded that has not been a part of the conversation.

Council Member Murdock stated there are fifty-six bins in the DDA area and this program would cost well over $100,000. Ms. Ernat responded the number of bins would be reduced substantially based on the recommendation of Big Belly. The cost per month for the downtown only would be $5,000. Mr. Murdock stated DPS would still be responsible for unloading the bins. Ms. Ernat responded in the affirmative. Mr. Murdock stated so the city would not save $20,000. Ms. Ernat replied providing public recycling is a decision of Council.

Mayor Edmonds stated the open bins currently used create an issue with litter and recycling is not offered in the downtown. Council Member Murdock stated this will not reduce litter, is a can is not within arm's length some people will drop it on the ground.

Mr. Kirton stated now DPS uses one truck to empty the pedestrian cans, and this will require two trucks; one for recycling and one for rubbish. Ms. Ernat replied in the affirmative. Mayor Edmonds stated trucks are already on that route. Mr. Kirton replied but it would increase time because the trucks would still need to stop.

Council Member Bashert stated the question is if the city wants to provide pedestrian recycling. Council Member Murdock stated he is more interested in expanding the recycling program and remove real material out of the waste. Mayor Edmonds stated she is interested in maintaining the look of the downtown and business districts, and trash is a real problem.

Council Member Bashert stated expanding the city's recycling and ask multifamily properties to add recycling to their services. Council is being told ultimately this will increase the cost of housing. If the city asks landlords to increase its services but the city is not willing to increase its services will cause an issue. Council Member Murdock replied the city requires multifamily buildings to provide trash. Ms. Bashert replied the city provides that service. She thinks the proposition of provided pedestrian recycling is positive and she would like to find money in the budget to provide it. Council Member Robb stated the city is trying to solve these problems with outrageously expensive ideas. If Council wants to provide recycling downtown it can be done without a $200 a month lease. He suggested purchasing a bin as a pilot and see if it is used. Mayor Edmonds stated the city can commit to only a couple of Big Belly bins as a pilot to see if the program is successful. Ms. Bashert added the city could also tryout other less expensive options. Ms. Ernat replied the open containers do cause issues with litter. Ms. Bashert asked if the city could purchase a container with a small mouth that does not provide these services. Mr. Meyers stated this company has a non-compacting version at a lower cost. Ms. Bashert responded she likes the idea, but does not want to jump into it citywide. Ms. Ernat suggested the city's parks as an ideal location for a pilot of this receptacles.

Ms. Ernat stated if the city uses private services for recycling in the commercial districts they will require dumpsters and access to those dumpsters. Many of the apartments do not have driveways, nor a location on the lot for enclosures. Consideration must be given to how those pick-ups would be made. Council Member Murdock stated most of the multifamily dwellings would be serviced by curbside prick-up.

Council Member Murdock stated as the city mandates commercial and multifamily properties provide trash services it should include recycling services. Where it gets complicated is the city provides some of those services, and how it is defined on who gets those services. He suggested implementing this program in phases to minimize blow back. He stated this would require the city rewrite its solid waste ordinance, and define what commercial is and what apartments are.

Mayor Edmonds asked what kind of containers Stadium Meadows is using. Mr. Kirton responded ninety-six gallon containers. Council Member Murdock stated he was not considering the city paying for that service. Council Member Robb added the city cannot afford to provide that service to commercial properties and apartment complexes. Ms. Edmonds asked if the city should get out of being the recycling hauler. Mr. Kirton responded the city reviewed that possibility, but costs were relatively the same.

Mayor Edmonds asked what the difference is between picking up cardboard at a restaurant and an eight unit apartment building. Mr. Simmons replied there is potential to add those properties, but staff is already pretty taxed at this point. If the drop-off were to close that provides two extra days of staff and a truck to increase services. He added when you begin a service it is not really a pilot, because once it starts the city is not going to take it away from businesses.

Council Member Bashert asked the City Manager his perspective on the pig picture of the city's solid waste program. City Manager McClary responded he has not had any particular experience with this issue, but there are some missing pieces. There are legal questions of what the city can require, and how those requirements are structured. He asked the first question the city needs to ask is what the goal is, and how much the city is willing to invest in it. Mayor Edmonds stated to her it is providing basic services to residents of the city. Mr. McClary responded the discussion Council has been having is to require this, but the city will not fund the program. Ms. Edmonds replied the goal is to make sure this service is offered to residents, and who will perform the actual work. Residents of the larger multifamily properties pay taxes for these services included in their rent, and do not receive them. This has been a complaint for renters in the larger complexes. Mr. McClary stated the economic equity of the service is a valid point. Council Member Murdock asked if the suggestion is to provide the service for those properties. Mr. McClary responded hi is hearing opposing viewpoint, and is not making a suggestion for either stance.

Council Member Murdock stated the reason for offering recycling is to keep it out of the landfill and reduce greenhouse gas. If it was about money the city wouldn't be providing curbside services. However, the city does not have the ability to provide this service to those properties. Mayor Edmonds suggested multifamily properties with six to eight units can use curbside, and personnel is freed up by closing the center the city could expand services to this properties. Mr. Pratt suggested a franchise hauling and requiring commercial and multifamily to join the franchise. He added everything that goes to recycling reduces the city's tip fee at the landfill, and that is where the city will see savings. Mr. McClary responded if the city follows that model and absorbs the cost it would find an issue with BOLT. He added the city can only level three mils for rubbish collection services, and if the cost goes over that threshold the General Fund has to pay the difference. Mr. Barr stated legally the city does not have to provide rubbish services, but it would be difficult to tell citizens they must pay for their own services. Mr. Murdock responded the city does require that property owners have their rubbish picked up. Mr. McClary stated a tax does not have to be fair, the city can decide to provide services for certain property types in the city and not others. If the city charged a fee on top of the 3 mils it collects it would be illegal.

Council Member Bashert stated she has heard from many renters they would like to recycle, and resent not being issued a bin because the live in a building with more than three units. She asked if an analysis if there is a demand to expand services. Mayor Edmonds stated if there was to be a study it should be to run scenarios and provide logistics and costs.

Council Member Murdock stated he believes there is a demand, but if there is not publishing a notification of the program will create the demand. The city can create a system to address that demand and it can be done without doubling the cost to the city. Mayor Edmonds responded she does not believe she has a complete understanding of what the costs are. Mr. Murdock stated if the areas not serviced were added to the program it would require another truck and crew to operate it. Council Member Bashert stated she would like to explore the possibility of the city expanding the program.

Council Member Vogt stated he would like to focus on what to do with the recycling center. The other areas of concern there is further analysis to what can be done feasibly. It is very problematic to go after the larger business to pay more to collect recycling. He said if the city is going to require more properties recycling it has to be in the city's control. He said the city might need to rethink its entire solid waste program. It goes back to the question of what the city wants to accomplish. He suggested the city should experiment with different strategies to keep the cost down, or accepting the cost inhibit the city expanding its program. He does not think Council is close to making those decisions. Mayor Edmonds stated if the recycling center is closed staff was discussing expanding curbside services. Mr. Vogt responded staff should examine a one to three year temporary location and complete these analyses. Mr. Simmons stated his concern with a temporary location is contamination and illegal dumping. Mr. Vogt asked if the city is better off doing nothing at the moment. Mr. Simmons responded then buildings with more than four units would not have service. Mr. Vogt asked if concern with contamination could be mitigated if a drop-off site were managed. Ms. Edmonds stated staff has been researching potential location for years with no good prospects. Mr. Vogt asked if the city could purchase land outside of the city.

Council Member Murdock stated he sent an email today that included several ordinances from other communities requiring commercial properties and larger apartment complex provide their own recycling. He agrees with Council Member Vogt that Council needs to make a decision on what to do with the recycling center. By removing the center it would provide some additional parking for Depot Town. Mayor Edmonds agreed, but asked should it be closed, moved, or closed with a different option taking its place. Council Member Bashert replied the center should be closed and a roll off be created at a different location. In the best case this would be a two to three years solution, or a worst case scenario of three to five years. Council Member Vogt stated there must be a solution on how to run a roll off effectively.

Council Member Vogt stated he lives at Stadium Meadows, and asked what kind of contamination DPS is seeing with the ninety-six gallon recycling containers. Mr. Simmons stated those containers often have regular trash bags inside them. Mr. Vogt suggested improved signage and an additional container that lists what can be put in it.

Council Member Bashert stated if Council approves a roll off it should be secured with surveillance cameras. She suggested a memorandum of understanding with EMU and exploring the compost center as potential locations for a roll off. Council Member Murdock added staff should begin getting estimates for reviewing the existing site.

Council Member Richardson suggested a partnership with EMU.

Council Member Robb stated he thought this was going to be a simpler process. He suggested following the ordinance in Boston that requires landlords provide recycling services for their tenants. Once that happens there is no issue and the recycling center should just be closed. He asked if there is interest in the city picking up recycling for multiple family buildings. Mayor Edmond responded it depends on the cost, she asked staff to complete a cost analysis. Council Member Murdock asked if she is interested in expanding costs passed what the millage funds. Ms. Edmonds responded potentially. Mr. Murdock replied the cost will be greater than what the city currently provides, and what the city does now does not cover costs. Mr. McClary added last year's budget the city was funding around $100,000 out of the General Fund for solid waste.

Council Member Richardson stated if the city requires multi-housing units to fund their own recycling rents will increase. That will be counterproductive to keeping housing affordable in Ypsilanti. Council Member Murdock stated the inspection program does the same thing, perhaps the city should cease inspections. Ms. Richardson stated she does not want people to be priced out of Ypsilanti.

Mayor Edmonds stated she supports providing recycling services to multifamily structures other than complexes.

Mr. McClary asked what specifically the direction to staff is. Mayor Edmonds responded removing the recycling center, move to a roll off system for the short term and explore two sites, EMU and the compost and an analysis of costs for providing this services. Council Member Murdock added he would like an ordinance developed that required commercial properties and multifamily apartments to provide recycling services. Ms. Edmonds suggested staff examine the model ordinances Council Member Murdock forwarded. Mr. McClary stated shouldn't Council provide parameters of what they would like the ordinance to include prior to staff creating one. Council Member Robb interjection the only item that would be distinguished from the template ordinance is what is the unit threshold. Council Member Bashert stated she would like to know the costs before developing an ordinance.

Council Member Robb asked for information regarding the Republic Contract. He asked how many stops Republic is paid to make in the city. He would also like to know how many four unit structures, five unit structures, six unit structures, seven unit structures, eight unit structures, nine unit, and ten and above exist in the city. He asked how many addresses are serviced by Republic per the contract. He said the Attorney's Office should be drafting the units because the only variable is the number of units that will be subject to the ordinance. That will determine what costs will be to the city. Mr. Kirton stated the contract has a number of stops although it might not be the exact number.

XI. AUDIENCE PARTICIPATION –

None

XII. REMARKS FROM THE MAYOR –

None

XIII. ADJOURNMENT –

Council Member Bashert moved, seconded by Mayor Pro-Tem Brown to adjourn the meeting.

On a voice vote, the motion carried, and the meeting adjourned at 10:06 p.m.

REVISED
Resolution No. 2018 – 048
March 6, 2018

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**	**EXPIRATION**
Steven Landstrom 716 Stanley Ypsilanti, MI 48198	Ethics Commission	2/1/2023
Elizabeth Currans 915 Woods Dr. Ypsilanti, MI 48197	Ethics Commission	2/1/2023
~~Daquann Harrison (Ward 2)~~ ~~1118 N. Huron River Dr. #3~~ ~~Ypsilanti, MI 48198~~	~~Police Advisory Commission~~	~~TBD~~
~~Gail Wolkoff (Ward 2)~~ ~~1728 Whittier Rd.~~ ~~Ypsilanti, MI 48197~~	~~Police Advisory Commission~~	~~TBD~~
~~Heather Freeling (Ward 1)~~ ~~422 S. Huron St.~~ ~~Ypsilanti, MI 48197~~	~~Police Advisory Commission~~	~~TBD~~
~~Bill Riccobono (Ward 3)~~ ~~503 Roosevelt Blvd.~~ ~~Ypsilanti, MI 48197~~	~~Police Advisory Commission~~	~~TBD~~
~~Kathleen McCormick (Ward 1)~~ ~~407 Ainsworth Cir.~~ ~~Ypsilanti, MI 48197~~	~~Police Advisory Commission~~	~~TBD~~
Bryan Foley 425 Ainsworth Circle Ypsilanti, MI 48197	Sustainability Commission	5/1/2021

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

Resolution No. 2018-049
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, there is a lack of funding for cleaning up contaminated sites throughout Michigan; and

WHEREAS, Michigan's recycling rate at 15% is one of the lowest in the nation; and

WHEREAS, Governor Snyder has proposed a plan to address critical environmental needs for brownfield site clean-up, waste management and recycling; and

WHEREAS, Governor Snyder's plan calls for the increase in landfill tipping fee from $0.36 per ton to $4.75 per ton to provide $79 million annually; and

WHEREAS, Revenue generated from this fee would bolster critical environmental protection programs, including:

- Remediate and Redevelop Existing and Future Contaminated Sites ($45 million)
- Solid Waste Management ($9 million)
- Recycling Grants to triple Michigan's Recycling Rate ($15 million)
- Water Quality Monitoring Grants ($5 million)
- State Park Infrastructure ($5 million)

THEREFORE BE IT RESOLVED that the City Council of the City of Ypsilanti supports Governor Snyder's Environmental Initiative and urges its passage by the state legislature; and

FURTHER RESOLVED that this resolution be forwarded to Governor Rick Snyder, Senator Rebecca Warren, Representative Ronnie Peterson and Kirk Profit.

OFFERED BY: ______________________________

SUPPORTED BY: ______________________________

YES: NO: ABSENT: VOTE:

Resolution No. 2018-050
March 6, 2018

RESOLUTION TO APPROVE THE WASHTENAW COUNTY SOLID WASTE MANAGEMENT PLAN 2017 AMENDMENT

WHEREAS, Part 115 of the Natural Resources and Environmental Protection Act, 194 PA 451, as enforced by the Michigan Department of Environmental Quality (MDEQ), requires each Michigan County to have a Solid Waste Management Plan to assure that solid waste generated in the county is collected and recovered, processed or disposed of for a ten-year period at facilities that comply with state laws and rules; and

WHEREAS, in furtherance of the statutory requirements, the Washtenaw County Board of Commissioners appointed a 14-member Solid Waste Planning Committee in August 2015 to amend Washtenaw County's 1999 Solid Waste Management Plan; and

WHEREAS, pursuant to Michigan statute, the draft Solid Waste Management Plan amendment was opened to a lengthy and robust public comment period, held from April through October 2017; and

WHEREAS, the Plan language promotes municipal and residential coordination and collaboration with Washtenaw County to provide integrated solid waste management programs and policies that emphasize waste prevention, reduction, recycling and composting; and

WHEREAS, On December 6, 2017, the Washtenaw County Solid Waste Management Plan 2017 Amendment was formally approved by the Washtenaw County Board of Commissioners and will next be presented to the 28 jurisdictions within Washtenaw County for their consideration and action of approval prior to submittal to the Michigan Department of Environmental Quality for final approval.

NOW, THEREFORE, BE IT RESOLVED, that the Ypsilanti City Council supports the Washtenaw County Solid Waste Management Plan 2017 Amendment; and

BE IT FURTHER RESOLVED, that the Ypsilanti City Council approves the Washtenaw County Solid Waste Management Plan 2017 Amendment, and supports the Plan being submitted to the Michigan Department of Environmental Quality for final approval.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

BOARD OF PUBLIC WORKS

705 North Zeeb Road
P.O. Box 8645
Ann Arbor, MI 48107-8645

Phone: (734) 222-6860 Fax: (734) 222-6803

www.ewashtenaw.org/publicworks

EVAN N. PRATT, P.E.
Public Works Director

January 25, 2018

Dear Municipal Representative,

The Washtenaw County Solid Waste Planning Committee has amended the state-mandated Solid Waste Management Plan ("Plan"), required for each county in Michigan by Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act (Act 451). For your review, Washtenaw County's amended Plan document can be accessed online at www.ewashtenaw.org/publicworks.

The main purpose of county solid waste plans is to protect public health, assure adequate disposal capacity for all waste generated within county borders, and to establish goals for waste prevention & recycling. The amendment process for Washtenaw's Plan spanned over two years, involving a broad range of public and stakeholder engagement, including local government representatives. A particular effort was made to keep local governments informed and engaged. Our public information program included a web site to host committee proceedings, presentations to local communities and groups, and a public comment period from April to October 2017.

The Plan includes goals and objectives, and promotes services expansion to increase waste diversion over the next decade. To guide Plan implementation, a Plan Advisory Committee (PAC) will be formed, which will provide opportunity for continued involvement by local municipalities and businesses throughout the Washtenaw County.

The Plan has been approved unanimously by the Solid Waste Planning Committee, the Board of Public Works, and the Board of Commissioners. Now, Washtenaw County is required to seek approval from municipalities within Washtenaw County. Upon receiving approval from at least 67% of local municipalities, the Plan will be submitted for final approval to the Michigan Department of Environmental Quality.

For your convenience, I have included a resolution for consideration by your municipal decision-making body. I am requesting that this resolution be added to the agenda of an upcoming council or board meeting for your city, township or village. **We aim to reach all twenty-eight municipalities in February – May, 2018.**

If, upon review of the Plan and accompanying resolution, you have questions or would like to arrange for a county presentation or to otherwise attend your municipal meeting to answer questions, please feel free to contact me or Noelle Bowman at (734) 222-6821. Thank you in advance for your attention to this matter.

Sincerely,

[redacted]

Jeff Krcmarik
Environmental Program Supervisor
(734) 222-6865
krcmarij@ewashtenaw.org

A *[DRAFT]* RESOLUTION TO APPROVE THE WASHTENAW COUNTY SOLID WASTE MANAGEMENT PLAN 2017 AMENDMENT

WHEREAS, Part 115 of the Natural Resources and Environmental Protection Act, 194 PA 451, as enforced by the Michigan Department of Environmental Quality (MDEQ), requires each Michigan County to have a Solid Waste Management Plan to assure that solid waste generated in the county is collected and recovered, processed or disposed of for a ten-year period at facilities that comply with state laws and rules; and

WHEREAS, in furtherance of the statutory requirements, the Washtenaw County Board of Commissioners appointed a 14-member Solid Waste Planning Committee in August 2015 to amend Washtenaw County's 1999 Solid Waste Management Plan; and

WHEREAS, pursuant to Michigan statute, the draft Solid Waste Management Plan amendment was opened to a lengthy and robust public comment period, held from April through October 2017; and

WHEREAS, the Plan language promotes municipal and residential coordination and collaboration with Washtenaw County to provide integrated solid waste management programs and policies that emphasize waste prevention, reduction, recycling and composting; and

WHEREAA, On December 6, 2017, the Washtenaw County Solid Waste Management Plan 2017 Amendment was formally approved by the Washtenaw County Board of Commissioners and will next be presented to the twenty-eight jurisdictions within Washtenaw County for their consideration and action of approval prior to submittal to the Michigan Department of Environmental Quality for final approval.

NOW, THEREFORE, BE IT RESOLVED, that ***[INSERT name of municipal governing body here]*** supports the Washtenaw County Solid Waste Management Plan 2017 Amendment; and

BE IT FURTHER RESOLVED, that ***[INSERT name of municipal governing body here]*** approves the Washtenaw County Solid Waste Management Plan 2017 Amendment, and supports the Plan being submitted to the Michigan Department of Environmental Quality for final approval.

Basic Framework for a Community Benefits Ordinance

A Community Benefits Ordinance must include many important details around issues of how much support must a developer seek from the city to trigger the Community Benefits Process, who represents the community in negotiating with a developer, what must the developer and community discuss, and how is a Community Benefits Agreement enforced. The below elements provide a starting framework for developing the details of a Community Benefits Ordinance – one that allows authentic community input and voice in the development process. These elements set the basic character for an ordinance. They were developed out of many conversations include three open town hall meetings facilitated by REDY (Rising for Economic Democracy in Ypsilanti.

Community Representation

Informing the community of a development that triggers the Community Benefits process and selecting a representative team to negotiate with the developer is a complex subject with many important and necessary details. Below is a starting framework for community representation.

1. **Meetings of the community form the basis for negotiation** – the CBO representation process will begin with one or more open meetings held in the community for residents to learn about the proposed development, set general priorities and goals, and select representatives for a negotiating team. As the negotiating team talks with the developer any proposed agreements will be taken back to the larger community meeting for input.

Key ordinance details must include:

- How the community meetings are publicized
- Requirements for a quorum
- Basic methods and facilitation for how community meetings are run
- Time tables

2. **The Majority of the Negotiating Teams is Elected Out of the Community Meeting Process** – the team could include appointed members and non-voting members who contribute technical expertise. However, the majority of voting members should be chosen out of the community meetings.

3. **The Negotiating Team must reflect the diversity of Ypsilanti** –The elected positions on the negotiating team should include a balance between residents from each ward and residents who live near the specific development. The nomination process, election, and any appointed membership should be used to ensure that the negotiating team best reflect Ypsilanti's diversity by race, class, and age and that vulnerable populations are represented.

Mandatory Subjects for Discussion

Negotiations between the developer and the community negotiating team must discuss the following topics. They may discuss other issue by mutual agreement. If both sides feel that a particular subject is not relevant to the proposed development they can agree to put that particular subject aside.

- **Local hiring** -including workers living within the city and the county.
- **Prevailing and Living Wages** – Prevailing wage levels are determined by government measurements of the dominant wage scales paid for various construction trades in a region. Agreeing to pay prevailing wages ensures that a developer's contractors follow the wage scales prevailing in our region rather than using low-wage contractors who often bring in workers from other states. Ypsilanti has a Living Wage Ordinance that requires companies which receive contracts or financial support from city government to pay workers above the Federal Poverty Guidelines for a family of four.
- **Environmental mitigations and environmental impact study**.
- **Assessment of the development's impact on public services**
- **Neighborhood amenities and infrastructure** – may include developer contributions to a community development fund.
- **Affordable housing**
- **Access to public transit**
- **Community representation and input** during and after the development process.

Resolution No. 2018-051
March 6, 2018

A RESOLUTION SUPPORTING THE DISPLAY OF THE TRANSGENDER PRIDE FLAG

WHEREAS, no federal or state of Michigan law currently prohibits discrimination based on gender identity in employment, housing, or public accommodations; and,

WHEREAS, the state of Michigan's own Department of Civil Rights has concluded that anti-LGBT discrimination "exists and is significant" and that such discrimination has "direct negative economic effects on Michigan"; and,

WHEREAS, discrimination impedes the city of Ypsilanti and the state of Michigan's ability to attract and retain talented, hard working, determined people and by extension economic growth and prosperity; and,

WHEREAS, in the absence of state action by Michigan's legislature forty-two Michigan communities, including the city of Ypsilanti, have enacted local, comprehensive nondiscrimination ordinances; and,

WHEREAS, March 31 has been recognized annually as "Transgender Day of Visibility" since 2009 when Michigan transgender activist Rachel Crandall founded the observance; and,

WHEREAS, recent action by the Trump administration withdrawing federal guidance on the rights of transgender students at school make it more important than ever for communities to speak out in support of these students,

NOW, THEREFORE, BE IT RESOLVED, that in recognition of "Transgender Day of Visibility" and in solidarity with and support of transgender people across the United States, the city of Ypsilanti shall fly the transgender pride flag on Friday, March 30, 2018.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

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

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John M. Barr
Karl A. Barr
Daniel J. DuChene

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

REQUEST FOR LEGISLATION

DATE: March 1, 2017

FROM: Dan DuChene, Assistant Ypsilanti City Attorney

SUBJECT: Municipal Services Agreement – Towne Centre

SUMMARY/BACKGROUND:

Before City Council is a proposed Municipal Services Agreement between Jonathan Rose Companies (d.b.a Towne Centre Place Associates Limited Dividend Housing Association) and the City of Ypsilanti. This is tied to the PILOT ordinance separately before City Council for consideration. I would refer councilmembers to the RFL and attachments for the PILOT ordinance for additional background information.

As previously discussed during the recent amendments to the Code concerning existing PILOT ordinance, the City has a similar arrangement with regard to Chidester Place. The Municipal Services Agreement provides for an additional $20,000 in annual revenue to the City, adjusted for inflation, in addition to the revenue generated by the PILOT payment. The difference between the two revenue streams is that the PILOT payment collected by the City is required by state law to be distributed to the several units that levy property taxes. There is no such requirement for the payment under the Municipal Services Agreement. Additionally, the agreement calls for a one-time payment to the City of $500 within 30 days of execution to serve as a reimbursement to the City for its costs in drafting and preparing the documents.

RECOMMENDED ACTION: Review and consideration

DATE RECEIVED:________________ AGENDA ITEM NO.__Resolution No. 2018-052___

CITY MANAGER COMMENTS: ____

FOR AGENDA OF:____________ FINANCE DIR. APPROVAL: ______________________

COUNCIL ACTION TAKEN:____

Resolution No. 2018-052
March 6, 2018

RESOLUTION APPROVING MUNICIPAL SERVICES AGREEMENT WITH TOWNE CENTRE PLACE LIMITED DIVIDEND HOUSING ASSOCIATION

WHEREAS, Jonathan Rose Companies (d.b.a. Towne Centre Place Limited Dividend Housing Association) recently acquired controlling interest in the affordable senior apartments known as Towne Centre Place; and

WHEREAS, the new owners are interested in refinancing its MSHDA debt with HUD financing, which would require the City Council to adopt a new PILOT ordinance; and

WHEREAS, the proposed PILOT ordinance for the project references and incorporates a Municipal Services Agreement between the City and the owner of the property; and

WHEREAS, City Council has reviewed and adopted the proposed PILOT ordinance on first reading; and

WHEREAS, the attached Municipal Services Agreement is only in effect so long as the PILOT ordinance is also in effect, and vice versa;

NOW THEREFOR BE IT RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that the attached Municipal Services Agreement is approved and that the Mayor and City Clerk are authorized to sign and execute the agreement, subject to the review and approval of the City Attorney.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

MUNICPAL SERVICES AGREEMENT

This Municipal Services Agreement ("Agreement") is made by and between the City of Ypsilanti, a Michigan home rule city of One South Huron Street, Ypsilanti, MI 48197 ("City") and Towne Centre Place Associates Limited Dividend Housing Association, a Michigan limited partnership of 401 W Michigan Avenue, Ypsilanti, MI 48197 ("Owner") on this, the ______ day of ________________________, 20____.

RECITALS

A. Owner is the owner of a certain senior citizen residential rental development serving the needs of low and moderate-income persons located in the City and presently known as Towne Centre Place, upon property legally described as set forth in Attachment A hereto ("Development").

B. In connection with the marketing and operation of the Development and in order to more effectively manage its insurance costs, Owner desires to provide certain on-going funding in order to assist City in the continuing enhancement and improvement of its various public services related to the public health and safety.

C. Contemporaneous with the approval of this Agreement, the City has adopted Ordinance No. _______, entitled the City of Ypsilanti Tax Exemption Ordinance-Towne Centre ("Ordinance"), which provides for the payment by Owner to City of an annual service charge in lieu ad valorem property taxes pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) ("PILOT").

D. Owner also desire to provide additional assurances for the collection of payments being made in lieu of taxes.

E. City is prepared to accept such funding upon the terms and conditions set forth herein.

AGREEMENT

Now, therefore, the parties agree as follows:

1. Owner shall tender the sum of Twenty-Thousand ($20,000.00) Dollars ("Services Improvement Fee") on July 1 of each year the City for the purposes of enhancing and improving those municipal services which address the public health and safety needs of the residents of Ypsilanti ("Services").

2. This Agreement shall commence as of January 1, 2019. For each successive year thereafter for the term hereof, the Services Improvement Fee shall be adjusted

annually based on the changes in the Consumer Price Index published by the U.S. Department of Labor, or its successive agency, for the Detroit-Ann Arbor-Flint area for the proceeding calendar year.

3. The nature and extent of the Services and the timing and method of the application of the Services Improvement Fee shall be in the sole, final, and absolute discretion of the City. The parties agree that there are no actual implied obligations of disclosure regarding the nature or application of the subject payments.

4. Owner releases City from any claims of whatsoever kind, direct or indirect, related the Services, the Services Improvement Fee, or this Agreement.

5. Owner agrees that any year Owner fails to pay the Services Improvement Fee as required herein, the amount of the PILOT required under the Ordinance shall increase to ten (10%) percent of the Annual Shelter Rents/Contract Rents, as defined by the Ordinance, actually collected by Owner during that operating year. According to the Ordinance as adopted, the PILOT is due annually on or before April 15 following every operating year.

   Alternatively, in the sole, final, and absolute discretion of the City, Owner agrees that in the event of Owner's failure to tender payment of the Services Improvement Fee on or before the date due, the City may seek and obtain a judgment for the past due sum in the courts of Washtenaw County. Owner agrees to the jurisdiction and venue of said courts.

6. Within 30 days of the execution of this Agreement, Owner shall pay to the City Five-Hundred ($500.00) Dollars for reimbursement of its expenses in drafting and reviewing this Agreement.

7. Owner shall pay or reimburse City for all of the City's actual costs, reasonable attorney fees, and expenses incurred in connection with the enforcement of this Agreement.

8. The term of this Agreement shall be conterminous with the period of exemption under the Ordinance, as defined by the Ordinance.

9. This Agreement shall be governed by and construed in accordance with the laws of Michigan.

10. This Agreement shall be binding on Owner, its successors, and its assigns.

11. The various sections and provisions of this Agreement shall be deemed to be severable. Should any section of this Agreement be declared by any court of competent jurisdiction to be invalid, the same shall not affect the validity of the Agreement as a whole or any section or provision of this Agreement other than the provision so declared to be invalid; provided, however, that any such determination of invalidity shall be deemed to terminate the Ordinance.

IN WITNESS WHEREOF, the undersigned have set their hands:

TOWNE CENTRE PLACE ASSOCIATES LIMITED DIVIDEND HOUSING ASSOCIATION	CITY OF YPSILANTI
BY: __________________________ Print: Its:	BY: __________________________ Amanda Edmonds Mayor
APPROVED AS TO FORM: ____________________________ JOHN M. BARR P-10475 Ypsilanti City Attorney	BY: __________________________ Frances McMullan City Clerk

ATTACHMENT A

Commencing at the northeast corner of Lot 15 of "Assessor's Plat No. 5" 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.

Commonly known as Towne Centre Place, 401 West Michigan Avenue, Ypsilanti, Michigan.

Property Tax ID#: 11-11-39-125-001

Resolution No. 2018-053
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the success of Depot Town has created parking issues in and around Depot Town; and

WHEREAS, there is a need to relocate the Recycling Center in Depot Town; and

WHEREAS, Failure to relocate the recycling center will jeopardize several state grants; and

WHEREAS, the Rice Street Parking area is badly in need of reconstruction; and

WHEREAS, there is a need for increased parking in the Depot Town area.

THEREFORE BE IT RESOLVED that the City partner with the Depot Town Downtown Development Authority to contract for design concepts and cost estimates for removing the recycling center and redesigning and expanding parking along Rice Street between Cross and Forest Street including the possibility of relocating Rice Street.

OFFERED BY: ____

SUPPORTED BY: ____

YES: NO: ABSENT: VOTE:

REQUEST FOR LEGISLATION
March 6, 2018

To: Honorable Mayor and Ypsilanti City Council

From: Darwin D. P. McClary, City Manager

Subject: CITY COUNCIL 2017-18 GOALS AND BUDGET PRIORITIES

SUMMARY & BACKGROUND:

In January and February, the city council completed its goal setting process. The council initially identified a serious of goals and objectives related to the sustainability categories of SOCIAL, ECONOMIC, AND ECOLOGICAL. Five council members prepared lists of their priority goals and objectives for the February 20 council meeting, and council requested that the City Manager compile a final list of priorities, as well as those that can be removed from the list of goals.

Based on the direction provided by council, the City Manager identified the council's priorities by reviewing each council member's priority list and determining which goals and objectives were selected by at least 3 council members. The results are as follows:

SOCIAL – Goal #1 – Improve Working Condition, Morale, and Staff Relationships with City Government

- Add staff in the public safety area (police department, fire department, public safety) (4)

SOCIAL – Goal #2 – Enhance Communication between City Government and Residents

- Evaluate technology to enable high-quality live-streaming of City Council meetings (3)

SOCIAL – Goal #3 – Enhance Performance of Public Safety Functions

- Hire 1-2 more police officers and 1-2 more firefighters (4)
- Hire more employees in order to help the city with code enforcement and with building inspections (4)
- Enhance training for public safety employees (3)

ECONOMIC – Goal #4 – Balance the Budget for the Next Fiscal Year

- None

ECONOMIC – Goal #5 – Make Progress on Longer-Term Fiscal issues Confronting City

- Look into municipal management software as a technology upgrade, with a goal of saving on labor costs, improving communication, and reducing use of Iron Mountain storage (3)

ECOLOGICAL – Goal #6 – Address Ecological Issues Facing the City

- Move recycling center as a way to open more grant options for the city (4)
- Give more TLC to the park system (5)

Some council members prepared their own final list of goals and objectives that did not follow the format previously prepared by council. The City Manager attempted to place them in the appropriate categories if possible.

The City Manager recommends that the city council remove all draft goals and objectives that were not selected by at least 3 council members. Attached is a copy of the tally sheet of the goals and objectives for the information of council.

PREVIOUS COUNCIL ACTION: January/February 2018 – City council discussed and prioritized goals and objectives and budget priorities.

FINANCIAL IMPACT: To be determined

RECOMMENDED ACTION: Approve the city council 2018-19 goals, objectives, and budget priorities as presented.

ATTACHMENTS: Goals and Objectives Tally Sheet

CITY MANAGER APPROVAL: DDPM **COUNCIL AGENDA DATE:** 03/06/18

CITY MANAGER COMMENTS: Approve the goals, objectives, and budget priorities as presented.

FISCAL SERVICES DIRECTOR APPROVAL: ______________________________

Resolution No. 2018 - 026
February 6, 2018
(postponed)
February 20, 2018
March 6, 2018

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, Section 5.02 of the City of Ypsilanti Charter requires the city council to instruct the City Manager concerning the priorities of the City that the budget for the next year must address; and

WHEREAS, to comply with the city charter, the city council undertakes a goal setting process annually to identify its goals, objectives, and budget priorities; and

WHEREAS, the city council has identified its goals, objectives, and priorities for ensuing Fiscal Year 2018-19;

NOW THEREFORE BE IT RESOLVED BY THE CITY OF YPSILANTI that the city council does hereby instruct the City Manager to address the following priorities of the city in preparing the proposed budget for Fiscal Year 2018-19:

SOCIAL SUSTAINABILITY – Goal #1 – Improve Working Condition, Morale, and Staff Relationships with City Government

- Add staff in the public safety area (police department, fire department, public safety)

SOCIAL SUSTAINABILITY – Goal #2 – Enhance Communication between City Government and Residents

- Evaluate technology to enable high-quality live-streaming of City Council meetings

SOCIAL SUSTAINABILITY – Goal #3 – Enhance Performance of Public Safety Functions

- Hire 1-2 more police officers and 1-2 more firefighters
- Hire more employees in order to help the city with code enforcement and with building inspections
- Enhance training for public safety employees

ECONOMIC SUSTAINABILITY – Goal – Make Progress on Longer-Term Fiscal Issues Confronting City

- Look into municipal management software as a technology upgrade, with a goal of saving on labor costs, improving communication, and reducing use of Iron Mountain storage

ECOLOGICAL SUSTAINABILITY – Goal – Address Ecological Issues Facing the City

- Move recycling center as a way to open more grant options for the city
- Give more TLC to the park system

OFFERED BY: ___________________________________

SUPPORTED BY: _________________________________

YES: NO: ABSENT: VOTE:

Report to Ypsilanti City Council on Goal-Setting Sessions

January 26, 2018

Prepared by

Jeffrey L. Bernstein
Department of Political Science
Eastern Michigan University

Sustainability Category: SOCIAL

Goal #1: Improve Working Conditions, Morale, and Staff Relationships with City Government

- Add staff in the public safety area (police department, fire department, public safety) – HIGH PRIORITY, HIGH IMPACT; AE/LR/DN/BB/
- Conduct audit of city staffing levels in order to determine optimal staffing levels, wage levels, and technology needs for each department – HIGH PRIORITY, HIGH IMPACT; BB/
- Find ways to increase compensation for city employees, both those who are bargained for and those who are not; LP/BB/
- Increase staffing in the City Clerk's office; LP/
- Implement customer-service training for city employees; AE/

Sustainability Category: SOCIAL

Goal #2: Enhance Communication between City Government and Residents

- Evaluate technology to enable high-quality live-streaming of City Council meetings; AE/BP/AB
- Identify media outlet for eastern part of Washtenaw County that can put news from the city out into the community; LR/
- Continue and enhance work with CONCENTRATE Media to highlight accomplishments of the city; AE/
- Enhance city's social media presence; AE/LR/
- Find ways to communicate with residents who do not have access to Internet – perhaps newsletters sent with tax bills, or postcards with current news posted around town; LR/
- Hire interns from local universities to assist city staff in performing communication functions with residents;
- Maintain councilmembers' focus on communicating with residents.

Sustainability Category: SOCIAL

Goal #3: Enhance Performance of Public Safety Functions

- Hire 1-2 more police officers and 1-2 more firefighters – HIGH PRIORITY, HIGH IMPACT; AE/LR/DV BB
- Hire more employees in order to help the city with code enforcement and with building inspections – HIGH PRIORITY, HIGH IMPACT; AE/LR/DV/BB/
- Enhance training for public safety employees; AE/LR/DV
- Improve traffic enforcement, implement traffic calming processes, and improve signage in the W. Cross Street area; BR/BB/
- Move ahead on capital improvements on N. Huron and W. Cross Street intersection; BR/
- Investigate costs and options for digitization of city records to save money (as opposed to retrieving documents from Iron Mountain); BB/
- Clean out and organize city storage at Iron Mountain. BB/

Sustainability Category: ECONOMIC

Goal #4: Balance the Budget for the Next Fiscal Year DV

- Review fee structure for the city, with a special emphasis on rental inspection fees – HIGH PRIORITY, HIGH IMPACT; BR/BB/
- Increase revenue from parking fees (monetize parking more) and collection of parking fines; LR/
- Find money within the budget for other priorities listed in this document, including staffing increases; LR/
- Attempt to use staffing increases to reduce overtime expenses, and employee burnout/safety risks, for police and fire departments; LR/
- Reinstate city contributions to Parkridge Community Center, Rutherford Pool, Senior Center; AE/BB/
- Determine the amount of money to be set aside for long-term capital projects; DV/BB
- Continue to build and maintain cash reserves to protect again unanticipated future challenges. DV

Sustainability Category: ECONOMIC

Goal #5: Make Progress on Longer-Term Fiscal Issues Confronting City

- Determine how to market Water Street and move ahead with finding a developer – HIGH PRIORITY, HIGH IMPACT; LR/BB/
- Implement CBO – HIGH PRIORITY, HIGH IMPACT AE/LR
- Take concrete steps to reduce fire and police pension millage – HIGH PRIORITY, HIGH IMPACT; LR/
- Move Recycling Center, as a way to open up more grant options for the city – HIGH PRIORITY, HIGH IMPACT; AE/BB/
- Look into municipal management software as a technology upgrade, with a goal of saving on labor costs, improving communication, and reducing use of Iron Mountain storage; BR/DY/BB
- Ensure continued development-friendly policies;
- Prioritize and begin to work on capital improvement projects for buildings; BB/
- Develop parking strategy to provide more parking spaces in downtown areas, generate more revenue from parking, and provide funding for comprehensive study of parking downtown AE/BB/
- Determine how to handle recycling – involve apartments? Is it financially useful to the city? BB/
- Hire more employees in order to help the city with code enforcement and with building inspections; BB/
- Move capital projects to a "shovel ready" state in order to be able to move ahead with them when finances allow; AE/
- Continue to build and maintain cash reserves to protect again unanticipated future challenges. DY/BB/

Sustainability Category: ECOLOGICAL

Goal #6: Address Ecological Issues Facing the City

- Move Recycling Center, as a way to open up more grant options for the city – HIGH PRIORITY, HIGH IMPACT; AE/LP/DV/BB
- Determine how to handle recycling – involve apartments? Is it financial useful to the city? – HIGH PRIORITY, HIGH IMPACT; AE/LP/
- Work on DPS plan for alternative vehicle research – alternative fuel vehicles, or electric vehicles; BB/
- Give more TLC to the park system; AE/LP/BP/DV/BB
- Reinvest energy-saving money to install additional solar panels; AE/
- Continue to explore options for a solar field for the city dump.

Memorandum

To: City Manager D. McClary

From: Chief A. DeGiusti

Date: January 9, 2018

Subject: Marijuana Report 2017

Sir,

The Marijuana Charter Amendment initiative that was adopted in November 2012 requires an annual report:

"The City of Ypsilanti Police Department shall file with the City Manager by June 1 of each year a written report containing the number of adults cited and/or arrested for personal possession or use of marijuana offenses by City of Ypsilanti law enforcement officers during the previous calendar year. This report shall be a public record."

This memorandum serves as the report for the calendar year 2017. In that year the City of Ypsilanti Police Department made 43 arrests of adults for possession of marijuana.

Respectfully Submitted,

A. DeGiusti
Chief of Police

Resolution No. 2018-054
March 6, 2018

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, MARCH 6, 2018
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	(7:10)	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 –
Approved as amended

Change:

Remove: Appointments to the Police Advisory Commission from Resolution No. 2018-048.

Remove: Resolution No. 2018-049, supporting Governor Snyder's Environmental Initiative from Section XII, Consent Agenda, and add to Section XIII, Resolutions/Motions/Discussions.

Add: Audience Participation prior to the Discussion of the Community Benefits Ordinance.

VI. INTRODUCTIONS –

VII. PRESENTATIONS –

Washtenaw County Solid Waste Management Plan 2017 Amendment – Commissioner Evan Pratt

AAATA Millage – Gilliam Ream Gainsley, Member of AAATA Board of Directors

VIII. **AUDIENCE PARTICIPATION –**

IX. **REMARKS BY THE MAYOR –**

X. **PUBLIC HEARINGS -**

Issuance of Revenue Notes - Eastern Michigan University Parking System

A. Resolution No. 2018-042, determination
Offered By: Council Member Vogt; Seconded By: Mayor Pro-Tem Brown
Postponed (4/17): Yes – 4; No – 3 (Murdock, Richardson, Robb); Absent - 0

B. Open public hearing

C. Resolution No. 2018-043, close public hearing
Offered By: Council Member Vogt; Seconded By: Mayor Pro-Tem Brown
Approved: Yes – 7; No – 0; Absent - 0

XI. **ORDINANCES – FIRST READING** *Ordinance No. 1302*

An ordinance to provide for a service charge in lieu of taxes (PILOT) for Towne Centre (401 W. Michigan Avenue), a housing project for low income persons and families to be financed with a federally-aided or Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq* (the "Act")

A. Resolution No. 2018-044, determination
Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Bashert
Approved: Yes – 7; No – 0; Absent - 0

B. Open public hearing

C. Resolution No. 2018-045, close public hearing
Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
Approved: Yes – 7; No – 0; Absent - 0

XII. **CONSENT AGENDA –** Resolution No. 2018-046

1. Resolution No. 2018-047, approving minutes of February 20, and February 21, 2018
Offered By: Council Member Bashert; Seconded By: Council Member Vogt
Approved: Yes – 7; No – 0; Absent - 0

2. Resolution No. 2018-048, approving appointments to Boards and Commissions.
Offered By: Council Member Bashert; Seconded By: Council Member Vogt
Approved as Amended: Yes – 7; No – 0; Absent - 0

~~3. Resolution No. 2018-049, supporting Governor Snyder's Environmental Initiative~~ **(Moved and Heard during Section XIII)**

4. Resolution No. 2018-050, approving Washtenaw County Solid Waste Management Plan 2017 Amendment.
Offered By: Council Member Bashert; Seconded By: Council Member Vogt
Approved: Yes – 7; No – 0; Absent – 0

XIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2018-049, supporting Governor Snyder's Environmental Initiative.
Offered By: Council Member Bashert; Seconded By: Council Member Murdock
Approved: Yes – 7; No – 0; Absent – 0

AUDIENCE PARTICIPATION – (added)

2. Discussion of Community Benefits Ordinance

3. Resolution No. 2018-051, in support of flying the transgender flag on Friday, March 30, 2018.
Offered By: Council Member Bashert; Seconded By: Mayor Pro-Tem Brown
Approved: Yes – 6; No – 0; Absent – 0; Abstain – 1 (Richardson)

4. Resolution No. 2018-052, approving a municipal services agreement for Towne Centre, 401 W. Michigan Avenue.
Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Bashert
Approved as Amended: Yes – 6; No – 1 (Robb); Absent - 0

5. Resolution No. 2018-053, approving that the City partner with the Depot Town Downtown Development Authority to contract for design concepts and cost estimates for removing the recycling center and redesigning and expanding parking along Rice Street between Cross and Forest Street including the possibility of relocating Rice Street.
Offered By: Council Member Bashert; Seconded By: Council Member Murdock
Approved: Yes – 7; No – 0; Absent – 0

6. Resolution No. 2018-026, adopting 2018-19 Council Goals and Budget Priorities.
Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
Approved as Amended: Yes – 4; No – 3 (Murdock, Robb, Vogt); Absent - 0

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

XV. COUNCIL PROPOSED BUSINESS –

XVI. COMMUNICATIONS FROM THE MAYOR –

XVII. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. COMMUNICATIONS –

Marijuana Report 2017

XVIII. AUDIENCE PARTICIPATION –

XIX. **REMARKS FROM THE MAYOR** –

XX. **ADJOURNMENT** –

Resolution No. 2018-054, adjourning the City Council meeting.
The meeting adjourned at 12:00 a.m.