

1. City Council Regular Meeting Agenda

Documents: [08-06-13 FINAL AGENDA.PDF](#)

2. City Council Regular Meeting Packet

Documents: [8-6-13 COUNCIL PACKET_REDACTED 2.PDF](#)



**CITY OF YPSILANTI
COUNCIL MEETING AGENDA
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
TUESDAY, AUGUST 6, 2013
6:00 P.M. – CLOSED SESSION
7:00 P.M. – OPEN SESSION**

I. CALL TO ORDER –

II. ROLL CALL –

Council Member Jefferson	P A	Council Member Robb	P A
Council Member Moeller	P A	Council Member Vogt	P A
Council Member Murdock	P A	Mayor Schreiber	P A
Mayor Pro-Tem 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. INTRODUCTIONS –

VI. AGENDA APPROVAL –

VII. CLOSED SESSION (6:00 to 7:00 p.m.) –

Closed Session to discuss labor negotiations (OMA 15.268, Section 8(c)).

VIII. PRESENTATIONS –

Michigan Health Aid – Khalid Sarsour, Outreach Chair

IX. PUBLIC HEARING –

Public hearing for Proposed Special Assessment District in the City of Ypsilanti for the conversion, operation and maintenance of streetlights.

1. Open public hearing.
2. Resolution No. 2013- 137, amending proposed special assessment district and adjourning first public hearing streetlight assessment district.

X. ORDINANCES - SECOND READING –

Ordinance No. 1191

1. Resolution No. 2013- 138, approving an ordinance to amend Ordinance No. 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and terminate licenses that stop operation for 90 days or more.

XI. AUDIENCE PARTICIPATION-

XII. REMARKS BY THE MAYOR –

XIII. MINUTES –

Resolution No. 2013-139, approving minutes of July 16 and July 23, 2013.

XIV. CONSENT AGENDA

Resolution No. 2013-140

1. Resolution No. 2013-141, approving the purchase of 35 tasers from Michigan Taser Distributing.
2. Resolution No. 2013-142, authorizing the Fire Department to apply for a FEMA grant under the 2013 Staffing for Adequate Fire and Emergency Response (SAFER) Grants.
3. Resolution No. 2013-143, approving engineering and testing services with OHM for full depth reconstruction, curb/gutter replacement, and drainage improvements for Grove Road between I-94 and Emerick Street in the 2013 construction season.
4. Resolution No. 2013-144, approving delegates to the 2013 MERS Annual Meeting.
5. Resolution No. 2013-145, approving GCSI renewal contract.
6. Resolution No. 2013-146, approving amendment to development agreement with Core Resources for particular provisions for Family Dollar.
7. Resolution No. 2013-147, approving appointment to Boards and Commissions

XV. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2013-148, authorizing the City Manager to implement the Blue Cross Blue Shield Medicare Advantage Plan for all eligible retirees.
2. Resolution No. 2013-149, approving Other Qualified Adult Benefit policy.
3. Resolution No. 2013-150, supporting state legislation that adds sexual orientation as a protected class, eliminating the state legislative ban on same sex marriage, recognizing same sex marriages in other states and placing the repeal of the Michigan prohibition of same sex marriage on the ballot.

XVI. LIASON REPORTS -

- A. SEMCOG Update
- B. Washtenaw Area Transportation Study
- C. Washtenaw Metro Alliance
- D. Urban Counties
- E. Freight House

XVII. COUNCIL PROPOSED BUSINESS –

XVIII. COMMUNICATIONS FROM THE MAYOR –

XIX. COMMUNICATIONS FROM THE CITY MANAGER –

XX. AUDIENCE PARTICIPATION -

XXI. REMARKS FROM THE MAYOR –

XXII. CLOSED SESSION –

Closed Session to discuss labor negotiations (OMA 15.268, Section 8(c)).

XXIII. ADJOURNMENT –

Resolution No. 2013-151, adjourning the City Council meeting.



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XXI. REMARKS FROM THE MAYOR –

XXII. CLOSED SESSION –

Closed Session to discuss labor negotiations (OMA 15.268, Section 8(c)).

XXIII. ADJOURNMENT –

Resolution No. 2013-151, adjourning the City Council meeting.



Resolution No. 2013-137
August 6, 2013

RESOLUTION AMENDING PROPOSED
SPECIAL ASSESSMENT DISTRICT AND
ADJOURNING FIRST PUBLIC HEARING
STREETLIGHT SPECIAL ASSESSMENT DISTRICT

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, on July 16, 2013 City Council passed Resolution 2013-127, a Resolution of Necessity for a Streetlight Special Assessment District, in which Resolution City Council determined that the improvement was necessary, set forth the nature thereof, estimated the cost, prescribed what proportion would be paid by special assessment upon the property especially benefitted, determined the benefits received by the affected properties and what proportion, if any, would be paid by the city at large, designated the limits of the special assessment district to be affected, designated the manner in which it would be assessed, ordered the complete information to be filed in the office of the City Clerk where it could be found and examined, and directed the City Clerk to publish a notice of a public hearing to be set for Tuesday, August 6, 2013 at 7:00 p.m., at City Hall, 1 S. Huron, Ypsilanti, MI 48197, at which time and place opportunity would be given interested persons to be heard; and

WHEREAS, City Council determines after further consideration that it would be appropriate that Highland Cemetery be included and assessed within the Special Assessment District and that all interested persons should be given notice as required; and

WHEREAS, City Council determines that to guarantee all interested persons have received proper notice and are advised of the changes to the proposed district that the public hearing scheduled for August 6, 2013 at 7:00 p.m. should be continued to a later date and notice shall be provided as required by City Code sections 90-47 and 90-48; and

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council hereby declares and determines that:

1. The special assessment district will include all parcels in the City of Ypsilanti except those parcels belonging to Eastern Michigan University and the City of Ypsilanti; and
2. That the public hearing scheduled for Tuesday, August 6, 2013, shall be continued on August 20, 2013 at 7:00 p.m.; and
3. The City Clerk is directed to publish a notice of the adjourned public hearing to be set for Tuesday, August 20, 2013 at 7:00 p.m., at City Hall, 1 S. Huron, Ypsilanti, MI 48197, at which

time and place opportunity will be given interested persons to be heard. Such notice shall be given as provided in Ypsilanti City Code sections 90-47 and 90-48; and

4. The City Clerk is directed to place to place the complete information regarding this matter on file in the office of the City Clerk where the information may be found and examined.

OFFERED BY: _____

SUPPORTED BY: _____

YES:

NO:

ABSENT:

VOTE:

I do hereby certify that the above resolution is a true and correct copy of Resolution 2013-137 as passed by the Ypsilanti City Council, at their meeting held on Tuesday, August 6, 2013.

Frances McMullan, City Clerk



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

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

**REQUEST FOR LEGISLATION**

DATE: July 03, 2013

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Amendment to Medical Marijuana Ordinance

**SUMMARY/BACKGROUND**

The city council passed ordinance # 1145 to regulate medical marijuana, including licensing dispensaries and growing/manufacturing facilities. Since that time a number of licenses have been granted.

There is concern on council that the city may become saturated with dispensaries and growing/manufacturing facilities, and support to limit the number. Staff has considered the matter and submits a proposed ordinance amendment to limit dispensaries to six and growing/manufacturing facilities to three, as suggested by council member Murdock.

Council member Richardson has requested an ordinance change to terminate licenses if usage stops.

The proposed amendment adds the language " **The number of licenses issued and renewed in any year shall be capped at six (6) for medical marijuana dispensaries and three (3) for medical marijuana growing/manufacturing facilities.**" and

**"Any license shall automatically terminate and become void if the licensed use stops for 90 days or more."**

**There are no other changes, except re-lettering of the paragraphs.**



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

August 2, 2013  
Page 2

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ATTACHMENTS:      Proposed Ordinance

RECOMMENDED ACTION:   Adoption of the ordinance on first reading

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DATE RECEIVED: \_\_\_\_\_ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF: \_\_\_\_\_ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:



Resolution No. 2013-138  
August 6, 2013

A RESOLUTION TO ADOPT AN ORDINANCE TO AMEND ORDINANCE  
#1145 TO LIMIT THE ABSOLUTE NUMBER OF MEDICAL MARIJUINA  
DISPENSARIES AND GROWING/MANUFACTURING FACILITIES

THAT an Ordinance to Amend Ordinance 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and providing for termination of licenses that stop operating for 90 days or more, be approved on Second and Final Reading.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:            NO:            ABSENT:            VOTE:



**CITY OF YPSILANTI  
NOTICE OF ADOPTED ORDINANCE  
Ordinance No. 1191**

An ordinance to Amend Ordinance 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and terminate licenses that stop operation for 90 days or more.

**1. THE CITY OF YPSILANTI HEREBY ORDAINS** That Ordinance 1145, section 7.4 of the Ypsilanti City Code is hereby amended as follows to add new subsection (c) and (d) as follows:

**(c) The number of licenses issued and renewed in any year shall be capped at six (6) for medical marijuana dispensaries and three (3) for medical marijuana growing/manufacturing facilities.**

**(d) Any license shall automatically terminate and become void if the licensed use stops for 90 days or more.**

**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. A complete copy of the ordinance is also available for inspection on the City's website, [www.cityofypsilanti.com](http://www.cityofypsilanti.com).

**6. Publication and Effective Date.** The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published by printing the same in the publication of record. 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 \_\_\_\_\_, 2013.

\_\_\_\_\_  
Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. \_\_\_\_ was published in The Ypsilanti Courier on the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
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 \_\_\_\_\_, 2013.

\_\_\_\_\_  
Frances McMullan, City Clerk

Notice Published: June 20, 2013

First Reading: July 16, 2013

Second Reading: August 6, 2013

Published: \_\_\_\_\_

Effective Date: \_\_\_\_\_



Resolution No. 2013 – 139  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

That the Minutes of July 16 and July 23, 2013 be approved.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:                      NO:                      ABSENT:                      VOTE:



Draft

**CITY OF YPSILANTI  
COUNCIL MEETING MINUTES  
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.  
YPSILANTI, MI 48197  
TUESDAY, JULY 16, 2013  
6:00 P.M. – CLOSED SESSION  
7:00 P.M. – OPEN SESSION**

**I. CALL TO ORDER –**

The meeting was called to order at 6:04 p.m.

**II. ROLL CALL –**

|                          |              |                     |         |
|--------------------------|--------------|---------------------|---------|
| Council Member Jefferson | Present      | Council Member Robb | Present |
| Council Member Moeller   | 6:06 Present | Council Member Vogt | Present |
| Council Member Murdock   | Present      | Mayor Schreiber     | Present |
| Mayor Pro-Tem Richardson | Absent       |                     |         |

Council Member Vogt moved, supported by Council Member Jefferson to excuse the absence. On a voice vote the motion carried and the absence was excused.

**III. INVOCATION –**

The Mayor 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. INTRODUCTIONS –**

Mayor Schreiber introduced Attorney Daniel Christ, Assistant City Attorney Jesse O'Jack, former Mayor Cheryl Farmer, Robb Nissley Habitat for Humanity Housing Director, EMU Student Body Vice-President Nino Monea, Travis Gonyou from Congressman John Dingell's office and Gillian Ream, AATA Board nominee.

**VI. AGENDA APPROVAL –**

Council Member Robb requested to remove Resolution No. 2013-125 from the consent agenda.

Council Member Murdock suggested the streetlight resolution (Res. No. 2013-127) be moved up and heard right after the presentation.

Mayor Schreiber requested Resolution No. 2013-125 be split into two resolutions.

On a voice vote the agenda was approved as amended.

## **VII. CLOSED SESSION (6:00 to 7:00 p.m.) –**

Closed Session to discuss the following:

- Attorney/Client communication (OMA 15.268, Section 8(h))
- Collective bargaining - OMA 15.268, Section 8(c).

On a roll call, the vote to adjourn to closed session was as follows:

|                          |        |                     |     |
|--------------------------|--------|---------------------|-----|
| Council Member Jefferson | Yes    | Council Member Robb | Yes |
| Council Member Moeller   | Yes    | Council Member Vogt | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber     | Yes |
| Mayor Pro-Tem Richardson | Absent |                     |     |

VOTE:

Yes: 6      No: 0      Absent: 1 (Richardson)      Vote: Carried

The meeting adjourned to closed session at 6:10 p.m.

Open session resumed at 7:08 p.m.

## **VIII. PRESENTATIONS –**

1. Medicare Advantage for Retirees – Rose Oliver, Blue Cross/Blue Shield and Michele Bolser, Griffen, Smalley and Wilkerson
2. Streetlight Special Assessment District (City Manager's Report) – Ralph A. Lange (***Available on city's website***)

Manager's Office Intern Connie Locker gave a presentation on the proposed streetlight assessment district project and answered questions from Council. (***Powerpoint available in City Clerk's Office and on city's website***)

## **SUMMARY & BACKGROUND:**

At the July 2, 2013 Ypsilanti City Council meeting, City Council passed a resolution requesting a City Manager's Report regarding the proposed streetlight special assessment district. Attached is a copy of the requested report, as well as a proposed resolution of necessity indicating the demonstrated need for the special assessment. Staff will formally present the information in the City Manager's Report at the meeting.

In preparing the City Manager's Report, staff took into account Council concerns related to the proposed project timeline. A revised timeline is outlined below. This schedule is subject to change pending review of the City Attorney.

### **PROPOSED TIMELINE:**

- July 16, 2013
  - Report of City Manager submitted
  - Preliminary Resolution of Necessity and establishment of public hearing regarding objections
- August 6, 2013 - Public hearing regarding objections

- Resolution approving project and ordering roll
- Review and certification of roll
- Resolution to file roll for public examination and establishment of public hearings regarding objections to roll

- August 20, 2013
  - Special meeting; public hearing regarding objections to roll
  - Approval of roll

Council Member Robb asked why Highland Cemetery was exempted from the assessment roll.

City Attorney said it was an arbitrary decision because they have only two streetlights.

City Manager Lange said Highland Cemetery can be added to the roll if City Council desires to add them.

Council Member Robb asked what happens if it is determined everyone has overpaid.

Attorney Barr answered if an overpayment is discovered it could be refunded or used for the next year's assessment.

Council Member Robb questioned the methodology used to determine the assessment and asked if the special assessment district could be cancelled and changed by a future Council.

Attorney Barr answered yes it could be cancelled or changed in the future.

Council Member Murdock asked if the assessment roll could have been determined by zoning, residential versus commercial.

Attorney Barr answered staff looked at a lot of variations as well as what others are doing, and it was determined that a flat fee per parcel was the best way to go.

Council Member Murdock questioned the 18 year limit and asked if the assessment district could be altered in the next three years through the same process.

City Manager Lange answered yes.

Mayor Schreiber suggested that the capital improvement costs be separated from the maintenance costs so residents can see the investment they are making.

Council Member Robb asked if the city would be locked into this methodology.

Attorney Barr said it is possible to redo the plan and he would have to research how adjustments and changes would be made.

Planner Gillotti said staff did look into assessing rates based on use and zoning, however it became difficult because of mixed uses and it was less clean outside of the business districts. She said staff can look it up further if Council desires.

**Resolution No. 2013-127, approving resolution of necessity for streetlight special assessment district.**

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS, pursuant to Ypsilanti City Code section 90-31 City Council passed a resolution authorizing the commencement of a special assessment project to determine the feasibility and value of creating a streetlight special assessment district; and**

**WHEREAS , pursuant to Ypsilanti City Code section 90-36 City Council passed a resolution referring the matter to the City Manager to prepare a report to include all necessary and pertinent information for Council to ascertain the cost, extent and necessity of the special assessment project and what proportion should be borne by the property benefited, and what proportion should be paid by the City.**

**WHEREAS, a report detailing the proposed streetlight assessment district and methodology has been submitted to City Council by the City Manager; and**

**WHEREAS, City Council has reviewed the City Manager's report; and**

**WHEREAS, the creation of a streetlight special assessment district would levy necessary funds to pay for street lighting and conversion costs; and**

**WHEREAS, streetlights benefit individual parcels directly and the general public through increased visibility, security, and safety; and**

**WHEREAS, the special assessment would allow the City to maintain streetlights; and**

**NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council hereby declares and determines that:**

**1. The commencement of the streetlight special assessment district described herein is a public, governmental and municipal function exercised for a public purpose and for the specific benefit of the parcels to be assessed; and**

**2. The improvements are necessary; and**

**3. The improvements will phase upgrades of 1,189 streetlight fixtures to LED over two fiscal years, beginning in FY 2013-2014 and ending in FY 2014-2015, and pay for the operation and maintenance of the streetlight fixtures for eighteen years; and**

**4. The cost of the improvement is estimated to be as follows (subject to future rate changes and capital improvements):**

**a. The net cost of the streetlight fixture conversion is estimated to be \$555,664; and**

**b. The cost of the annual operation and maintenance is estimated per year to be:**

|                     | <b>O&amp;M</b> | <b>Conversion Costs</b> |                 |
|---------------------|----------------|-------------------------|-----------------|
| <b>100% O &amp;</b> | <b>to be</b>   | <b>Over 7 Years</b>     | <b>Cost Per</b> |

|                    | <b>M</b>         | <b>Assessed</b>  |                 | <b>Parcel</b>  |
|--------------------|------------------|------------------|-----------------|----------------|
| <b>FY 2013-14</b>  | <b>\$515,000</b> | <b>\$396,550</b> | <b>\$79,381</b> | <b>\$98.90</b> |
| <b>FY 2014-15</b>  | <b>\$456,769</b> | <b>\$365,415</b> | <b>\$79,381</b> | <b>\$92.43</b> |
| <b>FY 2015-16</b>  | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$79,381</b> | <b>\$84.00</b> |
| <b>FY 2016-17</b>  | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$79,381</b> | <b>\$84.00</b> |
| <b>FY 2017-18</b>  | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$79,381</b> | <b>\$84.00</b> |
| <b>FY 2018-19</b>  | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$79,381</b> | <b>\$84.00</b> |
| <b>FY 2019-20</b>  | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$79,381</b> | <b>\$84.00</b> |
| <b>FY 2020-21</b>  |                  |                  |                 |                |
| <b>-FY 2030-31</b> | <b>\$406,051</b> | <b>\$324,841</b> | <b>\$0</b>      | <b>\$67.51</b> |

**5. 100% of the cost of the streetlight fixture conversion will be paid by special assessment on 4,812 parcels especially and directly benefitted by added safety, security, deterring crime, reducing the carbon footprint, assisting in the ease of movement on streets and sidewalks, lessening the danger of collisions, and positively affecting property values, and divided and paid over the first seven (7) years of the special assessment; and**

**6. The first year's cost for operation and maintenance will be paid by special assessment in the first year of the special assessment as follows:**

- a. 77% on 4,812 parcels especially and directly benefitted by added safety, security, deterring crime, assisting in the ease of movement on streets and sidewalks, lessening the danger of collisions, and positively affecting property values; and**
- b. 23% will be paid by the City; and**

**7. The annual operation and maintenance costs in years two (2) through eighteen (18) will be paid by special assessment annually as follows:**

- a. 80% on 4,812 parcels especially and directly benefitted by added safety, security, deterring crime, assisting in the ease of movement on streets and sidewalks, lessening the danger of collisions, and positively affecting property values; and**
- b. 20% will be paid by the City; and**

**8. The special assessment district will include all parcels in the City of Ypsilanti except those parcels belonging to Eastern Michigan University, Highland Cemetery, and the City of Ypsilanti; and**

**9. The special assessment will be divided equally among the parcels being assessed and last, in total, for eighteen (18) years; and**

**10. The City Clerk is directed to place the complete information regarding this matter on file in the office of the City Clerk where the information may be found and examined; and**

**11. The City Clerk is directed to publish a notice of a public hearing to be set for Tuesday, August 6, 2013 at 7:00 p.m. at City Hall, 1 S. Huron, Ypsilanti, MI 48197, at which time and place opportunity will be given interested persons to be heard. Such notice shall be given as provided in Ypsilanti City Code sections 90-47 and 90-48.**

OFFERED BY: Council Member Robb

SUPPORTED BY: Council Member Murdock

On a roll call, the vote to approve Resolution No. 2013-127 was as follows:

|                          |        |                          |     |
|--------------------------|--------|--------------------------|-----|
| Council Member Moeller   | Absent | Council Member Vogt      | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber          | Yes |
| Mayor Pro-Tem Richardson | Absent | Council Member Jefferson | Yes |
| Council Member Robb      | No     |                          |     |

VOTE:

Yes: 4      No: 1 (Robb)      Absent: 2 (Moeller, Richardson)      Vote: Carried

**IX. FIRST READING –**

Ordinance No. 1191

1. An ordinance to amend Ordinance No. 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and terminate licenses that stop operation for 90 days or more.

A. Resolution No. 2013-119, determination

**A RESOLUTION TO ADOPT ON FIRST READING AN ORDINANCE TO AMEND ORDINANCE #1145 TO LIMIT THE ABSOLUTE NUMBER OF MEDICAL MARIJUINA DISPENSIARIES AND GROWING/MANUFACTURING FACILITIES**

**WHEREAS, City Council adopted ordinance #1145 to license medical marijuana dispensaries and growing/manufacturing facilities, in response to a new state law that provided for medical marijuana, in order that the city had some control and regulation of marijuana facilities for the public health, safety and welfare; and**

**WHEREAS, there are now 5 licensed medical marijuana dispensaries and 1 licensed growing/manufacturing facilities in the city; and**

**WHEREAS, the present ordinance would allow a number more to be licensed; and**

**WHEREAS, City Council has determined that the city is now adequately serviced by the present number of licenses, and those additional licenses would not provide any significant competition, selection or advantage to the city, and may have a detrimental effect to neighborhoods; and**

**WHEREAS, City Council has determined that the total number of said licenses should be limited and capped at 6 and 3, to avoid an over concentration of licensed marijuana dispensaries and growing/manufacturing facilities; and**

**WHEREAS, City Council has determined that licenses should terminate if the licensed use stops for 90 days or more.**

**NOW THEREFORE, IT IS RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI THAT an Ordinance to Amend Ordinance 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and providing for termination of licenses that stop operating for 90 days or more, be approved on First Reading.**

OFFERED BY: Council Member Jefferson

SUPPORTED BY: Council Member Murdock

City Attorney Barr explained that he prepared a proposed emergency ordinance at the direction of Council and it was suggested that this come back as a regular ordinance and that is what is before Council.

Council Member Vogt asked if the city would be at risk of litigation for placing a limit on the number of dispensaries.

Mr. Barr answered the risk is small.

B. Open the public hearing.

1. Mr. Lowell said Council should let the market decide the number of dispensaries. He said saturation seems to be the concern, however there is a market demand for dispensaries and there are no existing problems to address.
2. Cheryl Farmer supported the amendment to cap the number of dispensaries and said Federal law disagrees on the legality of medical marijuana. She said the city doesn't know what the long term results will be on the community so she would like the city to put a cap on the experiment.
3. Bryan Foley encouraged City Council to vote yes to place a cap on the number of marijuana dispensaries in the city. He said there is no difference between street and medical marijuana.
4. James Nemath said he wants to put a dispensary at 539 S. Huron Street and Ms. Gillotti said it met the requirements needed. He said he has invested a lot of money into the building and his business will be a benefit to the public.
5. Lee Tooson spoke in support of the cap on the number of medical marijuana dispensaries in the city. He said drugs belong in the drug store and Ypsilanti doesn't need any more drug houses in the city.
6. Roderick Casey supported the resolution and said residents don't want a city saturated with drugs. He asked Council to do the right thing and listen to the concerns and requests of the citizens.

7. Mark Bullard said he believes that the status quo is the right way to go. He said the vote was clearly in favor of medical marijuana in the state of Michigan and in Ypsilanti. He said he believes the process hasn't taken its full effect but it appears, to date that business is being done in a thoughtful way.

C. Resolution No. 2013-120, close public hearing.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**THAT the public hearing on the proposed Ordinance to amend Ordinance No. 1145, Section 7.4 of the Ypsilanti City Code to limit the number of Medical Marijuana dispensaries and growing/manufacturing facilities, and to terminate licenses that stop operation for 90 days or more, be officially closed.**

OFFERED BY: Council Member Jefferson

SUPPORTED BY: Council Member Vogt

On a voice vote the motion to close the public hearing carried.

Council Member Robb asked for clarification what closed for 90 days means.

Attorney Barr answered if the business closes or if the license isn't used for 90 days the license is terminated. He said it is similar to the zoning concept.

Council Member Robb asked how does this happen.

Mr. Barr said he can sharpen the language for the second reading if desired.

Council Member Murdock asked if licenses are non-transferrable.

Mr. Barr replied the license is non-transferrable and is issued to the person and not tied to the property or land.

Mr. Lange asked if a license could be retrieved if terminated.

Mr. Barr said if the license is lost, it cannot be relicensed, however a license in that area could be applied for by someone new.

Council Member Vogt asked what are the maximum number of licenses the city can have, given zoning restrictions.

Ms. Gillotti answered 8 or 9 dispensaries and 4-5 growing facilities.

Council Member Vogt said limiting the number of facilities doesn't limit sales. He said the volume won't vary because it is restricted by state law so he doesn't see any effect this ordinance would make. He said he feels this is much to do about nothing because there is no logical connection with the number of dispensaries and the things people have expressed concern about. He suggested counseling and more police services to address those concerns.

Council Member Jefferson commented that what happens in reality defies logic. He said the state and local vote was not on dispensaries but on legalizing medical marijuana. He referenced a letter of support from

David Bates, Ypsilanti Community School president, in support of the cap. He said the state still feels marijuana is illegal and is looking into ways to shut down existing dispensaries.

Council Member Robb said limiting the number of dispensaries will not prevent future dispensaries from developing in the area in question. He said he feels the ordinance is the wrong tool to use and suggested that maybe a zoning change to prohibit dispensaries from being located in certain areas be considered to address the concerns.

Mayor Schreiber said he will support the ordinance. He said there are limits on the number of alcohol licenses allowed and he sees this as similar to that. He said if a future City Council deem that more dispensaries are beneficial they can change the ordinance at that time.

On a roll call, the vote to approve Resolution No. 2013-119 (Ordinance No. 1191) was as follows:

|                          |        |                          |        |
|--------------------------|--------|--------------------------|--------|
| Council Member Murdock   | Yes    | Mayor Schreiber          | Yes    |
| Mayor Pro-Tem Richardson | Absent | Council Member Jefferson | Yes    |
| Council Member Robb      | No     | Council Member Moeller   | Absent |
| Council Member Vogt      | Yes    |                          |        |

VOTE:

Yes: 4      No: 1 (Robb)      Absent: 2 (Moeller, Richardson)      Vote: Carried

The meeting recessed from 8:50 p.m. to 9:03 p.m.

Council Member Murdock moved, supported by Council Member Jefferson to replace Resolution No. 2013-121, approving Ordinance No. 1192 at First Reading with Resolution No. 2013-131.

On a voice vote the motion carried.

~~Ordinance No. 1192~~

~~2. An emergency ordinance regarding Habitat for Humanity's request for City to invoke Right of First Refusal~~

~~A. Resolution No. 2013-121, determination~~

**Resolution No. 2013-131, approving the purchase of tax property and to sell it to Habitat for Humanity of Huron Valley**

**IT IS RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:**

**WHEREAS The CITY is interested in removing blight and improving the housing stock in the city with owner occupied quality single family residences that meet all zoning and building codes, improve the energy efficiency, and declares that this objective is in the Public Interest of the City of Ypsilanti.**

**WHEREAS HABITAT FOR HUMANITY OF HURON VALLEY (HABITAT) is in the non-profit business of acquiring low cost property and either building or rehabilitating quality single family housing that meets or exceeds all zoning and building codes. HABITAT then sells the property to low or moderate income families. HABITAT utilizes volunteer labor, including prospective purchasers in the building or rehabilitating of the properties.**

**WHEREAS CITY has the ability to purchase single residence property from time to time at tax sale, and otherwise, and use the property for a public purpose.**

**NOWHEREFORE, CITY will, from time to time, acquire property at tax sale, or otherwise, and may sell the property to HABITAT for an agreed price that will be not greater than the out-of-pocket cost of CITY plus ten percent overhead In the event of any such sale, HABITAT must agree to purchase the property and to build a single family residence on the property, or rehabilitate an existing single family residence on the property within one year from the date of closing of the sale, in quality fashion and meeting or exceeding all zoning and building codes and regulations.**

**CITY and HABITAT will, from time to time, determine specific properties by a written memorandum of understanding that will incorporate all of the terms of sale.**

**The city manager is authorized to sign the memorandums of understanding for the CITY. All final sales will be completed by ordinance in accordance with city charter section 209(g).**

OFFERED BY: Council Member Murdock  
SUPPORTED BY: Council Member Jefferson

City Planner Teresa Gillotti gave the background.

#### Background:

Habitat for Humanity has requested that the City of Ypsilanti invoke their right of first refusal to purchase of two tax foreclosure properties for the public purpose of reducing blight and encouraging home-ownership. The two properties requested are 1320 Collegewood Dr. and 312 Garland Ave.

#### Process

If approved, the City of Ypsilanti will purchase the properties from the county treasurer for the public purpose listed above. Habitat for Humanity will purchase the properties from the City for the same cost plus a small fee to cover legal and administrative costs. The city charter requires an ordinance for the sale of real estate. The proposed emergency ordinance grants the city manager the power to complete the purchase and sales.

#### Investment

Habitat for Humanity works with low-income families to improve their credit, and purchase a house with a Habitat mortgage product. The owner-occupant families will then invest in the home through sweat equity as well as support from volunteers and habitat staff. Habitat's rehabilitation is subject to City code, as well as requirements from funders such as CDBG and HOME funds. A sample budget for improvements to the Collegewood house are attached for reference.

#### Review of proposal

The two properties requested by Habitat for Humanity are expected to exceed the minimum bid at auction, and would likely make up for some of the balance of properties that will sell for less at the tax foreclosure auction. However, their involvement ensures that the properties will be rehabilitated to a quality standard and that the end user will be an owner-occupant providing public benefit of blight removal, neighborhood stabilization and increase in owner-occupancy.

#### Timeline

Due to the charter requirement that property acquisition be achieved through ordinance, and that the properties are slated for the July 26 ordinance, the City Attorney suggest that the approval be done through emergency ordinance.

Attorney Barr explained the difference between an ordinance and resolution.

Council Member Vogt asked what is the downside of this proposal, as it seems this is a steal for the city.

Ms. Gillotti answered Habitat can have an exemption for up to 2 years while rehabbing and then it goes back on the tax roll.

Attorney Barr said part of the agreement with Habitat is that the property would not go off of the tax rolls.

Robb Nissley said the maximum time frame for tax exempt status is one tax year.

Council Member Vogt inquired about Habitat chooses buyers.

Mr. Nissley explained that Habitat's process quite lengthy and looks at the proposed owner's debts among other things.

Council Member Robb asked staff to clarify the end results of allowing this.

Attorney Barr answered it is outlined in the purchase agreement and in the draft contract. He said the benefit is that the property will never go off the tax roll.

Council Member Murdock made a friendly amendment to the resolution to add the addresses of the properties: 312 Garland and 1320 Collegewood to the resolution.

Council Member Jefferson accepted the amendment.

Mr. Nissley said Habitat has agreed to keep the property on the tax roll.

On a roll call, the vote to approve Resolution 2013-121 as amended was as follows:

|                          |        |                          |     |
|--------------------------|--------|--------------------------|-----|
| Council Member Moeller   | Absent | Council Member Vogt      | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber          | Yes |
| Mayor Pro-Tem Richardson | Absent | Council Member Jefferson | Yes |
| Council Member Robb      | Yes    |                          |     |

VOTE:

Yes: 5      No: 0      Absent: (Moeller, Richardson)      Vote: Carried

The resolution as approved reads as follows:

**RESOLUTON TO PURCHASE TAX PROPERTY  
AND SELL TO  
HABITAT FOR HUMANITY OF HURON VALLEY**

**IT IS RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:**

**WHEREAS The CITY is interested in removing blight and improving the housing stock in the city with owner occupied quality single family residences that meet all zoning and building codes, improve the energy efficiency, and declares that this objective is in the Public Interest of the City of Ypsilanti.**

**WHEREAS HABITAT FOR HUMANITY OF HURON BALLEY (HABITAT) is in the non-profit business of acquiring low cost property and either building or rehabilitating quality single family housing that meets or exceeds all zoning and building codes. HABITAT then sells the property to low or moderate income families. HABITAT utilizes volunteer labor, including prospective purchasers in the building or rehabilitating of the properties.**

**WHEREAS CITY has the ability to purchase single residence property from time to time at tax sale, and otherwise, and use the property for a public purpose.**

**NOWTHEFORE, CITY will, from time to time, acquire property at tax sale, or otherwise, and may sell the property to HABITAT for an agreed price that will be not greater than the out-of-pocket cost of CITY plus ten percent overhead In the event of any such sale, HABITAT must agree to purchase the property and to build a single family residence on the property, or rehabilitate an existing single family residence on the property within one year from the date of closing of the sale, in quality fashion and meeting or exceeding all zoning and building codes and regulations.**

**CITY and HABITAT will, from time to time, determine specific properties by a written memorandum of understanding that will incorporate all of the terms of sale for 312 Garland Ave (11-11-10-235-013) and 1320 Collegewood Dr. (11-11-05-305-015).**

**The city manager is authorized to sign the memorandums of understanding for the CITY. All final sales will be completed by ordinance in accordance with city charter section 209(g).**

**X. AUDIENCE PARTICIPATION-**

1. Robert Bull addressed City Council about a proposed recreational project at 220 N. Park. (proposal on file in Clerk's Office)
2. Former Mayor Dr. Cheryl Farmer thanked City Council for supporting the cap on the number of medical marijuana facilities and the streetlighting initiative.

**XI. REMARKS BY THE MAYOR –**

Mayor Schreiber appreciated the comments from those who spoke during audience participation.

**XII. MINUTES –**

Resolution No. 2013-122, approving minutes of July 2, 2013.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**That the Minutes of July 2, 2013 be approved.**

OFFERED BY: Council Member Robb  
SUPPORTED BY: Council Member Vogt

On a voice vote the motion carried and the minutes were approved as submitted.

**XIII. CONSENT AGENDA**

Resolution No. 2013-123

1. Resolution No. 2013-124, approving Terry Bakery sign easement.

**RESOLVED BY COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS, the City of Ypsilanti adopted a revised sign ordinance in 2011 that recognized nine historically significant signs in Ypsilanti; and**

**WHEREAS, staff applied for a Certified Local Government grant to assist owners of recognized historically significant signs with rehabilitation work; and**

**WHEREAS, the owners of Terry Bakery signed an Historic Preservation Agreement indicating their commitment to maintain the historic sign for a period of five (5) years;**

**WHEREAS, the State Historic Preservation Office awarded the City \$5,760 to offset the costs of the Terry Bakery sign rehabilitation;**

**WHEREAS, Ypsilanti City Council passed Resolution No. 2013-013 approving the CLG Grant Agreement for the amount of \$5,760;**

**WHEREAS, the State Historic Preservation Office amended the award amount to \$6,480 following receipt of contractor bids,**

**WHEREAS, the State Historic Preservation Office amended the grant schedule to alter the end date to September 20, 2013,**

**WHEREAS, the City has selected and the State Historic Preservation Office has approved low bidder Huron Sign Co. to perform rehabilitation work on the Terry Bakery historic sign,**

**NOW, THEREFORE, BE IT RESOLVED THAT the Ypsilanti City Council approve the attached Historic Preservation Agreement between the City and Batter's Up, LLC, the owners of Terry Bakery; and**

**MAY IT ALSO BE RESOLVED, that the Ypsilanti City Council approve the attached First Amendment to the CLG Grant Agreement between the City of Ypsilanti and the Michigan State Housing and Development Authority; and**

**FURTHER, that the Mayor and City Clerk are authorized to sign the above mentioned to approval by the City Attorney.**

2. Resolution No. 2013-126, approving release of Master Plan to adjacent communities per State act.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS, The Ypsilanti City Council has repeatedly identified the need to revise the City's Master Plan and zoning ordinance; and**

**WHEREAS, the City has received funding for the Master Plan and zoning ordinance revision through the Washtenaw County HUD Community Challenge grant with \$180,000 designated for the City of Ypsilanti to revise the Master Plan and zoning ordinance; and**

**WHEREAS, a steering committee was formed to guide the process, ENP & Associates were hired to lead the process resulting in a draft Master Plan; and**

**WHEREAS a broad range of community members participated in the preparation of the plan; and**

**WHEREAS, the State of Michigan Municipal Planning Act requires sharing and distribution of draft Master Plans and sub-plans to surrounding communities for review and comment; and**

**WHEREAS, the Municipal Planning Act requires the legislative body to authorize such distribution to surrounding communities;**

**NOW, THEREFORE, BE IT RESOLVED THAT Ypsilanti City Council authorize the distribution of the draft Master Plan for the City of Ypsilanti to adjacent communities and utilities for review and comment.**

OFFERED BY: Council Member Vogt  
SUPPORTED BY: Council Member Jefferson

On a voice vote the motion to approve the Consent Agenda carried.

**XIV. RESOLUTIONS/MOTIONS/DISCUSSIONS –**

- ~~1. Resolution No. 2013-127, approving resolution of necessity for streetlight special assessment district. (*Considered after Presentations*)~~

1. Resolution No. 2013-125, approving appointments to Boards and Commissions (*Split into two resolutions*)

Resolution No. 2013-125A, approving appointment to Boards and Commissions (Gillian Reams to AATA 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:**

| <u><b>NAME</b></u>                                                                    | <u><b>BOARD</b></u>                            | <u><b>TERM TO EXPIRE</b></u> |
|---------------------------------------------------------------------------------------|------------------------------------------------|------------------------------|
| <b>Gillian Ream (new appointment)<br/>726 N. Prospect Rd.<br/>Ypsilanti, MI 48198</b> | <b>Ann Arbor Area Transportation Authority</b> | <b>5/1/2018</b>              |

OFFERED BY: Council Member Robb

SUPPORTED BY: Council Member Vogt

On a roll call, the vote to approve the appointment of Gilliam Ream to the AATA Board was as follows:

|                          |     |                          |        |
|--------------------------|-----|--------------------------|--------|
| Council Member Robb      | Yes | Council Member Murdock   | Yes    |
| Council Member Vogt      | Yes | Mayor Pro-Tem Richardson | Absent |
| Mayor Schreiber          | Yes | Council Member Moeller   | Absent |
| Council Member Jefferson | Yes |                          |        |

VOTE:

YES: 5      NO: 0      ABSENT: 2 (Moeller, Richardson)      VOTE: Carried

Resolution No. 2013-125A, approving appointments to Boards and Commissions (Caryn Charter to DDA)

**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:**

| <u><b>NAME</b></u>                                                                      | <u><b>BOARD</b></u>   | <u><b>TERM TO EXPIRE</b></u> |
|-----------------------------------------------------------------------------------------|-----------------------|------------------------------|
| <b>Caryn Charter (new appointment)<br/>4760 Middlesex (home)<br/>Dearborn, MI 48126</b> | <b>SmartZone LDFA</b> | <b>6/30/2017</b>             |

**E.M.U. (business)  
Office of Research Development  
Starkweather Hall, 2<sup>nd</sup> floor  
Ypsilanti, MI 48197**

OFFERED BY: Council Member Robb

SUPPORTED BY: Council Member Vogt

|                          |     |                          |        |
|--------------------------|-----|--------------------------|--------|
| Council Member Vogt      | Yes | Mayor Pro-Tem Richardson | Absent |
| Mayor Schreiber          | Yes | Council Member Moeller   | Absent |
| Council Member Jefferson | Yes | Council Member Robb      | No     |
| Council Member Murdock   | Yes |                          |        |

VOTE:

Yes: 4      No: 1 (Robb)      Absent: 2 (Moeller, Richardson)      Vote: Failed (5 votes required)

2. Resolution No, 2013-129, approving extension for WCPRC LOI for East Side Recreation Center.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS, the City of Ypsilanti is the property owner of the Water Street Redevelopment Area and is seeking appropriate development projects; and**

**WHEREAS, Washtenaw County Parks and Recreation Commission (WCPRC) has submitted a Letter of Intent (LOI) to develop a Recreational Facility on up to 8 acres of the western portion of the site as included in Attachment A; and**

**WHEREAS, the proposed Recreational Facility development would create a public facility to benefit Ypsilanti and other Washtenaw County residents; and**

**WHEREAS, the development would provide additional infrastructure to benefit subsequent development; and**

**WHEREAS, the City and WCPRC both approved the attached LOI on January 5, 2012; and**

**WHEREAS, both parties desire to extend the LOI for 6 additional months until January 4, 2014.**

**NOW, THEREFORE, BE IT RESOLVED THAT the Ypsilanti City Council approves the requested extension to the attached Letter of Intent from Washtenaw County Parks and Recreation Commission to develop a Recreational Facility on a portion of the Water Street Redevelopment Area.**

OFFERED BY: Council Member Jefferson

SUPPORTED BY: Council Member Vogt

Planner Gillotti said there have been no changes to the original letter of intent and the County is seeking an extension. She said there is no meeting this month, however the Commission will be discussing this issue at their next meeting.

Background

On October 4, 2011, Washtenaw County Parks and Recreation Commission (WCPRC) staff presented conceptual plans for a Recreational Facility on a portion of the Water Street Redevelopment Area. On October 18, 2011, staff presented a review of the initial plan and received direction from City Council to continue working towards a Letter of Intent (LOI) to develop the recreational facility within the Water Street Redevelopment Area.

City Staff continued to meet and coordinate details of the LOI. At the January 5, 2012 City Council meeting, staff recommending and council unanimously approval the attached Letter of Intent that

effectively took 8 acres of the property off the market for 18 months, while City and WCPRC staff work out details of a development agreement for the East Side Recreational Facility.

During the interim 18 months, WCPRC partnered with the University of Michigan design team to develop a series of [concept plans](#). Recently, they have worked with the Ann Arbor YMCA on a marketing study. The draft was recently completed, and the final report is expected shortly.

Next steps for the WCPRC include formalizing an agreement with the Ann Arbor YMCA to operate the proposed East Side Recreational Center, and to determine the size, location and concept for the property as well as financing for the project. Based on this, WCPRC is requesting a 6 month extension on the Letter of Intent. This would move the expiration of the letter of intent to January 4, 2014.

At or before the January 4, 2014 date, the intent would be to negotiate a full development agreement to City Council and WCPRC to transfer the property. The agreement will include the following at minimum:

- Exact location and size of parcel
- Size and orientation of structure
- Proposed site plan and building design
- Timeline for approvals, permits and construction
- Plan for infrastructure development beyond parcel footprint
- Roles and Responsibilities
- Terms of parcel transfer or long term lease
- Other legal responsibilities for development and opening of the Recreational Facility

#### Approval Process

Below is the approval process for Water Street Redevelopment Area sale or transfer of property

We are currently at Step 3 in the process:

1. Present City Council a Letter of Intent (LOI) to purchase or transfer of property
  - This document would provide the basic details related to the scope of development, location, expected purchase price, potential roles and responsibilities related to infrastructure development, and basic timeline for the project
2. City Council would accept the LOI, request changes or reject it.
  - This stage is important for presenting and addressing key issues or concerns to be addressed while developing the development agreement.
3. If accepted, the City would agree to take the proposed acreage "off the market" for a set period of time. During this time period staff and the developer would negotiate the terms of a development agreement based on the City's established template
4. City Council would then be presented with a development agreement and more detail on the location, scale, style and detail regarding the development, the terms and conditions as well as roles and responsibilities related to infrastructure construction, Brownfield remediation, and finally, purchase price.
5. City Council would either accept, request changes or reject the purchase agreement
6. Staff would then work with the developer on the following elements (not in any particular order)
  - Site plans and Planned Unit Development (PUD requires Council approval)
  - Amendments to the Brownfield plan and Act 81 work plans (Brownfield plan requires Council approval)
  - Other related permitting and review

Council Member Murdock expressed frustration with Washtenaw County Parks and Recreation Commission (WCPRC) for lack of communication. He said it has been 18 months and nothing has been done. He said they have not shared what plan they want, the infrastructure or a site plan and said he wonders when they are going to begin moving on these things.

Ms. Gillotti said WCPRC did complete the marketing study and they are pursuing funding from the state for infrastructure. She said she would ask them for a more refined timeline.

Council Member Murdock said WCPR has not moved on the items that the city indicated were important.

Mayor Schreiber said he will support the extension and said he understands there are a lot of complicated things involved in the process. He said it is good to go at a deliberate pace.

Council Member Jefferson supported the extension and stated he is satisfied with the written communication from WCPRC stating that they will work cooperatively to develop the needed site infrastructure including water, sewer and entry into the site. He said this is important to him and is a jump start on the project.

On a roll call the vote to approve Resolution No. 2013-129, approving extension for WCPRC LOI for East Side Recreation Center was as follows:

|                          |        |                          |        |
|--------------------------|--------|--------------------------|--------|
| Mayor Schreiber          | Yes    | Mayor Pro-Tem Richardson | Absent |
| Council Member Jefferson | Yes    | Council Member Robb      | Yes    |
| Council Member Moeller   | Absent | Council Member Vogt      | Yes    |
| Council Member Murdock   | Yes    |                          |        |

VOTE:

Yes: 5      No: 0      Absent: 2 (Moeller, Richardson)      Vote: Carried

#### **XV. LIASON REPORTS -**

- A. SEMCOG Update – no report
- B. Washtenaw Area Transportation Study – no report
- C. Washtenaw Metro Alliance – September meeting
- D. Urban Counties – no report
- E. Freight House – Rehabilitation plans including solar panels approved by Historic District Commission and going to SHPO for approval. Revising business plan and fundraising processes are underway. Extension with Friends of Freighthouse runs out soon and an extension is needed.

#### **XVI. COUNCIL PROPOSED BUSINESS –**

##### MURDOCK

- Requested a tree list of those DPS plans to trim this season
- Waiting on speed bump policy
- Replacement of playground equipment

##### ROBB

- Inquired about the end result of the tax bill error
- Inquired when OHM would be coming back to Council regarding the Prospect Road project
- Information needed on why pedestrian signs not allowed in certain neighborhoods.

##### VOGT

- Reported dead tree on Washtenaw and asked who is responsible for providing a remedy.

JEFFERSON

- Reported that Stop signs at the corners of Normal & W. Michigan Avenue; Normal & Congress and Normal & Pearl have graffiti on them.
- Thanked staff for following through with ordinance enforcement on Ferris.

**XVII. COMMUNICATIONS FROM THE MAYOR –**

- Same-sex marriage resolution coming in support of current state legislation. Council Member Murdock supported a resolution in support. Council Member Murdock said it would be appropriate to adopt something with the Other Adult Benefits policy.
- City Clerk evaluation process. Council Member Robb said he is still missing two evaluations.
- He asked Council for cooperation on appointments to Boards and Commissions and asked for suggestions.

**XVIII. COMMUNICATIONS FROM THE CITY MANAGER –**

- Asked for feedback on the proposed retiree health insurance.
- Asked for feedback on streetlight assessment project.
- Reported Ms. Gillotti is working on a speed bump policy and asked Council how the speed bumps would be paid for.

Council Member Murdock said the speed bump policy doesn't require money and said the city needs a document to refer residents to.

- Reported code enforcement and parking enforcement meeting successful
- DDA contract is in process. DDA expected to move in by September 2, 2013
- Announced HAABS restaurant winner on QVC top five restaurants. The show is coming to town soon.
- Two future meetings possibly, 7/23 and 7/30.
- New Deputy Clerk hired

**XIX. AUDIENCE PARTICIPATION -**

None

**XX. REMARKS FROM THE MAYOR –**

Announced he will not be present at the August 6<sup>th</sup> meeting. Mayor Pro-Tem Richardson will be in charge.

On roll call, the vote to adjourn to closed session was as follows:

|                          |        |                     |     |
|--------------------------|--------|---------------------|-----|
| Council Member Jefferson | Yes    | Council Member Robb | Yes |
| Council Member Moeller   | Absent | Council Member Vogt | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber     | Yes |
| Mayor Pro-Tem Richardson | Absent |                     |     |

VOTE:

Yes: 5      No: 0      Absent: 2 (Moeller, Richardson)      Vote: Carried

On a voice vote the motion carried and the meeting adjourned to closed session at 10:00 p.m. to discuss collective bargaining.

Open session reconvened at 10:20 p.m.

3. Resolution No. 2013-128, approving AFSCME contract.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**THAT the labor contract between the City of Ypsilanti and the American Federation of State, County and Municipal Employees (AFSCME) be adopted with the following changes:**

**Existing Employees:**

1. **Four year contract (July 1, 2013 – June 30, 2017)**
2. **No increase in wages**
3. **Health Insurance:**
  - a. **Employees will continue to have our current BCBS Community Blue PPO**
  - b. **Employees will contribute toward the health care premium, prescription premium, wrap plan cost and administrative costs as governed by PA 152 of 2011**
4. **Life Insurance:**

**To increase from \$30,000 to \$60,000**
5. **Signing Bonus:**

**Current members of AFSCME will receive a one-time signing bonus of \$1,500. AFSCME members shall receive an annual contract bonus of \$1,000 in September of 2014, 2015 and 2016.**
6. **Dental and Vision:**

**There will be a modest increase in the quality of these insurances for the AFSCME members hired prior to 7/01/2013.**

**New Employees hired after July 1, 2013**

**Please see Attachment A**

**All Employees**

- **Employees will begin to move up the wage scale after 3 years rather than five years**
- **A Winter Overtime List was adopted during winter time emergencies**
- **Parking Enforcement Officers will receive a \$520 additional compensation per year while taking on extra duties to assist in Code Enforcement**
- **Winter Gear allotment increased from \$250 to \$400 per year**
- **Mechanics Wage step increases for 25 years, 27 years and 30 years will be added to Wage Scale**
- **Permanent second shift premium went from \$.80 per day to \$4.00 per day**

OFFERED BY: Council Member Murdock  
SUPPORTED BY: Council Member Vogt

|                          |        |                     |     |
|--------------------------|--------|---------------------|-----|
| Council Member Jefferson | Yes    | Council Member Robb | Yes |
| Council Member Moeller   | Absent | Council Member Vogt | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber     | Yes |
| Mayor Pro-Tem Richardson | Absent |                     |     |

VOTE:

Yes: 5                      No: 0                      Absent: 2 (Moeller, Richardson)                      Vote: Carried

**XXI. ADJOURNMENT –**

Resolution No. 2013-130, adjourning the City Council meeting.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

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

OFFERED BY: Council Member Jefferson  
SUPPORTED BY: Council Member Vogt

On a voice vote, the motion carried and the meeting adjourned at 10:35 p.m.



**DRAFT**

**CITY OF YPSILANTI  
SPECIAL COUNCIL MEETING MINUTES  
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.  
YPSILANTI, MI 48197  
TUESDAY, JULY 23, 2013  
7:00 P.M.**

**I. CALL TO ORDER –**

The meeting was called to order at 7:04 p.m.

**II. ROLL CALL –**

|                                 |         |                     |         |
|---------------------------------|---------|---------------------|---------|
| Council Member Moeller          | Present | Council Member Robb | Present |
| Council Member Jefferson        | Present | Council Member Vogt | Present |
| Council Member Murdock          | Present | Mayor Schreiber     | Present |
| Mayor Pro-Tem Richardson (7:58) | Present |                     |         |

Council Member Jefferson moved, supported by Council Member Vogt to excuse the absence of Mayor Pro-Tem Richardson. On a voice vote the motion carried and the absence was excused.

**III. INVOCATION –**

The Mayor 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."

**VI. INTRODUCTIONS**

Mayor Schreiber introduced Tim Miller and Paul Gantz from DTE; Jeff Febuian, Joe Hanz; Washtenaw County Treasurer Cathy McClary. Andy Cameron, YCUA Board member and Amanda Edmonds, DDA Vice-Chair.

**VII. AGENDA APPROVAL -**

The agenda was approved as submitted.

**VIII. AUDIENCE PARTICIPATION-**

Mayor Schreiber read the rules for audience participation.

1. Beth Bashert commended City Council for considering benefits for same sex and qualifying adults. She gave the history of the city's actions in favor of non-discrimination at all levels and said this is a great opportunity for the city to make another statement.
2. Nino Monea spoke in support of the resolution to approve Other Adult Benefits and urged City Council to approve the resolution.

3. Amanda Edmonds commended Council Member Murdock and City Council for bringing forth a resolution in support of other adult benefits and said the city is doing a great job.
4. Mary Larkin supported the Other Adults benefits resolution and said EMU students are excited about this effort which gives people a reason to come to Ypsilanti and to stay here.
5. Pollie Peach spoke in support of the change in the law for domestic partner benefits and said she lost benefits when she began working for the government. She said the policy is helpful for employees.

#### **VIII. REMARKS BY THE MAYOR –**

Mayor Schreiber thanked those who spoke during audience participation.

#### **IX. RESOLUTIONS/MOTIONS/DISCUSSIONS**

1. Resolution No. 2013-132, approving Michigan Municipal League (MML) Liability and Property Pool insurance coverage beginning August 1, 2013 – July 31, 2014.

##### **RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**THAT, the invoice submitted for payment to the Michigan Municipal League Liability and Property Pool for issuance of coverage beginning August 1, 2013 and ending July 31, 2014 in the amount of \$342,605 be approved.**

**BE IT FURTHER RESOLVED THAT the City Manager is authorized to sign and approve payment of the invoice.**

OFFERED BY: Council Member Jefferson

SUPPORTED BY: Council Member Vogt

City Clerk McMullan gave the background.

#### **SUMMARY & BACKGROUND**

The City Clerk's office has received an invoice in the amount of \$342,605.00 for the renewal of the City's Property and Liability insurance through the Michigan Municipal League (MML), for coverage beginning August 1, 2013 and ending July 31, 2014.

The amount of the renewal premium reflects a savings of \$16,341, or 4.55%, over last year's premium of \$358,946.

In addition, the MML Liability and Property Pool Board of Trustees voted to return another post-renewal dividend for Members renewing in 2013. The City's portion of the dividend return is \$46,254. The City will receive this dividend in the month following payment of your 2013 renewal premium.

Council Member Murdock asked about storage tank coverage.

Clerk McMullan indicated MML does not provide tank coverage, however coverage will be provided by a third party insurer. She said MML is helping to facilitate this process.

On a roll call, the vote to approve Resolution No. 2013-132 was as follows:

|                          |        |                     |     |
|--------------------------|--------|---------------------|-----|
| Council Member Jefferson | Yes    | Council Member Robb | Yes |
| Council Member Moeller   | Yes    | Council Member Vogt | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber     | Yes |
| Mayor Pro-Tem Richardson | Absent |                     |     |

VOTE:

Yes: 6      No: 0      Absent: 1 (Richardson)      Vote: Carried

2. Resolution No. 2013-133, approving contract with DTE for LED streetlight conversion.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS, THE City of Ypsilanti contracts with DTE ENERGY to provide and maintain street lights within the city limits; and**

**WHEREAS, DTE ENERGY is initiating programs this year, one of which is the Mercury Vapor and High Pressure Sodium Conversion Program; and**

**WHEREAS, participation in this program will convert 167 Mercury Vapor light fixtures and 338 High Pressure Sodium light fixtures to LED light fixtures; and**

**WHEREAS, the City's participation in this program will substantially decrease streetlight energy costs; and**

**WHEREAS, agreements are needed between the City and DTE Energy in order to participate in the conversion programs; and**

**NOW, THEREFORE BE IT RESOLVED THAT the City Council approves an agreement and issuance of required purchase order with DTE Energy to replace 167 Mercury Vapor light fixtures and 338 High Pressure Sodium light fixtures with the LED light fixtures in accord with the information provided in the Request for Legislation, letter from Tim Miller dated 7-23-2013 and DTE Energy Master Agreement for municipal street lighting and purchase agreement.**

OFFERED BY: Council Member Robb

SUPPORTED BY: Council Member Murdock

Tim Miller of DTE gave the background and said DTE is ready to move forward with the project.

Summary & Background:

The City has been engaged in converting streetlight fixtures to LED. The conversions began on W. Cross Street in 2011, and to date, 294 streetlights have been converted or are in the process of being converted. The 2012 Climate Action Plan adopted by City Council recommended the continued conversion to LED streetlights, in order to save on energy costs. Accordingly, the purpose of this RFL is to approve the conversion of an additional 505 streetlights to LED.

City staff has been in regular communications with Jeff LeBrun and Tim Miller, both with DTE Energy Community Lighting Division, to discuss available DTE Energy programs and promotions. Under this agreement with DTE Energy, the City will receive a rebate for converting 505 streetlights to LED.

|                                               |                              |
|-----------------------------------------------|------------------------------|
| Estimated cost to convert 505 lights to LED:  | \$215,705.15                 |
| DTE Energy Rebate:                            | <u>\$22,732.00</u>           |
| <b>Net cost to convert 505 lights to LED:</b> | <b>\$192,873.15</b>          |
| Current energy cost for 505 streetlights:     | \$121,192.00 annually        |
| Estimated energy cost after LED conversion:   | <u>\$ 81,094.46 annually</u> |
| <b>Net savings to City:</b>                   | <b>\$40,097.62 annually</b>  |
| Return on investment (ROI):                   | Approximately 4.81 years.    |

**Breakdown of 505 lights to be converted by DTE Energy:**

167 Mercury Vapor Lights

- 167 – 175 Watt Mercury Vapor to 67 Watt LED
- 0 – 250 Watt Mercury Vapor to 131 Watt LED
- 0 – 400 Watt Mercury Vapor to 135 Watt LED

338 High Pressure Sodium Lights

- 106 – 250 Watt High Pressure Sodium to 135 Watt LED
- 1 – 400 Watt High Pressure Sodium to 67 Watt LED
- 229 – 100 Watt High Pressure Sodium to 67 Watt LED
- 2 – 250 Watt High Pressure Sodium to 67 Watt LED

**FY 2013-2014 Budget Implications:** The proposed FY 2013-2014 budget includes \$255,000 for the LED streetlight conversions. If approved, this program will reduce the number of Mercury Vapor and high Pressure Sodium Lights, in the city resulting in a substantial decrease in energy costs

The proposed agreement with DTE Energy that will reduce the number of Mercury Vapor and High Pressure Sodium lights in the city replacing them with energy efficient LED lights.

Council Member Murdock asked about the Master Agreement.

Mr. Miller said there is one master agreement and then there is a purchase agreement. He said both have the same language, however currently there is only one in place.

City Manager Lange explained the current program.

Mr. Miller explained that the LEDs were done through grants in the past. He said the lights were previously special orders but not anymore. He said there are not out of pocket costs to the city for failures and repairs. He said the city will see reduced energy consumption also.

Council Member Moeller asked what the advantages are.

Mr. Miller answered lower energy rates and consumption resulting in lower bill.

Council Member Moeller asked if there would be less maintenance.

Mr. Miller replied yes DTE will handle all of the maintenance and there is also a 10 year warranty.

Council Member Murdock asked for clarification on how the city will save costs for energy and the rate structure.

Mr. Miller answered there is a 10 year warranty and the rate is inclusive because DTE maintains everything.

Council Member Murdock asked about induction lighting.

Mr. Miller answered DTE believes LED is the answer and if there was a better solution DTE would have invested in it. He said the price is down because the volume is going up.

Paul Gantz commented that this is a historic night and commended City Council for instituting a streetlight district.

Council Member Murdock said this is a no brainer and he is pleased with the new lighting and can't wait until the other half of the city is completed next year.

On a roll call, the vote to approve Resolution No. 2013-133 was as follows:

|                          |        |                          |     |
|--------------------------|--------|--------------------------|-----|
| Council Member Moeller   | Yes    | Council Member Vogt      | Yes |
| Council Member Murdock   | Yes    | Mayor Schreiber          | Yes |
| Mayor Pro-Tem Richardson | Absent | Council Member Jefferson | Yes |
| Council Member Robb      | Yes    |                          |     |

VOTE:

Yes: 6      No: 0      Absent: 1 (Richardson)      Vote: Carried

3. **Resolution No. 2013-135, directing staff to prepare an other qualified adult benefit policy for City Council review and action for the August 6th meeting**

**WHEREAS on June 28, 2013 U.S. District Judge David Lawson granted a preliminary injunction ordering Gov. Snyder and the Administration to stop enforcing PA 297, the ban on school districts and municipalities providing other qualified adult benefits, and**

**WHEREAS The City of Ypsilanti has a long history of support for non-discrimination and equal rights, and**

**WHEREAS, the City Council has twice unanimously passed resolutions opposing PA 297 and calling for its repeal, and**

**WHEREAS the prohibition on providing other qualified adult benefits no longer exists,**

**THEREFORE be it resolved that the administration is directed to develop a policy to provide for other qualified adult benefits of City Employees for Council's review at the August 6<sup>th</sup> City Council Meeting.**

OFFERED BY: Council Member Murdock

SUPPORTED BY: Council Member Vogt

Council Member Murdock said the resolution speaks for itself and he believes City Council is moving in the right direction by supporting the State's actions.

Council Member Vogt thanked Council Member Murdock for bringing this resolution forward and said he is proud to see the city taking action.

Mayor Schreiber thanked Council Member Murdock for bring forth the resolution and said the resolution supports the efforts at the State level.

On a roll call vote, the vote to approve Resolution No. 2013-135 was as follows:

|                          |        |                          |     |
|--------------------------|--------|--------------------------|-----|
| Council Member Murdock   | Yes    | Mayor Schreiber          | Yes |
| Mayor Pro-Tem Richardson | Absent | Council Member Jefferson | Yes |
| Council Member Robb      | Yes    | Council Member Moeller   | Yes |
| Council Member Vogt      | Yes    |                          |     |

VOTE:

Yes: 6      No: 0      Absent: 1 (Richardson)      Vote: Carried

4. **Resolution No. 2013-136 to reconsider and rescind Resolution No. 2013-131 to purchase tax property and sell it to Habitat for Humanity of Huron Valley.**

**RESOLUTON TO RECONSIDER and RECIND Resolution 2013-131 to  
PURCHASE of TAX PROPERTY AND SELL it TO  
HABITAT FOR HUMANITY OF HURON VALLEY**

**IT IS RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:**

**WHEREAS The CITY is interested in removing blight and improving the housing stock in the city at a reasonable cost to the city,**

**WHEREAS Council passed resolution No. 2013-131, during the July 17, 2013 City Council meeting to purchase tax property and sell to Habitat for Humanity, and**

**WHEREAS the County Treasurer has provided information to the City that if the City preceded with this resolution the estimated cost would be approximately \$200,000 for tax charge backs, and**

**WHEREAS the City was not aware of this large cost at time resolution No. 2013-131 was passed, and**

**WHEREAS Council determines this cost to accomplish this goal is much higher than the city can afford at this time, and**

**WHEREAS Habitat for Humanity understands the city's change of position and has no objection to this resolution.**

**NOW THEREFORE, City Council reconsiders resolution No. 2013-131 in its entirety and all actions associated with the passage of this resolution effective upon the passage of this resolution and hereby RECINDS resolution 2013-131. The City Manager is authorized to take all necessary actions to implement this resolution.**

OFFERED BY: Council Member Vogt  
SUPPORTED BY: Council Member Jefferson

County Treasurer Cathy McClary was present to give an explanation of the resolution.

Treasurer McClary thanked city staff and administration for working closely with her office and said she values the partnership. She explained the process for when delinquent taxes are turned over to the County and explained chargebacks. She stated that the route the city was taking on this project would be very costly to the city.

City Manager Lange said Planner Gillotti's heart was in the right place when this project was recommended, however city staff did not understand the information initially.

Treasurer McClary stated that the city could refuse first right of refusals but she prefers to work with the city.

Council Member Murdock recalled a similar situation with 10 properties in Ypsilanti Township and asked if they are in the same boat.

Treasurer McClary answered yes and said the Township will receive charge backs.

Mayor Schreiber said he appreciates knowing the County is looking out for property in all jurisdictions county-wide. He said Habitat is a great organization to support but the partnership must make monetary sense for the city.

Mayor Pro-Tem Richardson arrived at the meeting.

Council Member Robb questioned the process for bringing this item back.

City Attorney Barr said Robert's Rules of Order was adopted by Council and that is was he followed in bringing this item back. He spoke about how things were done in the past and stated that the current motion was structured to two do things at once which are a little different from the past.

Mr. Barr added that he's done research regarding the time frame for a meeting and the time frame for a session which is different in parliamentary law so at the next organizational meeting he would like Council to define what a Council session is versus a Council meeting.

Council Member Murdock asked if advanced notice was required.

Mr. Barr replied yes and asked Council to waive the rules of Council to allow the item to be considered.

Council Member Vogt moved, supported by Council Member Jefferson to waive the rules of Council .

On a roll call, the vote to waive the Council rules was as follows:

|                          |     |                          |         |
|--------------------------|-----|--------------------------|---------|
| Council Member Robb      | Yes | Council Member Murdock   | No      |
| Council Member Vogt      | Yes | Mayor Pro-Tem Richardson | Abstain |
| Mayor Schreiber          | Yes | Council Member Moeller   | Yes     |
| Council Member Jefferson | Yes |                          |         |

VOTE:

Yes: 5      No: 1 (Robb)      Absent: 0      Abstain: 1 (Richardson)      Vote: Carried

On a roll call vote, the vote to approve Resolution No. 2013-136 to reconsider and rescind Resolution No. 2013-131 to purchase tax property and sell it to Habitat for Humanity of Huron Valley was as follows:

|                          |     |                          |     |
|--------------------------|-----|--------------------------|-----|
| Mayor Pro-Tem Richardson | Yes | Council Member Jefferson | Yes |
| Council Member Robb      | Yes | Council Member Moeller   | Yes |
| Council Member Vogt      | Yes | Council Member Murdock   | Yes |
| Mayor Schreiber          | Yes |                          |     |

VOTE:

Yes: 7      No: 0      Absent: 0      Vote: Carried

**X. CLOSED SESSION –**

Closed Session to discuss collective bargaining. (OMA 15.268, Section 8(c).

On a roll call, the vote to adjourn to closed session was as follows:

|                          |     |                          |     |
|--------------------------|-----|--------------------------|-----|
| Council Member Vogt      | Yes | Council Member Murdock   | Yes |
| Mayor Schreiber          | Yes | Mayor Pro-Tem Richardson | Yes |
| Council Member Jefferson | Yes | Council Member Robb      | Yes |
| Council Member Moeller   | Yes |                          |     |

VOTE:

Yes: 7      No: 0      Absent: 0      Vote: Carried

**XI. ADJOURNMENT –**

Resolution No. 2013-134, adjourning the Special Council Meeting.

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

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

OFFERED BY: Council Member Jefferson

SUPPORTED BY: Council Member Vogt

On a voice vote the motion carried and the meeting adjourned at 8:05 p.m.



Resolution No. 2013 – 140  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI,**

That the following items be approved:

1. Resolution No. 2013-141, approving the purchase of 35 tasers from Michigan Taser Distributing.
2. Resolution No. 2013-142, authorizing the Fire Department to apply for a FEMA grant under the 2013 Staffing for Adequate Fire and Emergency Response (SAFER) Grants.
3. Resolution No. 2013-143, approving engineering and testing services with OHM for full depth reconstruction, curb/gutter replacement, and drainage improvements for Grove Road between I-94 and Emerick Street in the 2013 construction season.
4. Resolution No. 2013-144, approving delegates to the 2013 MERS Annual Meeting.
5. Resolution No. 2013-145, approving GCSI renewal contract.
6. Resolution No. 2013-146, approving amendment to development agreement with Core Resources for particular provisions for Family Dollar.
7. Resolution No. 2013-147, approving appointment to Boards and Commissions

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:

NO:

ABSENT:

VOTE:



REQUEST FOR LEGISLATION  
August 8, 2013

FROM: Deputy Chief Tony DeGiusti

SUBJECT: Replacement of X26 Tasers

**Summary and Background:**

The Ypsilanti Police Department originally purchased the X26 Tasers in 2008. They have been an excellent tool in reducing liability and increasing officer safety. Since the inception of the program the Tasers has been deployed forty-eight (48) times successfully without one instance of litigation. Since 2008 there have been many improvements in the technology employed in the Tasers and the current X26 model is at its end of life. In the FY 2013-14 budget funds were allocated in the Capital Equipment account for the purchase of thirty-five (35) Model X2 Tasers to replace the antiquated and end of life X26 Tasers. The replacement cost is \$48,862.39.

The Tasers will be purchased under the Michigan state bid/contract pricing from Michigan Taser Distributing of South Lyon, Michigan.

**Action Requested:**

Approve the purchase of thirty-five (35) Model X2 Tasers from Michigan Taser Distributing in the amount of \$48,862.39 to come from the Capital Equipment account #414-7-9370-987-40.

---

City Manager Approval: \_\_\_\_\_ Council Agenda Date: 8/6/13

City Manager Comments:

Finance Director Approval: \_\_\_\_\_



Resolution No. 2013-141

August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, the Ypsilanti Police Department desires to replace thirty-five (35) X26 Tasers with thirty-five (35) X2 Tasers; and

WHEREAS, the City of Ypsilanti Police Department has been allocated funds in the FY 2013-14 budget for the purchase of the Tasers; and

WHEREAS, Michigan Taser Distributing of South Lyon, Michigan has provided State of Michigan pricing in the amount of \$48,862.39.

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

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:

NO:

ABSENT:

VOTE:



REQUEST FOR LEGISLATION  
August 6, 2013

To: Mayor and Council

From: Chief Max Anthouard

Subject: Grant Application Authorization

---

SUMMARY & BACKGROUND:

The City of Ypsilanti Fire Department is eligible to apply for a FEMA grant under the 2013 Staffing for Adequate Fire & Emergency Response (SAFER) Grants. The goal of SAFER is to enhance local fire departments' ability to comply with the staffing, response, and operational standards established by NFPA 1710.

I am asking for authorization to apply for this grant. If awarded, this grant will replace the 5 firefighters we lost by attrition in 2012. The total amount of the grant is \$800,505 and has a 0% match. It will cover 100% of the salaries and benefits of these new employees for two years.

Five additional firefighters will put the Fire Department back into compliance with NFPA 1710 and will also make us compliant with MIOSHA's "two-in, two-out" requirement. Five additional personnel will reestablish a staffing level of six persons per shift and will tremendously reduce overtime.

The application process opened Monday, July 29, 2013 and ends Friday, August 30, 2013, at 5 p.m. Eastern Time. The anticipated award date is no later than September 2014.

We applied for the same grant last year and did not receive it. This year we are prime candidates due to the fact that the Fire Department lost 5 positions this past year.

RECOMMENDED ACTION: (Approval/Denial)

---

CITY MANAGER APPROVAL: \_\_\_\_\_ COUNCIL AGENDA DATE: 8/6/13

CITY MANAGER COMMENTS: \_\_\_\_\_

FISCAL SERVICES DIRECTOR APPROVAL: \_\_\_\_\_



Resolution No. 2013 - 142  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, The Fire Department qualifies to apply for a FEMA grant under the 2013 Staffing for Adequate Fire & Emergency Response (SAFER) Grants. The goal of SAFER is to enhance local fire departments' ability to comply with the staffing, response, and operational standards established by the NFPA 171; and

WHEREAS, the total amount of the grant is \$800,505 and has a 0% match. It will cover 100% of the salaries and benefits of new employees for two years; and

WHEREAS, five firefighters will place the Fire Department back into compliance with NFPA 1710 and will also make us compliant with MIOSHA's "two-in, two-out" requirement; and

WHEREAS, five additional personnel will reestablish a staffing level of six persons per shift and will tremendously reduce overtime.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council authorizes the Fire Department to apply for the grant.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:                      NO:                      ABSENT:                      VOTE:

Questions asked by Mr. Lange:

- If we receive the grant, the fire department staffing will be eighteen. Are we mandated to keep our staffing at eighteen during the duration of the grant?  
*Positions funded by the grant have to be maintained/replaced. We do not necessarily have to replace non-funded positions lost because of retirement.*
- If we request five firefighters, can we accept less?  
*Yes, but the application will be reviewed and rescored. If NFPA 1710 is not met with the amount of firefighters we chose to accept, we may lose the whole grant.*

## REQUEST FOR LEGISLATION

From: Stan Kirton, DPS Director

Date: August 6, 2013

Subject: Contract with Orchard, Hiltz & McCliment, Inc. for the Grove Road Project Construction Engineering Services

### Summary and Background:

The Grove Road Project is slated for construction in the 2013 construction season. Federal Surface Transportation – Urban funds have been appropriated for this project through the City of Ypsilanti by WATS. It is necessary to secure construction engineering services for this project. The project includes full depth reconstruction of Grove Road between I-94 and Emerick Street in the 2013 construction season. This project is anticipated to include removal of the concrete pavement, resurfacing with asphalt, curb/gutter replacement, and drainage improvement repairs.

The total project cost is estimated at \$614,000. The geotechnical testing services and construction engineering services proposed by OHM is at a not to exceed cost of \$91,000. Approximately \$66,375.00 will be expended from 202-7-9046-975-02, Grove Road Construction Engineering and approximately \$24,625 will be expended from 202-7-9055-818-00, non-motorized improvements.

Attachments: OHM Proposal for Construction Engineering Services, Resolution

Recommended Action: Approval

Date Received: July 30, 2013 Agenda Item No.: Res. No. 2013-143

City Manager Comments: \_\_\_\_\_

For Agenda of August 6, 2013 Finance Director Approval \_\_\_\_\_

Council Action Taken: \_\_\_\_\_



Resolution No.2013-143  
August 6, 2013

RESOLUTION TO APPROVE ENGINEERING AND  
TESTING SERVICES WITH ORCHARD HILTZ & MCCLIMENT (OHM)

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, Federal Surface Transportation Program - Urban funding has been programmed for full depth reconstruction, curb/gutter replacement, and drainage improvements for Grove Road between I-94 and Emerick Street in the 2013 construction season; and

WHEREAS, Orchard, Hiltz and McCliment has provided an exemplary level of service to the City of Ypsilanti on similar street improvement projects, and posses a depth of experience with the infrastructure in the project area; and

WHEREAS, it is necessary to secure construction engineering services to keep this project on schedule;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council approves the construction engineering and geotechnical testing services contract with Orchard, Hiltz & McCliment, Inc., 34000 Plymouth Road, Livonia, MI at a not to exceed cost of \$91,000.00; and

THAT the Mayor and City Clerk are authorized to sign this contract, subject to review and approval by the City Attorney.

THAT the City Manager is authorized to sign any change orders that may be needed to maintain the project's schedule, subject to review and approval by the City Attorney.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:

NO:

ABSENT:

VOTE:



ARCHITECTS. ENGINEERS. PLANNERS.

July 23, 2013

**City of Ypsilanti**  
One South Huron St.  
Ypsilanti, Michigan 48197

Attention: Mr. Stan Kirton  
Department of Public Works Director

Regarding: **Grove Street Paving – Emerick to I-94**  
**City of Ypsilanti**  
**Construction Phase Services**

Dear Mr. Kirton:

Orchard, Hiltz & McClimment, Inc. (OHM) is pleased to submit this proposal for engineering services for the Grove Street Paving Project in the City of Ypsilanti.

### **PROJECT UNDERSTANDING**

We understand that this will be a road reconstruction and realignment project from Emerick Street to the I-94 bridge. The project will include narrowing the existing road and installing sidewalk as-needed on the east side.

The project will be funded by a grant administered by the Michigan Department of Transportation (MDOT). The construction services will be paid for with local funds, but will be coordinated with MDOT staff and performed per their requirements.

### **SCOPE OF SERVICE**

#### **CONSTRUCTION SERVICES**

(Construction layout, observation, construction engineering and contract administration)

#### **Construction Layout**

OHM will provide construction survey layout services for the paving activities. Staking will be provided for storm sewer, curb elevations and drive approaches. This will include the initial placement of the stakes and if removed by residents and/or contractor one (1) additional staking.

#### **Construction Observation**

OHM will provide full time on-site construction observation services for all paving activities and restoration. For this proposal, we anticipate eight weeks that will require full time inspection. If the contractor requires more time than this for the major items of work, additional fees may be required. Coordinating materials testing services will also be included under construction observation. Material testing is shown as a separate line item below.

#### **Construction Engineering**

OHM will provide construction engineering services for the paving portion of this project. Construction engineering services will include, but are not necessarily limited to, reviewing shop drawings and materials certifications provided by the contractor, attending a pre-bid, preconstruction, and one public meeting, answering

requests for information (RFIs) from the contractor, resolving construction conflicts (i.e., mismarked utilities, interpretation of the contract documents, etc.). Record drawings will also be provided.

#### **Contract Administration**

OHM will provide necessary contract administration services for the project. Contract administration services will include MDOT coordination, preparation of any necessary change orders and correspondence needed for clarification, preparation and processing of partial and final payment estimates as well as final walk through and project close out.

#### **FEE SCHEDULE**

OHM proposes to provide the above outlined professional services on an Hourly - not to exceed basis.

|                                     |                                          |
|-------------------------------------|------------------------------------------|
| <b>Construction Services -</b>      | <b>\$75,800</b>                          |
| <b><u>Geotechnical Testing-</u></b> | <b><u>\$15,200</u></b>                   |
| <b>TOTAL</b>                        | <b>\$91,000 (Hourly – Not to Exceed)</b> |

This is an hourly estimate (not to exceed if there are no scope changes). If it appears during the project that this estimate will be exceeded OHM will notify the City in a timely manner and indicate the reasons that the budget will not be met (e.g. the contractor's productivity and field conditions).

#### **ADDITIONAL SERVICES**

OHM will be pleased to provide any of the following additional services for this project on a time and material basis. A separate proposal would be provided for such services.

- Boundary surveys
- Easement document preparation
- Easement acquisition
- Any other services not specifically described in the scope of work

#### **DELIVERABLES**

Record Drawings in the appropriate format will be delivered upon project completion. A final pay estimate and final acceptance letter will be issued upon project completion.

#### **BASIS OF PAYMENT**

OHM will invoice the City once a month for the hourly – not to exceed amount in accordance with the continuing services agreement between OHM and the City of Ypsilanti. We thank you for this opportunity to provide professional engineering services. Should there be any questions, please contact us.

Sincerely,

**ORCHARD, HILTZ & McCLIMENT, INC.**

Marcus J McNamara



REQUEST FOR LEGISLATION  
August 2, 2013

FROM: Judi Smith, Human Resources Manager

SUBJECT: MERS 67th Annual Meeting

SUMMARY & BACKGROUND:

It is requested that the City Council agenda for June 18, 2013, include consideration of a resolution authorizing the attendance of two delegates to attend the Municipal Employees' Retirement System (MERS) Tuesday, October 1st through Thursday, October 3rd, 2013.

The proposed fee of \$200 per person has already been set aside in the Human Resources Budget for 2013/2014. Because the MERS Annual Meeting is being held in Traverse City, MI, lodging will be necessary \$137 per person per night plus tax. Therefore the total amount of funds required to attend the meeting will be \$1150.

The MERS Employee Delegate Election took place on May 17, 2013 and Kim Jones received the most votes with David Blakley as second runner-up. The suggested Officer Delegate is Ralph A. Lange and Frances McMullan as the Alternate Officer Delegate.

Please contact me at 483-1242 or by email at [jasmith@cityofypsilanti.com](mailto:jasmith@cityofypsilanti.com) if you need additional information.

RECOMMENDED ACTION:

It is recommended that the City Council approve the selection of delegates to attend the MERS Conference.

ATTACHMENTS: Proposed Resolution

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CITY MANAGER APPROVAL: \_\_\_\_\_ COUNCIL AGENDA DATE: 08/06/2013

CITY MANAGER COMMENTS:

FINANCE DIRECTOR APPROVAL: \_\_\_\_\_



# Memo

To: Mayor and City Council  
From: Ralph A. Lange, City Manager  
Date: August 6, 2013  
Subject: Nomination for MERS Delegates

## SUMMARY/BACKGROUND:

The MERS annual conference is scheduled for October 1 - 3, 2013 in Traverse City, MI.

MERS requires an election by secret ballot for the employee delegate. The election process conducted on May 17, 2013. The employees elected were Kim Jones from the Finance Department as the employee delegate, with David Blakley from the Department of Public Services as the alternate.

I will be going as the officer delegate, with Frances McMullan, as the alternate.

The attached resolution is for your approval.

\*\*\*\*\*

Date Received: \_\_\_\_\_ Agenda Item No. 2013-144

City Manager Comments: \_\_\_\_\_

For Agenda of: 8-6-13 Finance Director Approval: \_\_\_\_\_

Council Action:



Resolution No. 2013-144  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, the Municipal Employees' Retirement System of Michigan covers all full-time City employees excluding Fire and Police Pension system Members; and

WHEREAS, the Municipal Employees' Retirement System is holding its annual meeting October 1 - 3, 2013 in Traverse City, MI; and

WHEREAS, the Municipal Employees' Retirement System allows two delegates to be selected to attend this meeting, one an employee delegate elected by secret ballot and one an officer delegate selected by the City Manager; and

WHEREAS, the employees have elected Kim Jones from the Finance Department as delegate with David Blakley from the Department of Public Works as the alternate; and

WHEREAS, the City Manager, Ralph A. Lange will be the officer delegate and City Clerk Frances McMullan, as the alternate.

THEREFORE, BE IT RESOLVED, that these employees be appointed as employee and officer delegates and alternates.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:            NO:            ABSENT:            VOTE:



REQUEST FOR LEGISLATION  
August 6, 2013

TO: Mayor and Council

FROM: Frances M. McMullan, City Clerk

SUBJECT: Approval of Retainer Agreement between the City of Ypsilanti and Governmental Consultant Services, Inc.

SUMMARY & BACKGROUND:

Attached is the proposed retainer agreement between the City and Governmental Consultant Services, Inc. for lobbying services beginning July 1, 2013 through July 1, 2016.

The agreement sets compensation at \$2,850 each month for professional services.

RECOMMENDED ACTION: Approval

ATTACHMENTS: Resolution No. 2013-145  
Retainer Agreement between City of Ypsilanti and GCSI

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COUNCIL AGENDA DATE: August 6, 2013

CITY MANAGER COMMENTS:

CITY MANAGER APPROVAL: \_\_\_\_\_

FINANCE DIRECTOR APPROVAL: \_\_\_\_\_



Resolution No. 2013-145  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, the proposed retainer agreement with GCSCI (Governmental Consultant Services, Inc.) sets compensation at \$2,850.00 per month for professional services commencing July 1, 2013 for (36) thirty-six months.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council approves the retainer agreement between the City of Ypsilanti and Governmental Consultant Services, Inc. for professional services beginning July 1, 2013 and authorizes the Mayor and City Clerk to sign the agreement.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:                      NO:                      ABSENT:                      VOTE:

## **RETAINER AGREEMENT**

THIS AGREEMENT is made July 1, 2013 between GOVERNMENTAL CONSULTANT SERVICES, INC., a Michigan Corporation with its principal office located at 120 N. Washington Square, Suite 110, Lansing, Michigan 48933, First Party, (hereinafter referred to as GCSI), and THE CITY OF YPSILANTI, a Michigan municipal corporation, with offices located at One South Huron Street, Ypsilanti, MI 48197, (hereinafter CITY).

### **GCSI'S REPRESENTATIONS AND WARRANTIES**

1.1 GCSI has been duly organized and validly exists in good standing under the laws of the State of Michigan. GCSI has corporate power to enter into and carry out this Agreement.

1.2 This Agreement has been duly executed and delivered by its appropriate corporate officers and is duly authorized by its Board of Directors.

### **CITY'S REPRESENTATIONS AND WARRANTIES**

2.1 CITY has been duly organized and validly exists in good standing under the laws of the State of Michigan and its business affairs and conduct are in accord with the intent and purpose of its existence as described in its charter documents of record. CITY has corporate power to enter into and carry out this Agreement.

2.2 This Agreement has been duly executed and delivered by its Mayor and City Clerk and is duly authorized by its City Council.

## **AGREEMENT**

3.1 CITY does hereby retain GCSI and GCSI does hereby agree to provide professional services for the purpose of aiding CITY in accomplishing its charter objectives, and GCSI agrees to the best of its ability to assist CITY in accomplishing such objectives.

3.2 It is understood and agreed that GCSI's operations hereunder are those of an independent contractor, and that GCSI has the authority to control and direct the performance of the details of the services to be rendered and performed. It is further agreed that GCSI's officers and employees are not employees of CITY and that GCSI is not, except as herein provided, subject to control by CITY.

3.3 GCSI will provide CITY with assistance in state-related matters, including legislation and administrative decisions affecting budgets, grants, business, environment, and health.

3.4 GCSI will provide periodic written reports at the request and direction of the City Manager.

## **COMPENSATION**

4.1 For and in consideration for such services CITY agrees to pay GCSI and GCSI agrees to accept the sum of \$2,850 on the first day of each month commencing July 1, 2013 for professional services.

## **COSTS AND EXPENSES**

5.1 It is understood and agreed that the compensation recited in Paragraph 4.1 includes usual and ordinary costs and expenses. If it develops that GCSI shall be exposed to extraordinary costs and expenses, then in that event CITY shall assume and pay the same providing the nature and circumstances thereof are disclosed to and approved by CITY prior to the time the same are incurred.

**TERM**

6.1 The term of this Agreement shall be for a minimum of 36 months and continue thereafter on a month-to-month basis until written notice of termination has been served with ninety (90) days prior notice by either party hereto.

**NON-ASSIGNABILITY**

7.1 This Agreement shall be personal to the parties hereof and shall not be transferable or assignable by operation of law or otherwise.

GOVERNMENTAL CONSULTANT  
SERVICES, INCORPORATED

\_\_\_\_\_

BY: \_\_\_\_\_

Kirk Profit, Director

\_\_\_\_\_

BY: \_\_\_\_\_

Stephen E. Young, Director

CITY OF YPSILANTI, a Michigan  
Municipal Corporation

BY: \_\_\_\_\_  
Paul Schreiber, Mayor

BY: \_\_\_\_\_  
Frances McMullan, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
JOHN M. BARR  
Ypsilanti City Attorney

## ADDENDUM TO AGREEMENT TO SERVICES

This Addendum shall be a part of a certain Agreement between the CITY OF YPSILANTI, a Michigan municipal Home-rule corporation of One South Huron Street, Ypsilanti, Michigan 48197 referred to as “Ypsi” and or “CITY”, and Governmental Consultant Services, Inc., of 120 North Washington Square, Suite 110, Lansing, Michigan 48933, referred to as “CONTRACTOR”, a Michigan Corporation.

1. This Addendum is an addition and amendment to the primary Contract between the parties. In an event of a conflict between the language of this Addendum and the primary Contract, the language and terms of this Addendum shall take precedence.

2. Standard of Performance. The CONTRACTOR shall perform the Contract faithfully and diligently and perform the services in a competent, professional, satisfactory and proper manner and during the Contract term or extensions thereof, use every best effort and endeavor to promote the interests of the CITY and devote such time, attention, skill, knowledge and ability as is necessary to most effectively and efficiently carry out and perform the Contract.

This Contract is to be performed in Michigan, and all legal venue shall exclusively lie in Washtenaw County, Michigan.

3. The parties agree that time is of the essence in the performance of this Contract by the CONTRACTOR.

4. Each provision of this Contract shall be separately enforceable and in the event that a court of competent jurisdiction determines or adjudges that any provision of this Contract is invalid or illegal, such decision shall not affect the rest of the Contract which shall remain in full force and effect.

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

6. Independent Contractor. The relationship of the CONTRACTOR to the CITY is and shall continue to be that of an independent contractor and no liability or benefits such as worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party as a result of the performance of this Contract.

7. Waiver of Liability. The CONTRACTOR hereby waives any claim against the CITY and agrees not to hold the CITY liable for any personal injury or damage incurred by it, its employees or associates on this project which is not held by a court of competent jurisdiction to be directly attributable to the sole and/or gross negligence or malicious intentional conduct of any employee of the CITY acting within the scope of their employment. It further agrees to hold the CITY harmless from any such claim by its employees or associates.

8. For the purpose of the hold harmless indemnity and insurance provisions contained in this Contract, the term "CITY" shall be deemed to include the City of Ypsilanti and all other associated, affiliated, allied or subsidiary entities, or commissions, officers, agents, representatives and employees.

9. Insurance:

- a. The CONTRACTOR prior to commencing work shall provide at his own cost and expense the following insurance to the CITY in insurance companies licensed and/or approved in the State of Michigan, which insurance shall be evidenced by certificates and/or policies as determined by the CITY. All policies and certificates of insurance shall be approved by the Department of City Manager of the CITY prior to the inception of any work.
- b. Each certificate or policy shall require that, thirty days prior to cancellation or material change in the policies, notice thereof shall be given to the CITY by registered mail, return receipt requested, for all of the following stated insurance policies. All such notices shall name the CONTRACTOR and identify the contract number.
- c. In order to determine financial strength and reputation of insurance carriers, all companies providing the coverages required shall be licensed or approved by the Insurance Bureau of the State in which the work is performed and shall have a financial rating not lower than XI and a policyholder's service rating no lower than a B+ as listed in A.M. Best's Key Rating Guide, current edition. Certificates of insurance shall note A.M. Best's Rating. Companies with rating lower than B+:XI will be acceptable only upon written consent of the Owner.
- d. All policies and certificates of insurance of the CONTRACTOR shall contain the following clauses:
  - (1) The clause "other insurance provision" in a policy in which the CITY is named as an insured, shall not apply to the CITY.
  - (2) The insurance companies issuing the policy or policies shall have no recourse against the CITY (including its agents and agencies as aforesaid) for payment of any premiums or assessments under any form of policy.
  - (3) Any and all deductibles in the above described insurance policies shall be assumed by and be for the account of, and at the sole risk of the CONTRACTOR.

- (4) The CITY (at its option) shall be listed as an Additional Named Insured on the following insurance coverages provided by the CONTRACTOR.

|     |              |    |               |    |                                 |
|-----|--------------|----|---------------|----|---------------------------------|
| YES | <u>  X  </u> | NO | <u>      </u> | 1) | Comprehensive General Liability |
| YES | <u>  X  </u> | NO | <u>      </u> | 2) | Automotive Liability            |

- a. The CONTRACTOR shall maintain at its own expense during the term of the Contract the following insurance.

- (1) Worker's Compensation insurance with Michigan statutory limits and employers' liability insurance with minimum limits of \$100,000 each accident.

- (2) General Liability insurance with a minimum limit of liability per occurrence of \$500,000 Combined Single Limit (Bodily Injury/Property Damage).

- (3) Automobile Liability insurance with minimum limits of liability, per occurrence, of \$500,000 Combined Single Limit (Bodily Injury/Property Damage) unless otherwise indicated in the "Special Conditions" of the Contract specifications. This insurance shall include for bodily injury and property damage the following coverages:

- (a) Hired automobiles
- (b) Non-owned automobiles

- a. If any of the Property and Casualty insurance requirements are not complied with at their renewal dates, payments to the CONTRACTOR will be withheld until those requirements have been met, or at the option of the CITY the CITY may pay the Renewal Premium and withhold such payments from any monies due the CONTRACTOR.

- b. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under the Contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CONTRACTOR until such time as the CONTRACTOR shall furnish such additional security covering such claims as may be determined by the CITY.

- c. If at any time any of the foregoing policies shall be or become unsatisfactory to the CITY to form or substance, or if a company insuring any such policy shall be or become unsatisfactory to the CITY, the CONTRACTOR shall upon notice to that effect from the CITY promptly obtain a new policy,

submit the same to the City Manager for approval and submit a certificate thereof as herein provided. Upon failure of the CONTRACTOR to furnish, deliver and maintain such insurance as above provided, this Contract, at the election of the CITY may be forthwith declared suspended, discontinued or terminated. Failure of the CONTRACTOR to take out and/or maintain or the taking out and/or maintenance of any required insurance, shall not relieve the CONTRACTOR from any liability under the Contract, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations of the CONTRACTOR concerning indemnification.

9. Conflict of Interest. The CONTRACTOR covenants that neither said corporation nor any officer, agent or employee of the corporation has any interest nor shall they acquire any interest, directly or indirectly, which would conflict in the manner or degree of performance with the Contract.
10. Contingent Fees. The CONTRACTOR warrants it has not employed or retained any company or person other than bonafide employees working solely for the CONTRACTOR, to solicit or secure this Contract, and that it has not paid or agreed to pay any company, or person, other than a bonafide employee working solely for the CONTRACTOR, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award of making this Contract. For breach or violation of this warranty, the CITY shall have the right to annul the Contract without liability or, at its discretion, to deduct from the fees due the CONTRACTOR, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.
11. Equal Opportunity. The CONTRACTOR has knowledge of and agrees to comply with the provisions of the Ypsilanti City Ordinance 538, Affirmative Action.
12. The CONTRACTOR further agrees to perform this Contract in accord with all federal, state and local laws and will not discriminate against any person on the basis of race, sex, color, national origin, religion, handicap status, height, weight, marital status, or other criteria not relevant to the particular job.
13. The CONTRACTOR further agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, disability as set forth in the American's With Disability Act, age, height, weight, or marital status (except insofar as it relates to a bonafide or occupational qualification reasonable necessary to the normal operation of the business). Breach of this provision may be regarded as material breach of the Agreement.
14. Davis-Bacon Act. Pursuant to the Davis-Bacon Act, Title 40, UCS Section 276A-276A-5 the rates of wages paid to employees of the CONTRACTOR on any

covered work shall be the prevailing wages for this locality to all class of workers employed by the CONTRACTOR on the covered work.

15. Living Wage.

A.

- (1) Living Wages be paid according to the Ypsilanti Living Wage Ordinance NO. 892 (The Ordinance), and
- (2) Suitable notices be posted in the work place; and
- (3) Evidence of compliance including payroll records be provided to the Ypsilanti Personnel Department within 10 days or written request from the Ypsilanti Personnel Department.

A. In the event of violation of the provisions of The Ordinance or this contract this contract may be modified or terminated to comply with the provisions of The Ordinance, including withholding of moneys in amount equal to Living Wages not paid in accordance with The Ordinance and the City may also take action to recover the amount of the contract provided to any person found to have violated The Ordinance.

B. Any employee shall have a separate cause of action to enforce the provisions of this contract and The Ordinance and any rights conferred under The Ordinance, in law and or equity, and any court of competent jurisdiction upon proper proof and the prevailing of the employee in such action, shall award actual damages, wage restitution, interest and actual attorney fees.

C. The City shall have the right to enforce this contract and The Ordinance in law or equity by court process including specific performance.

9. This Contract and attachments hereto are the sole Contract and Agreement between the parties. Any changes, additions or deletions shall not be effective or actionable unless they are in writing signed by the parties.

IN WITNESS WHEREOF, the undersigned have set their hands this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

In the presence of:

Governmental Consultant Services, Inc.

\_\_\_\_\_

BY: Stephen E. Young, Director

\_\_\_\_\_

BY: Kirk Profit, Director

CITY OF YPSILANTI, a Michigan  
Municipal Home-rule City

\_\_\_\_\_

BY: \_\_\_\_\_

Paul Schreiber, Mayor

\_\_\_\_\_

BY: \_\_\_\_\_

Frances McMullan, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_

JOHN M. BARR P-10475  
Ypsilanti City Attorney



REQUEST FOR LEGISLATION  
Aug. 6, 2013

From: Teresa Gillotti, Director of Community and Economic Development

Subject: Amendment request to Purchase agreement with Core Resources, LLC, for purchase and development of Family Dollar Store

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**Background**

On May 7, 2013 City Council approved a purchase agreement with Core Resources, LLC to develop a 8,320 square foot Family Dollar store on .86 acres of the Water Street Redevelopment area on the corner of Park Street and W. Michigan Ave.

The agreement included a series of deadlines including deadlines for finishing an ALTA survey, obtaining title insurance and completing other due diligence items. Core Resources, LLC is requesting a change in the required dates to complete these elements from 30 days to 120 days. This request would stay within the contingency period.

Core Resources reports that with both the title review and the environmental review, they have been asked to research beyond the proposed parcel boundaries into the broader redevelopment area. This has required more time than previously expected.

Meanwhile, staff has received the Planned Unit Development application and site plan proposal for the project that will be reviewed by the Planning Commission in August.

**Recommendation:** Approval.

Comments and questions can be directed to Teresa Gillotti at [tgillotti@cityofypsilanti.com](mailto:tgillotti@cityofypsilanti.com) or 734-483-9646.

**ATTACHMENTS:**

- Amendment
  - Previously approved Purchase Agreement
  - Resolution
- 

CITY MANAGER APPROVAL: \_\_\_\_\_ COUNCIL AGENDA DATE: 8-6-13

CITY MANAGER COMMENTS: \_\_\_\_\_

FISCAL SERVICES DIRECTOR APPROVAL: \_\_\_\_\_



Resolution No. 2013-146  
August 6, 2013

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, The Ypsilanti City Council approved a Purchase Agreement for the sale of .85 acres of the Water Street Redevelopment Area to **NINETY NINE 90, LLC** for the development of a Family Dollar Store on May 7, 2013; and

WHEREAS, said agreement has been executed by both parties; and

WHEREAS, **NINETY NINE 90, LLC** has requested an amendment to extend the time frame for completion of due diligence measures due to the size and complexity of the acquisition of the Water Street Redevelopment Area.

NOW, THEREFORE, BE IT RESOLVED THAT the Ypsilanti City Council approve the attached Amendment to the Purchase Agreement with **NINETY NINE 90, LLC** to sell and develop .85 acres of the Water Street Redevelopment Area as presented in the agreement and attachments.

FURTHER, that the Mayor and City Clerk are authorized to sign the Purchase Agreement subject to attorney approval.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:

NO:

ABSENT:

VOTE:

## AGREEMENT TO PURCHASE REAL ESTATE

**THIS AGREEMENT TO PURCHASE REAL ESTATE** (this "Agreement") is entered into by and between, **THE CITY OF YPSILANTI**, a Michigan municipal corporation, the address of which is One South Huron Street, Ypsilanti, Michigan 48197 (the "City"), and **NINETY NINE 90, LLC** and its Permitted Assigns (as defined below), an Ohio limited liability company, the address of which is 7795 Five Mile Road, Cincinnati, Ohio 45230 ("Purchaser").

### R E C I T A L S:

A. The City is the owner of certain real property located in the City of Ypsilanti, Washtenaw County, Michigan, which is more particularly described on Exhibit A attached hereto and made a part hereof (the "Property").

B. The Property is part of an overall project known as the Water Street Redevelopment Project ("Water Street Project") located within the real property which is identified on Exhibit B attached hereto ("Overall Property"). The Overall Property not sold to the Purchaser hereunder is the "Retained Property". The Water Street Project is proposed to be developed in accordance with the provisions of the Draft City of Ypsilanti Zoning Ordinance relating to the Commercial Redevelopment District and Residential Redevelopment District (the "Draft Ordinance"). The Draft Ordinance shall be used as guidance in the development of the Property, as Purchaser pursues the rezoning of the Property pursuant to a Planned Unit Development as provided in Section 7 (d) below.

C. The City desires to sell and Purchaser desires to purchase the Property, upon the terms and conditions described below.

**THEREFORE**, in consideration of the mutual covenants and the undertakings described in this Agreement, the parties agree as follows:

1. **Agreement of Purchase and Sale.** The City agrees to sell to Purchaser, and Purchaser agrees to purchase, the Property, subject to and in accordance with the terms and conditions of this Agreement.

2. **Purchase Price.** The purchase price ("Purchase Price") for the Property shall be Two Hundred Ten Thousand and 00/100 (\$210,000.00) Dollars. At Closing, as defined in Paragraph 9 below, Purchaser shall pay to the City the Purchase Price, subject to closing adjustments and prorations as provided in this Agreement.

3. **Earnest Money Deposit.** Within five (5) days from the date of Purchaser's receipt of a fully executed copy of this Agreement (the "Effective Date"), Purchaser shall deliver to Safetitle Agency, Inc., or other title company acceptable to the Seller (the "Title Company"), an earnest money deposit in the amount of Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) Dollars (the "Deposit"). The Deposit shall be applied toward the Purchase Price. The Deposit shall otherwise be returned to Purchaser or retained by the City in accordance with the terms of this Agreement.

4. **Title; Survey.** Within thirty (30) days from the Effective Date, the Purchaser shall, at its cost, cause the Title Company to deliver to Purchaser a commitment for an ALTA Owner's Title Insurance Policy (the "Commitment") in the amount of the Purchase Price, bearing a date later than the Effective Date, and identifying the condition of title to the Property, together with copies of the instruments and documents referenced in the Commitment. In addition, within fifteen (15) days from the

Effective Date, the City shall make available to Purchaser a copy of the City's most-recent existing survey of the overall Property ("Survey"). Purchaser shall obtain, at its sole cost and expense, an updated ALTA Survey of the Property, certified to the City, Purchaser and Title Company and setting forth the legal description of the Property, the Access Drive (as defined in paragraph 13(a)) and the storm water detention license referenced in paragraph 7(c), and provide to the City a copy of such updated Survey within ninety (90) days from the Effective Date. The City shall advise Purchaser of any objections to the Survey and/or the legal description contained therein within ten (10) business days of receipt. If the City objects to the Survey, the parties will work in good faith to resolve same. If no objection is made, or after all objections are resolved, the legal description contained in said Survey shall be used for the conveyances contemplated herein.

5. **Objections to Title and Survey.** During the Contingency Period, as defined in Section 6 below, as same may be extended as provided in Section 6, Purchaser shall have the right to object in writing to the condition of title to the Property as reflected in the Commitment and Survey. If Purchaser does not provide the City with its title objections within the initial 180 day Contingency Period, Purchaser shall be deemed to have waived all objections to the condition of title to the Property. The City shall have thirty (30) days from its receipt of any such written objections to advise Purchaser whether Seller will undertake to exert commercially reasonable efforts to cure such objections. The City shall be deemed to have cured a title objection if the City causes such matter to be removed from the Commitment as an exception to coverage or the Title Company agrees to insure Purchaser for such matter. If the City does not undertake to cure Purchaser's objections or after undertaking the obligation to attempt to cure same as provided above is unable to do so, Purchaser shall have the right to terminate this Agreement by providing written notice to the City within ten (10) days from the date of Seller's written notice that (i) the City will not undertake such cure efforts or (ii) if after having undertaken such efforts the City's written notice that it has not been able to cure same. If Purchaser terminates this Agreement in accordance with this Paragraph 5 and as provided in Section 6, Purchaser shall receive a refund of the Deposit and the parties shall have no further rights or obligations under this Agreement, except for Purchaser's restoration and indemnity obligations which shall survive.

6. **Contingency Period.**

(a) **Contingency Period; Access.** Purchaser shall have a period of one hundred eighty (180) days from the Effective Date (the "Contingency Period") to inspect or cause to be inspected all elements and aspects of the Property, including, but not limited to, the physical and environmental condition of the Property, the Purchaser's acceptance that all utilities are available in sufficient capacity at the Property boundary or in close proximity thereto, in addition to confirmation and acceptance of any utility tap fees and/or utility credit requirements, to obtain Purchaser's client's and or tenant's final Real Estate Committee approval of the Purchaser's intended project and to pursue and obtain the Governmental Approvals (as defined below). The City shall provide Purchaser with access to the existing information in the City's possession regarding the Property. Such information may be provided on a computer disc. The City does not make any representation or warranty regarding any such information, including, without limitation, any representation or warranty with respect to the completeness or accuracy of any such information. Purchaser, at its cost, shall have the right to inspect additional information regarding the Property which is located within the City's offices and is otherwise available to the public at mutually acceptable times and, if required by the City, with appropriate supervision by City staff. The City will reasonably cooperate with Purchaser in Purchaser's effort to obtain the Properties history, previous reports in the City's possession and/or physical condition of the Property, all without liability or cost. At all times during the term of this Agreement, the City grants to Purchaser, and those persons designated by Purchaser, the right to enter upon the Property in order to inspect the Property and to take soil borings and conduct engineering and environmental tests and studies. Purchaser shall provide to the attorney for the City, at no cost to the City, copies of any environmental analysis performed in connection

with the Property (including a Baseline Environmental Assessment ("BEA"), if Purchaser obtains a BEA, at least ten (10) days before filing with any state agency).

(b) **Restoration; Insurance; Indemnity.** During the Contingency Period Purchaser shall use all reasonable efforts to minimize any damage to the Property and, in the event any portion of the Property is disturbed or altered by virtue of Purchaser's investigations, Purchaser shall promptly, at its sole cost and expense, restore the Property to substantially the same or better condition that existed prior to such disturbance or alteration. Purchaser shall indemnify, defend and hold harmless the City from and against any and all claims, liabilities, suits, costs, expenses and damages, including reasonable attorneys' fees, arising out of the inspection activities of Purchaser or its agents, employees or contractors, and/or any construction liens filed by any of Purchaser's contractors, subcontractors or suppliers in connection with any such inspection activities. Prior to entering the Property, Purchaser shall provide the City with evidence of liability insurance in the amount of Two Million and 00/100 (\$2,000,000.00) Dollars, which names the City as an additional insured party and provides coverage for all of Purchaser's activities within the Property, including Purchaser's indemnity obligations, and which insurance coverage cannot be cancelled or the amount of coverage reduced prior to Closing.

(c) **Confidentiality.** Purchaser shall keep the results of its environmental inspections and testing confidential and shall not disclose the contents of any environmental reports to any third party without the City's prior written consent not to be unreasonably withheld, including filing a Baseline Environmental Assessment with or submitting a remediation plan to the Michigan Department of Environmental Quality. Notwithstanding the foregoing, Purchaser shall have the right to disclose the results of its environmental testing and inspections to its assigns, clients, tenants, attorneys, environmental consultants and insurance carriers provided that such parties are advised in writing of Purchaser's confidentiality obligations regarding such information.

(d) **Expiration of the Contingency Period.** If Purchaser, in its sole and absolute discretion, determines that the condition of the Property is unsatisfactory or is unable to obtain the Governmental Approvals defined in Paragraph 6(a) or 7(a) and (b), Purchaser may, on or prior to the expiration of the Contingency Period, elect in writing to terminate this Agreement. If Purchaser elects timely to terminate this Agreement, the Deposit shall be returned to Purchaser and the parties shall have no further rights or obligations under this Agreement, except for Purchaser's restoration and indemnity obligations set forth herein which shall survive the termination of this Agreement. If Purchaser determines in its sole discretion at the expiration of the Contingency Period to extend the Contingency Period, the Purchaser shall have the right to extend for thirty (30) days (the "First Extension Period") the Contingency Period by providing notice to the City of such intentions and by tendering to the City with such election an extension fee (the "First Extension Fee") of \$2,500.00. If Purchaser determines in its sole discretion at the expiration of the First Extension Period to extend the Contingency Period, Purchaser may, in its sole discretion, extend the Contingency Period (the "Second Extension Period") by providing written notice to the City of such desire to extend and by paying to the City an additional deposit amount (the "Second Extension Fee") of Twenty Five Hundred (\$2,500.00) Dollars. The Deposit, the First Extension Fee and the Second Extension Fee shall be considered non-refundable to the Purchaser (except in the case of City's default) and fully applicable to the Purchase Price in the event of such extensions.

## **7. Governmental Approvals.**

(a) **Governmental Approval Period.** During the Contingency Period, Purchaser shall diligently seek to obtain all governmental permits and approvals necessary to commence and complete the development of the Property, including the PUD Approval described in Paragraph 7(b) below (collectively, the "Governmental Approvals") upon terms and conditions acceptable to Purchaser and Purchaser's client or tenant in their sole and absolute discretion. Purchaser shall be responsible, at its

sole cost and expense, for the preparation of all applications and related plans and instruments and all applicable filing, submission and permit fees related to the Governmental Approvals. Upon request, Purchaser shall provide to the City periodic updates with respect to the status of the Governmental Approvals.

(b) **Approval of Plans.** The Property shall be developed in accordance with the Planned Unit Development (PUD) process set forth beginning in Sec. 122-571 of the City Code of Ordinances using the Draft Zoning Ordinance attached hereto as Exhibit C (the "Zoning Requirements") as guidance. The Planned Unit developed and related site plan approval application will be completed and submitted by Purchaser to the Planning Commission and City Council for approval therefore during the Contingency Period. All plans shall be prepared and all permit applications shall be submitted pursuant to the City requirements. Nothing contained in this Agreement shall be deemed to be an approval by the City as to any matter, including, but not limited to an approval with respect the historical designation of any structure or any other improvement on the Property proposed by this Agreement, and the Purchaser shall be required to follow the process for obtaining approvals contained in the applicable City zoning or other ordinances. Purchaser acknowledges that as a condition of the issuance of approval of the PUD for the subject property, the City may require that the Developer undertake the following: (i) cause the Access Drive Improvements (as defined in Exhibit G) to be constructed pursuant to MDOT and City standards and extend same from Michigan Avenue to the southerly property line of the property; (ii) commit to install trees on the street frontages of Michigan, Park Street and the future Lincoln Street; (iii) install a six foot sidewalk on Lincoln Street within the Access Easement (hereinafter defined) and increase the sidewalk to a width of ten feet on Michigan Avenue and Park Street; (iv) cause the store entrance to be oriented toward Michigan Avenue; (v) install six foot windows on the Michigan Avenue frontage of the Improvement for the entire width of the frontage; (vi) require Purchaser to grant to the lands south of the Property and north of Parsons Street a shared curb cut and access easement through the curb cuts proposed to be constructed on Lincoln and Park Streets within the Property, and (vii) require placement of the Building in the northwest corner of the Property fronting Michigan Avenue and the proposed Lincoln Street extension, generally described on Exhibit C-1. The above description of criteria for approval of the PUD shall not be construed as a limitation on the City's ability or right to require additional improvements or undertakings in connection with the Purchaser's PUD application or a waiver of any right to modify any of the foregoing limitations.

(c) **Storm Water Retention License.** During the Contingency Period, Purchaser shall engage in negotiations with the City concerning the City's willingness to grant to the Purchaser and the Property a license on, over and across part of the parcel south of the Property and north of Parsons Street for the installation, operation, maintenance and repair of a storm water retention facility to provide storm water detention for the Property to be developed.

(d) **Failure to Obtain the Governmental Approvals.** If Purchaser does not provide written notice to Seller on or before the expiration of the initial 180 day Contingency Period that it has satisfied and/or waived the Contingencies set forth in Paragraphs 5 and 6 above (including that Purchaser has obtained the Governmental Approvals), this Agreement will automatically terminate and the Deposit shall be refunded to Purchaser. If Purchaser does not affirmatively waive the Contingencies and affirmatively elect to proceed after exercising the First Extension Period and/or Second Extension Period, then this Agreement will automatically terminate and the Deposit, the First and Second Extension Fees, shall be retained by Seller and the parties shall have no further rights or obligations under this Agreement, except for Purchaser's restoration and indemnity obligations which shall survive such termination. If Purchaser provides to City a written waiver of the Contingencies set forth in Paragraphs 6 and 7 (including the Governmental Approvals) then the Deposit and any Extension Fees shall be deemed nonrefundable (except shall be refunded to Purchaser if City defaults) and the parties shall proceed to closing in accordance with the terms hereof.

8. **Declaration of Restrictive Covenant.** At Closing, the City shall execute and record a declaration of restrictive covenant ("Declaration") against the Retained Parcel, that prohibits the Retained Parcel, for so long as Family Dollar, its successors or assigns, is open and operating a fully staffed and inventoried variety store, variety discount store, discount department store, dollar store, liquidation or close-out store on the Sale Property, from being used as any variety store, variety discount store, discount department store, dollar store, liquidation or close-out store, or any store similar to a Family Dollar store in operation or merchandise including, but not limited to, Dollar General, Bonus Dollar, dd's Discounts, Deal\$, Only Deals, 99 Cents Only, Dollar Tree, Fred's, or Marc's (the "Exclusive Use Restriction"); provided, however, the Exclusive Use Restriction shall not prohibit any portion of the Retained Property from being used as (a) a big box discount department store (the term "big box discount department store" shall not include those stores listed above) which exceeds Thirty Thousand (30,000) square feet (like a Target, Meijer, Wal-Mart or Kmart), (b) a drug store, (c) a grocery store, (d) a toy store, (e) a hobby store, (f) a sporting goods store, (g) a card and gift store, (h) a hardware store, (i) a home improvement store, (j) an auto supply store, (k) an electronics store, (l) an office supply store, or (m) any other store selling a single category of merchandise, even though the category may be a broad one such as toys or hardware. The Declaration shall remain in full force and effect while Family Dollar is constructing a dollar store on the Sale Property, but shall automatically terminate in the event Family Dollar does not open within the period required by the Purchase Agreement. Once Family Dollar has opened, this Declaration shall automatically terminate when Family Dollar, its successors or assigns, fails to operate a fully staffed variety store, variety discount store, discount department store, dollar store, liquidation or close-out store on the Sale Property for period of 6 consecutive months or more, other than in connection with a renovation or restoration in connection with a casualty. This Declaration will not terminate in connection with a renovation or restoration so long as Family Dollar is diligently pursuing such renovation or restoration. The form of the Declaration shall be substantially in the form attached hereto as Exhibit D.

9. **Closing.** The closing ("Closing") shall be consummated within thirty (30) days from the expiration of the Contingency Period, as same may be extended, on a date selected by Purchaser by providing written notice to City at least ten (10) business days prior to such date. The Closing shall take place at a time and location that is mutually agreeable to the parties. If the date for Closing falls on a Saturday, Sunday or legal holiday, Closing shall occur on the next immediately following business day.

10. **Closing Documents and Actions.** At Closing, the City shall execute and deliver to Purchaser (as required) and Purchaser shall execute and deliver to the City (as required) the following:

(a) **Payment of Purchase Price.** Purchaser shall deliver to the City the Purchase Price, together with the amount identified in Paragraph 11 below, subject to applicable adjustments and prorrations as provided for in this Agreement.

(b) **Covenant Deed.** The City shall deliver to Purchaser a fully executed and recordable covenant deed for the Property in the form attached as Exhibit E, conveying to Purchaser fee simple marketable title to the Property, subject only to the Permitted Exceptions, a restrictive covenant that restricts the Property from being owned and/or used by any entity that would qualify the Property as exempt for ad valorem taxes and/or assessments ("Prohibited Uses") and the easements identified in Paragraph 13(a) below.

(c) **Non-Foreign Person Affidavit.** The City shall furnish Purchaser with an affidavit stating that the City is not a "Foreign Person" within the meaning of IRC Section 1445(f) (3), as amended.

(d) **Closing Statement.** The City and Purchaser shall execute and deliver to each other a Closing Statement showing the amount by which the Purchase Price shall be adjusted as of the

Closing date. The City shall pay all real property transfer taxes, fees to record any instruments necessary to cure Purchaser's title objections and the parties shall pay the fees and charges of their own representatives, agents or contractors. Purchaser shall pay the fees to record the easements identified in Paragraph 13(a) below, the Declaration and all escrow and other fees charged by the Title Company to close this transaction.

(e) **Title Insurance Policy.** The Purchaser shall order and pay for a policy of title insurance, without standard exceptions (provided that Purchaser provides the survey required by the Title Company to remove the standard survey exception and City is satisfied in its reasonable discretion with the form of the owner's affidavit requested by the Title Company), with coverage in an amount equal to the Purchase Price, subject only to the Permitted Exceptions, the Declaration identified in Paragraph 8 above and the easements identified in Paragraph 13(a) below. The Purchaser shall be responsible for obtaining any endorsements to such title policy desired by Purchaser and/or its assigns, at Purchaser's cost. The City shall deliver to the Title Company an Owners Affidavit and such other documents reasonably required by the Title Company (excluding any survey) to enable the Title Company to satisfy its Schedule B-1 requirements and to delete its standard exceptions and to provide a "marked-up" Commitment, dated as of the Closing date. The "marked-up" Commitment shall reflect Purchaser and/or its assigns as both fee simple title owner of the Property and the insured under said Commitment.

(f) **Easements.** Purchaser and City shall execute and deliver to each other the easement, license and other agreements required pursuant to Paragraph 13(a) below or required as a condition of Purchaser's obtaining PUD approval or any other Governmental Approval.

(g) **Declaration.** The City shall execute and record the Declaration identified on Paragraph 8 above.

(h) **Further Assurances.** The City and Purchaser and/or Purchaser's assigns shall execute such additional documents and instruments and take such further actions as may be reasonably necessary or desirable to consummate the sale of the Property in accordance with the terms of this Agreement.

#### 11. **Taxes.**

(a) **Prorations.** The City shall be responsible for paying any and all real and personal property taxes, if any, payable in connection with the Property for the 2013 calendar year. The City shall also pay in full, on or before Closing, all current installments of special and other assessments which were established and constitute a lien against the Property.

(b) **Separate Tax Parcel.** Within thirty (30) days prior to the end of the Contingency Period, so long as the Purchaser has not terminated this Agreement, the City shall cause the Property to be rendered a separate and complete tax parcel. No split rights will be transferred to Purchaser.

12. **Possession; As-Is Condition.** At Closing, the City shall deliver to Purchaser or Purchaser's Permitted Assigns possession of the Property, free and clear of any rights or claims of possession by the City or any third party except for Permitted Exceptions. Purchaser acknowledges that the City has not made and Purchaser has not relied on any representation or warranty by the City other than those representations or warranties made to the City's actual knowledge, including, without limitation, any representation or warranty regarding the physical or environmental condition of the Property, the fitness of the Property for any particular purposes or the availability of any permits or approvals. Purchaser acknowledges that Purchaser has relied completely on its own investigations and

other due diligence activities to evaluate the condition of the Property and the availability of permits and approvals and that, at Closing, Purchaser will be accepting the Property in its then-current as-is, where-is condition, with all faults.

**13. Post-Closing Obligations.**

(a) **Future Lincoln Street.** At Closing, the Purchaser and City shall execute an Access Drive Easement Agreement (the "Easement Agreement") wherein the Purchaser shall agree to construct, at its sole cost and expense, the access drive identified on Exhibit F (the "Access Drive") in accordance with the approved plans and specifications for the Access Drive as approved by the City and Purchaser. The form of the Easement Agreement shall be substantially in the form attached hereto as Exhibit G.

(b) **Covenant to Construct, Open and Operate; Re-Purchase Option.**

(i) Purchaser shall construct all improvements to and within the Property in accordance with the plans that have been approved by the City. Purchaser shall commence construction of such improvements within six (6) months from the Closing date and shall complete such improvements within twenty four (24) months from the Closing date. For purposes of the foregoing, commencement of construction shall mean that Purchaser has obtained all permits and approvals necessary for the construction of such improvements and that all necessary utility improvements and building footings have been installed. Purchaser agrees that Purchaser's business within the Property shall be fully stocked and fully staffed and Purchaser shall commence operation its business from the Property within twenty four (24) months from the Closing date.

(ii) In the event that Purchaser does not construct its improvements within the Property or open and/or commence to operate its business from the Property as provided in Paragraph 13(b)(i) above, the City shall have the option for a period of ninety (90) days from the date of such failure to commence work and provided that City has provided written notice within such ninety (90) day period to re-purchase the Property from Purchaser for a purchase price equal to the Purchase Price, together with an amount equal to the fair market value of the vertical improvements constructed by Purchaser within the Property. At the closing for any such re-purchase of the Property by the City, City shall be responsible for the payment of all transfer taxes payable in connection with such transaction and the title insurance premium for a title insurance policy issued by the Title Company. Upon Purchaser's completion of construction, such options to repurchase the Property shall have expired.

**14. Real Estate Commission.** City shall be responsible for the payment of the commission that is payable to (i) CBRE and (ii) Landmark Commercial Real Estate Services, Inc., in accordance with separate agreements between the City and each of the foregoing brokers. Subject to the foregoing, the City and Purchaser each represent and warrant to the other that they have not used the services of any other brokers in connection with this transaction. Each party agrees to indemnify and hold harmless the other party from and against any claim that a commission or fee is due to any broker who dealt with the party from whom indemnification is sought.

**15. Condemnation.** In the event that, prior to Closing, notice of any action, suit or proceeding shall be given for the purpose of condemning all or any portion of the Property, then Purchaser shall have the right to terminate its obligations under this Agreement within ten (10) days from its receipt of such notice of condemnation proceeding, and upon such termination, the proceeds resulting from the condemnation shall be paid to the City, and the Deposit shall promptly be returned to Purchaser and the parties shall have no further rights or obligations under this Agreement, except for Purchaser's indemnity obligations, which shall survive. In the event Purchaser elects not to terminate this Agreement,

at Closing, the condemnation proceeds shall be assigned and belong to Purchaser.

16. **Default.** In the event that Purchaser defaults in its obligations under this Agreement, the City shall be entitled to retain the Deposit paid by Purchaser, as liquidated damages, in addition to enforcing any restoration and/or indemnification obligations of the Purchaser hereunder. The Deposit having been retained by the City shall be considered the City's sole remedy in the event of such Purchaser default. In the event that the City defaults in its obligations under this Agreement, Purchaser may, as its sole remedy, at its option: (a) receive a refund of the Deposit; or (b) specifically enforce the terms and conditions of this Agreement.

17. **Purchaser's Representations, Warranties and Covenants.** Purchaser represents, warrants and covenants to the City as follows:

(a) **Due Organization.** Purchaser is limited liability company, duly organized under the laws of the State of Ohio, qualified to do business in Michigan and has the power to enter into this Agreement and purchase the Property.

(b) **Power And Capacity.** Purchaser has the full power, capacity, authority and legal right to execute and deliver this Agreement and to perform its obligations under this Agreement.

(c) **Due Authorization.** This Agreement has been duly authorized, executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser and/or Purchaser's assigns, enforceable in accordance with its terms. Prior to or at Closing, any and all documents required by this Agreement to be executed and delivered by Purchaser and/or Purchaser's Permitted Assigns shall have been duly authorized, executed and delivered by Purchaser and all such documents shall contain legal, valid and binding obligations of Purchaser and/or Purchaser's Permitted Assigns, enforceable in accordance with their terms.

18. **No Joint Venture.** No party is the agent, partner or joint venture partner of the other. No party has any obligation to the other except as specified in this Agreement.

19. **Non-Waiver.** The failure of a party to complain of any act or omission on the part of another party, no matter how long it may continue, shall not be deemed to be a waiver by any party to any of its rights hereunder except as expressly provided for in this Agreement. No waiver by any party at any time, expressed or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision. If any action by any party shall require the consent or approval of another party, the consent or approval of the action on any one occasion shall not be deemed a consent to or approval of that action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion.

20. **Third Party Rights.** No party other than the City and Purchaser and their approved successors and assigns, shall have any right to enforce or rely upon this Agreement, which is binding upon and made solely for the benefit of the City and Purchaser, and their respective successors or assigns, and not for the benefit of any other party.

21. **Time.** TIME IS OF THE ESSENCE OF AND ALL UNDERTAKINGS AND AGREEMENTS OF THE PARTIES HERETO.

22. **Notices.** Any notice to be given or served upon any party to this Agreement must be in writing and shall be deemed to have been given: (a) upon receipt in the event of personal service by actual delivery (including by telecopy or delivery service); (b) the first business day after posting if deposited in

the United States mail with proper postage and dispatched by certified mail, return receipt requested; or (c) upon receipt if notice is given other than by personal service or by certified mail. All notices shall be given to the parties at the following addresses:

**If To the City:** City of Ypsilanti  
One South Huron Street  
Ypsilanti, Michigan 48197  
Attn: City Manager  
Fax No: \_\_\_\_\_

**With A Copy To:** Joseph M. Fazio, Esq.  
Miller, Canfield, Paddock and Stone, P.L.C.  
101 N. Main Street, 7<sup>th</sup> Floor  
Ann Arbor, Michigan 48104  
Fax No: (734) 747-7147

**If To Purchaser:** Ninety Nine 90, LLC  
7795 Five Mile Road  
Cincinnati, Ohio 45230  
Attn: \_\_\_\_\_  
Fax No.: \_\_\_\_\_

**With A Copy To:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Fax No.: \_\_\_\_\_

Any party to this Agreement may at any time change the address for notices to that party by giving notice in this manner.

23. **Days.** Whenever this Agreement requires that something be done within a specified period of days, that period shall (a) not include the day from which the period commences, (b) include the day upon which the period expires, (c) expire at 5:00 p.m. local time on the day upon which the period expires, and (d) unless otherwise specified in this Agreement, be construed to mean calendar days; provided, that if the final day of the period falls on a Saturday, Sunday or legal holiday, the period shall extend to the first business day thereafter.

24. **Severability.** If one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been contained within the body of this Agreement.

25. **Entire Agreement.** This Agreement embodies the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded by and merged into this Agreement. Neither this Agreement nor any of its provisions may be waived, modified or amended except by an instrument in writing signed by the party against which enforcement is sought, and then only to the extent set forth in that instrument.

26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the provisions of the laws of the State of Michigan.

27. **Captions.** Captions to paragraphs and sections of this Agreement have been included solely for the sake of convenient reference and are entirely without substantive effect.

28. **Successors and Assigns.** Purchaser shall not assign this Agreement to any third party other than Family Dollar Stores of Michigan Inc. ("Family Dollar"; "Permitted Assigns"), without the City's prior written consent. This Agreement shall be binding upon, and its benefits shall inure to, the parties hereto and their respective heirs, personal representatives, successors and assigns.

29. **Facsimile Signatures; Counterparts.** A facsimile of an original signature to this Agreement shall be deemed an original signature. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one agreement. The signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.

30. **Offer Period.** The offer embodied in this Agreement shall remain irrevocable by Purchaser for a period of thirty (30) days from the date that a copy of this Agreement signed by Purchaser has been provided to the City. Purchaser acknowledges and agrees that this Agreement shall not be binding on the City until the City of Ypsilanti City Council has approved this Agreement pursuant to a public meeting and corresponding resolution and this Agreement has been signed by the Mayor of the City of Ypsilanti and any other parties required by the City Council or under applicable ordinances, laws, the Charter of the City of Ypsilanti and such resolution and that the foregoing thirty (30) day period is necessary to seek and obtain such approval.

31. **Force Majeure.** Any delay or failure in the performance by either party hereunder, other than the failure to close on the Closing Date, the failure to make any payment on the date required hereunder to be made or failure to exercise any extension of the Contingency Period on or before the date such exercise must be made, shall be excused if and to the extent caused by the occurrence of a Force Majeure. For purposes of this Agreement, Force Majeure shall mean a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of the party claiming Force Majeure, including acts of God, fires, floods, explosions, riots, wars, hurricane, sabotage terrorism, vandalism, accident, restraint of government, governmental acts, injunctions, labor and material shortage, labor strikes, and other like events that are beyond the reasonable anticipation and control of the party affected thereby, despite such party's reasonable efforts to prevent, avoid, delay, or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable to a party's failure to perform its obligations under this Agreement.

THIS AGREEMENT has been executed by the parties hereto on the date set forth above.

**"PURCHASER"**

**NINETY NINE 90, LLC,  
an Ohio limited liability company**

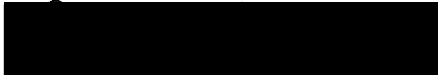
By: 

Its: member

Dated: 05-07-13

**"THE CITY"**

**CITY OF YPSILANTI,  
a Michigan municipal corporation**

By: 

Its: Mayor

PAUL T. SCHREIBER

And

By: 

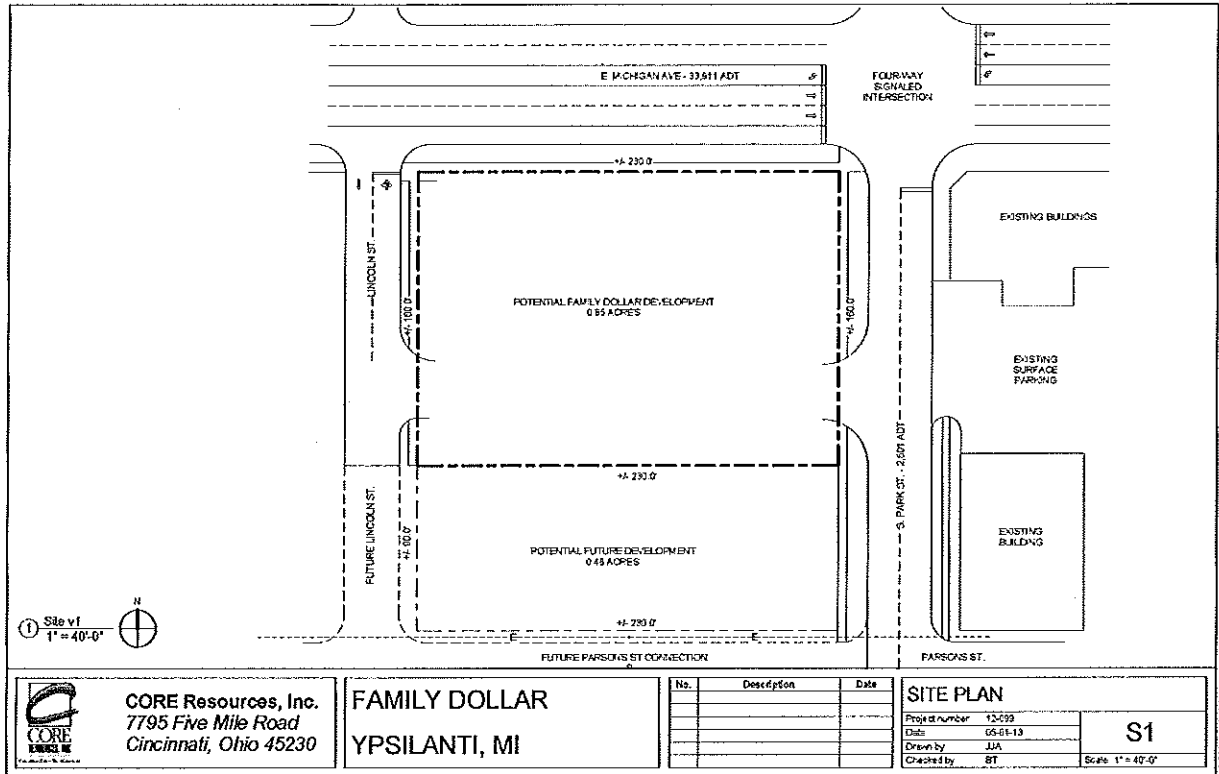
Its: City Clerk

Frances M. McMullan

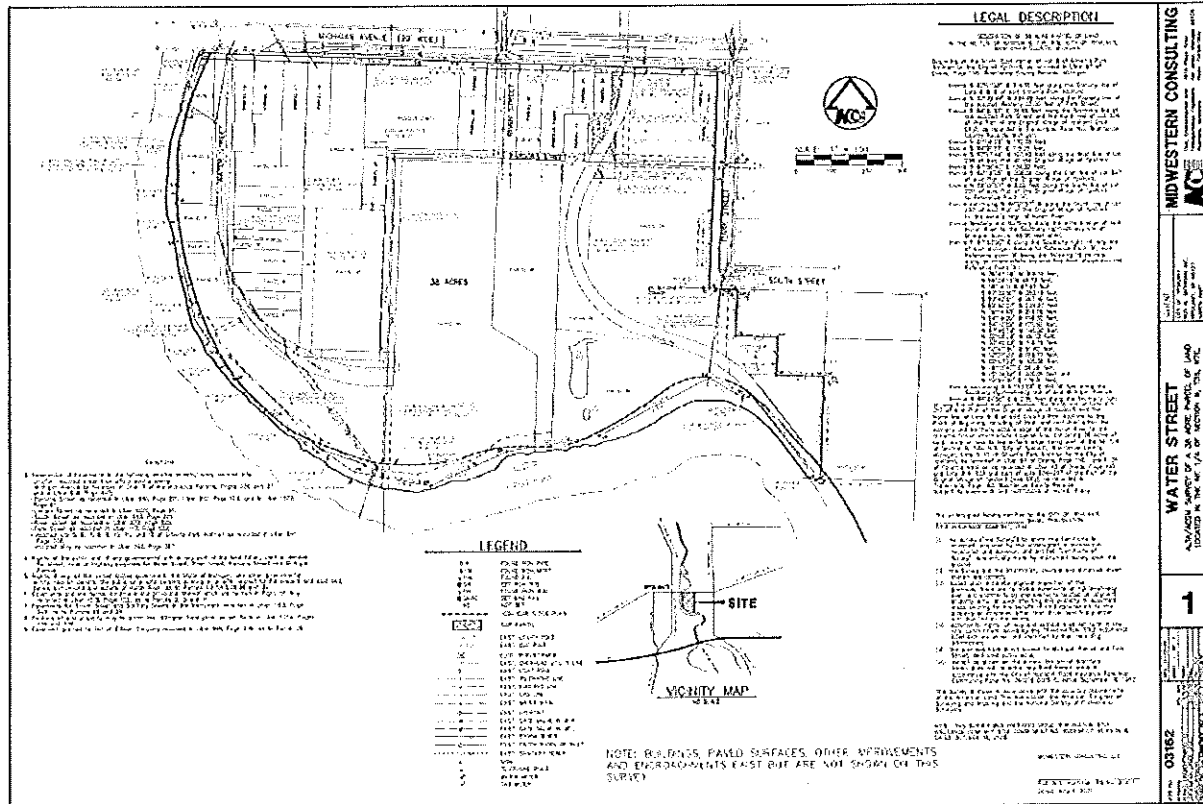
Dated: 5-7-2013 ("Effective Date")

# EXHIBIT A

## LEGAL DESCRIPTION OF THE PROPERTY



### DIAGRAM OF THE OVERALL PROPERTY



**EXHIBIT C**  
**DRAFT ZONING ORDINANCE**

**DIVISION 17. CRD COMMERCIAL REDEVELOPMENT DISTRICT**

(Revised after March 17, 2009 Council meeting)

**Sec. 122-522. Description and Purpose.**

The Commercial Redevelopment District is intended to provide for a mixture of residential and commercial uses appropriate in intensity and scale to an urban business district and/or neighborhood. The district is intended to support mixed residential, commercial and office development both within the same structure and on the same parcel. The district is intended to support a high quality of design and a traditional, urban development prototype.

Development in this district shall feature active, commercial uses on the ground floor with flexibility for office and/or residential uses on upper stories. Particular attention will be paid to the impact of commercial uses and their operation in this mixed-use district. Large surface parking lots shall be discouraged in favor of shared parking, shared access, and alternative modes of transportation to serve residents and businesses in this area.

**Sec. 122-523. Permitted uses.**

- (1) Antique, consignment and resale stores
- (2) Apartments or condominiums located above the ground floor of permitted business uses, provided that the apartments meet the minimum floor area requirements of section 122-317. On-site parking shall be provided for all residential uses unless the apartment unit meets the requirements for a fee-in-lieu of parking described in section 122-841.\*
- (3) Bars/lounges, provided that all service occurs within a completely enclosed building, with the exception of outdoor cafes which are subject to the provisions of Section 122-799.
- (4) Body art facilities
- (5) Catering Services
- (6) Churches, synagogues, and other religious buildings, facilities and services customarily incidental thereto, excluding mortuaries, located above the ground floor of permitted business uses, subject to the specific provisions in section 122-780.\*
- (7) Coin-operated amusement arcades, and pool and billiard halls.
- (8) Community garages and community parking lots, as defined in Section 122-2, subject to the provisions of Sections 122-781 and 122-782 respectively.
- (9) Cultural services such as museums, art galleries, libraries, planetariums, and concert halls, ~~when accessory to one of the uses in subsections (2) - (6) of this section, or when publicly owned.~~
- (10) Dance and music studios and schools.\*
- (11) Elementary, junior and senior high schools, public, parochial, and private schools, and post secondary

education, subject to the Specific Provisions in Section 122-805.

- (12) Essential Services
- (13) Financial institutions, including banks, credit unions and savings and loan associations, provided that no drive-through facilities are permitted
- (14) Fine arts studios and schools, and photography studios\*
- (15) Health and physical fitness centers.
- (16) Hospitals and specialty clinics.
- (17) Hotels or motels, Inns, and Bed and Breakfast Lodgings as defined in Section 122-2.\*
- (18) Housing for the elderly, including efficiency units and common services such as central dining rooms, recreation rooms, and central lounges or workshops, subject to the specific provisions in section 122-789.
- (19) Indoor restaurants, as defined in Section 122-2, for sit down, carryout, and delivery, providing there are no drive through facilities.\*
- (20) Laundry and dry cleaning customer outlets (no dry cleaning is permitted on the premises), coin operated Laundromats, self-serve dry cleaning establishments, and similar operations, provided that all services performed on the premises shall be sold at retail on the same premises.
- (21) Massage practitioner office, subject to the specific provisions in section 122-792.
- (22) Medical or dental clinics or counseling centers, subject to the provisions in section 122-793.
- (23) Municipal, county, regional, and state service buildings and uses, subject to the specific provisions in section 122-795.
- (24) Newspaper offices and printing shops.
- (25) Office buildings and uses, including offices for administrative services, accounting, clerical, drafting, education, executive, insurance, tax preparation, professional real estate, research, sales agent, attorney, stock broker, technical training, stenographic, writing, medical and dental offices, and similar professional office uses.
- (26) Offices and showrooms of a plumber, electrician, upholsterer, caterer, decorator or similar trade, subject to the Specific Provisions in Section 122-797.
- (27) Open space areas such as conservation areas, wildlife preserves, forests preserves, arboreta, botanical or zoological gardens. No structure shall be erected on dedicated open space areas which is not clearly incidental to the principal use of the land.
- (28) Outdoor cafes, outdoor fast-food or sit-down restaurants, and beer gardens, subject to the Specific Provision of Section 122-799.
- (29) Personal service shops, such as a tailor, barber, beauty, shoe repair, locksmith, photocopy services, photo processing, or similar personal service shop.
- (30) Printing services, including but not limited to: photocopying, printing, publishing, engraving, photo

engraving, photo development, lithographing, and blueprint production subject to the Specific Provisions of Section 122-810.\*

- (31) Private and community service clubs, lodges, banquet halls, and meeting halls located above the ground floor of permitted business uses.\*
- (32) Private and public museums.
- (33) Public or commercial schools and colleges and other such institutions of learning offering courses in general or technical training, such as dance schools, music and voice schools, business and technical schools, and similar schools, not including dormitories.
- (34) Radio and television studios.
- (35) Refreshment stands.
- (36) Residential services such as mailrooms, meeting rooms, central dining areas, recreation rooms, lounges and workshops intended to serve residents of an integral residential development. Residential units shall not be permitted on the first floor.
- (37) Retail businesses, such as food stores, grocery stores, food cooperatives, meats, dairy products, baked goods, ice cream, personal use items (drugs, health care, dry goods, notions, hardware, books, magazines, periodicals, stationery and school supplies), florists shops, hobby and craft stores, gifts, antiques, jewelry, small household articles, tobacco products, toilet articles, wearing apparel and personal accessories, toys, and similar products.
- (38) Retail stores which offer comparison goods completely within a fully-enclosed building such as home appliances (including service and repair), camera and photography supplies, sporting goods, electronics, furniture, optical items, bicycle sales, home supply centers, paint and wallpaper stores, carpet, rug, and linoleum/tile stores, lawn care products and machinery, building materials, pets and pet supplies (provided that no animals are boarded except for sale and that all animals are boarded inside a building), hobby and craft stores, and similar specialty goods stores. The manufacture of sporting goods, small household items and crafts is permitted provided that 50 percent or more of the products are sold at retail from the same building and all activities and storage occur within a completely enclosed building.\*
- (39) Service and retail establishments: computer sales and repair, electronics repair shops, postal centers, small appliance sales and repair, and similar special retail establishments.
- (40) Studios of artists for the handcrafted production of pottery, glass items, neon sculpture, jewelry, silk screening, needle work, stone and wood work and similar items. The retail sale of work produced on premises shall be permitted. Kilns shall be fired only by electricity or gas.\*
- (41) Supportive Housing, subject to the special provisions in section 122-811.
- (42) Theaters, when completely enclosed.
- (43) Veterinary hospitals and clinics, subject to Specific Provisions of Section 122-809.\*
- (44) Video rental and sales establishments.\*

**Sec. 122-524. Permitted Accessory Uses**

- (1) Accessory uses customarily incidental and clearly ancillary to the above permitted uses when in

accordance with Article XI, Division 2.

**Sec. 122-525. Special uses.**

The following uses may be permitted, subject to the conditions specified for each use, review, and approval of the Planning Commission, the imposition of special conditions which in the opinion of the Planning Commission are necessary to fulfill the purposes of this Ordinance, and the procedures set forth in Article 28.

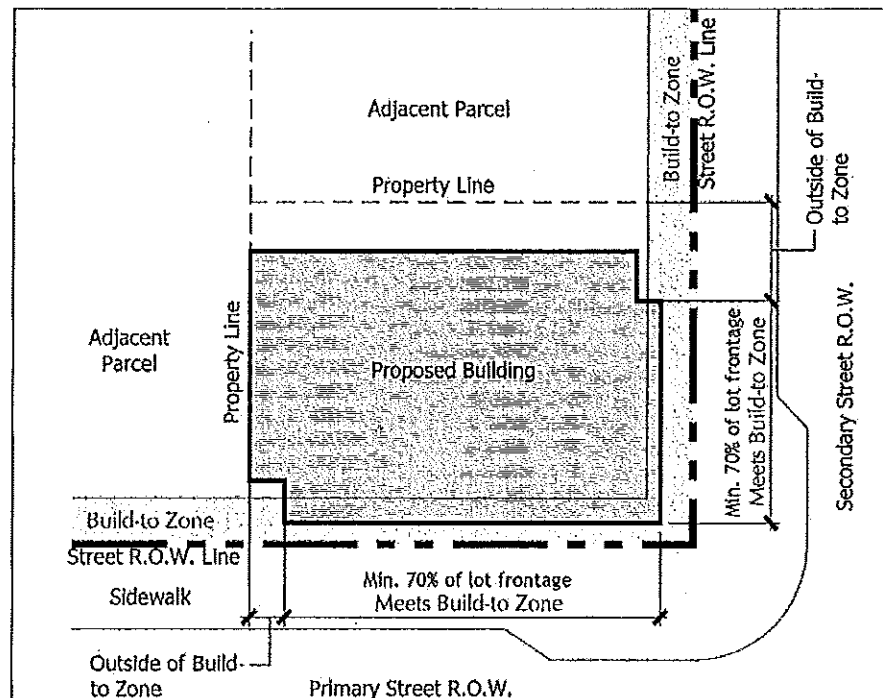
- (1) Any other use which meets the intent of this district.
- (2) Adult drop-in centers.
- (3) Any structure that exceeds an area of ten thousand (10,000) square feet at the ground level.
- (4) Any non-residential establishment intending to operate between 2 a.m. and 6 a.m. during any 24-hour period.
- (5) Child care centers and group day care homes and centers (not including dormitories), when not operated in conjunction with a private or public school or church/synagogue, subject to the specific provisions in section 122-779.\*
- (6) Child drop-off centers, licensed by the State of Michigan, where minor children are not cared for longer periods than four (4) hours.
- (7) Drive-through facilities in combination with drug stores / pharmacies, financial institution, or personal service business, subject to the Specific Provision of Section 122-784.\*
- (8) Express and passenger terminals and express transfer facilities, subject to the Specific Provisions of Section 122-786.
- (9) Nursing homes, convalescent homes, and rest homes, subject to the specific provisions in section 122-796.
- (10) Organized markets such as a farmers' market.

**Sec. 122-526. Area regulations.**

Upon the change of use as defined in Section 122-205, no building or structure nor any enlargement thereof shall be hereafter erected except in conformance with the following lot area, yard, and building coverage requirements:

- (1) *Front Yard.* There shall be a front yard of not greater than ten (10) feet as measured from the front lot line. Buildings shall be oriented so that 70% of the lot frontage shall include building(s) to the front yard setback or property line. (See figure 122-526a).
- (2) Minimum Floor Area Ratio of 1:1.

**Figure 122-526a – Front Yard Maximum Setback Example**



**Sec. 122-527. Height regulations.**

No building or structure shall be less than three (3) stories in height at street frontage. No building or structure shall be more than six (6) stories or 75 feet in height. See Section 122-640 for height exceptions.

## Sec. 122-528. Development Standards

Buildings and uses in the CRD shall be subject to the following standards and all applicable standards and requirements set forth in this Ordinance:

(1) Access, parking, service

- a. No parking area is permitted in the front yard setback. Uses allowed within front setback include sidewalk cafes or customer service areas, plazas, patios and landscaping.
- b. No minimum parking standard shall apply to any commercial use within the CRD, however a minimum of 1 parking space and a maximum of 1.5 parking spaces shall be provided for each residential unit and a maximum of 3 spaces per 1,000 square feet of non-residential use. These formulae shall supersede the those specified in 122-836.
- c. Bicycle parking spaces shall be provided for all uses at a ratio of 1 bicycle parking space per 5 automobile parking spaces provided.
- d. Buildings must have pedestrian access and orientation to the major thoroughfare. Vehicular access to individual lots shall not be permitted directly from the major thoroughfare.

- e. A minimum of one improved non-motorized access route must be provided at intervals no less than every 350 feet of CRD development frontage or fraction thereof.
- f. Service areas shall be screened to minimize views from publicly-accessible areas.
- g. Adjoining uses shall share access drives and parking. The Planning Commission may permit individual access drives and parking to serve individual uses in the following cases:
  - i. Additional access points are required for emergency vehicles
  - ii. The use is sufficiently large that shared access points alone are insufficient
  - iii. Topography or other site conditions make shared access point or parking impractical

(2) Building Scale and Articulation

- a. A minimum 50% area of the first floor façade facing a street right-of-way must be comprised of windows and/or doors, openings or other architectural design features to limit the appearance of blank walls, and have a minimum of 75% transparency.
- b. For stories above the 1<sup>st</sup> floor, a minimum fenestration standard of 20% glass area of the total floor façade area.
- c. No blank wall exceeding 10 feet horizontally or vertically along any street frontage shall be permitted on the first or second floors. No blank wall exceeding 25 feet vertically or horizontally is permitted on any street frontage.

(3) Building Materials

- a. All walls visible from any public or private right-of-way shall be finished primarily in a durable hard surface such as brick, glass, stone, wood, ceramic, precast panels, integrally tinted textured masonry block, or concrete siding. These primary materials shall make up a minimum of 60% of the solid wall area, exclusive of windows and doors.
- b. Materials not permissible as primary materials on exterior walls are concrete block, cinder blocks unless burnished fluted or sculpturally textured, residential grade sidings, plastic siding, asphalt, EIFS, stucco, highly reflective or highly color tinted glass. These materials may be used as trim or accent materials, but shall total less than 40% of the surface area of walls, exclusive of windows and doors.
- c. All materials should be used consistently on all sides of the building
- d. Innovative or new environmentally sensitive materials are encouraged provided they are of quality durable material.
- e. Reflective glass or spandrel glass not permitted on first two floors along any street frontage

(4) Landscaping

- a. Where screening of development or parking area is required, landscaped berms shall not be used. Screening shall be provided via solid walls, fences, or evergreen plantings.

- b. Greenbelt and foundation landscaping requirements shall be waived for any portion of a building that has no setback from the property line. At the discretion of the Planning Commission, hardscape materials may be substituted for lawn and plant materials in order to facilitate outdoor dining and similar uses.
- c. Street trees shall be provided along all street right-of-ways, within the right-of-way. A minimum of one street tree shall be provided for each 30 feet of street frontage. Tree selections and installation methods shall comply with standards and unified streetscape plans provided by the City prior to site plan approval.

DRAFT

**DIVISION 18. RRD RESIDENTIAL REDEVELOPMENT DISTRICT**

(As recommended to Council by Planning Commission, 02/18/09)

**Sec. 122-529. Description and Purpose.**

The Residential Redevelopment District is intended to provide for a mixture of residential and commercial uses appropriate in intensity and scale to an urban mixed use residential district and/or neighborhood. The district is intended to support mixed residential, commercial and office development both within the same structure and on the same parcel. Only those business and/or office uses which are necessary to satisfy local market needs, and which occur so frequently as to require commercial facilities in proximity to residential areas should be permitted. The district is intended to support a high quality of design and a traditional, urban development prototype.

Development in this district shall feature higher density multi-family residential, while encouraging mixed uses through flexibility for active, commercial or office uses on the ground floor. Particular attention will be paid to the impact of commercial uses and their operation in this mixed-use district.

**Sec. 122-530. Permitted uses.**

**Permitted Residential Uses:**

- (1) Multiple family dwellings
- (2) Housing for the elderly, including efficiency units and common services such as central dining rooms, recreation rooms, and central lounges or workshops, subject to the specific provisions in section 122-789.
- (3) Residential services such as mailrooms, meeting rooms, central dining areas, recreation rooms, lounges and workshops intended to serve residents of an integral residential development.
- (4) Supportive Housing, subject to the special provisions in section 122-811

**Permitted Commercial Uses:**

Each commercial use within the district shall be no larger than 5,000 square feet for a single business occupant. Commercial uses within the district shall not operate between 12 a.m. and 6 a.m.

- (1) Antique, consignment and resale stores
- (2) Businesses and professional offices and services, not including manufacturing or warehousing. Such uses may include, but are not limited to: A) Business offices of an advertising, real estate, insurance or travel agency, and other similar business offices B) Offices for legal, engineering, architectural, consulting, accounting, auditing, and bookkeeping services and similar professions C) Government and community service buildings D) Business services such as consumer credit bureaus and office support services E) Administrative offices of nonprofit organizations, such as professional membership organizations, labor unions, civic, social, and fraternal associations, political organizations and religious organizations, not including provision of social services or substance abuse treatment facilities; F) Administrative offices of Health Professionals
- (3) Catering services

- (4) Cultural services such as museums, art galleries, libraries, planetariums, and concert halls.
- (5) Essential services
- (6) Financial institutions, including banks, credit unions and savings and loan associations, provided that no drive-through facilities are permitted.
- (7) Food stores: grocery stores, food cooperatives, meats, dairy products, alcoholic beverages, baked goods, ice cream, and similar food products. The retail sale of poultry, fish, and game is permitted, provided that the slaughtering thereof is not allowed. The manufacture of food products, such as baked goods or ice cream, is permitted provided that 50 percent or more of the products are sold at retail from the same building, and all activities and storage occur on site.
- (8) Health and physical fitness centers
- (9) Indoor restaurants, as defined in Section 122-2, for sit down, carryout, and delivery, providing there are no drive through facilities.
- (10) Inns and Bed and Breakfast lodgings, subject to the specific provisions in section 122-778
- (11) Laundry and dry cleaning customer outlets (no dry cleaning is permitted on the premises), coin operated Laundromats, self-serve dry cleaning establishments, and similar operations, provided that all services performed on the premises shall be sold at retail on the same premises
- (12) Massage practitioner office, subject to the specific provisions in section 122-792
- (13) Office buildings and uses, including offices for administration services, accounting, clerical, drafting, education, executive, insurance, tax preparation, professional real estate, research, sales agent, attorney, stock broker, technical training, stenographic, writing, medical and dental offices, and similar professional office uses.
- (14) Open space areas such as conservation areas, wildlife preserves, forests preserves, arboreta, botanical or zoological gardens. No structure shall be erected on dedicated open space areas which is not clearly incidental to the principal use of the land.
- (15) Person service shops, such as a tailor, barber, beauty, shoe repair, locksmith, photocopy services, photo processing, or similar personal services shop.
- (16) Photography studios
- (17) Retail businesses, such as food stores, grocery stores, food cooperatives, meats, dairy products, baked goods, ice cream, personal use items (Drugs, health care, dry goods, notions, hardware, books, magazines, periodicals, stationary and school supplies), florists shops, hobby and craft stores, gifts, antiques, jewelry, small household articles, tobacco products, toilet articles, wearing apparel and personal accessories, toys, and similar products.
- (18) Service and retail establishments: computer sales and repair, electronics repair shops, postal centers, small appliance sales and repair, and similar special retail establishments.
- (19) Studios of artists or photographers; and the handcrafted production of pottery, glass items, neon sculpture, jewelry, silk screening, needle work, stone and wood work and similar items. The retail sale of work produced on premises shall be permitted. Kilns shall be fired only by electricity or gas.

- (20) Theaters, when completely enclosed

**Sec. 122-531. Permitted Accessory Uses**

- (1) Accessory uses customarily incidental and clearly ancillary to the above permitted uses when in accordance with Article XI, Division 2.

**Sec. 122-532. Special uses.**

The following uses may be permitted, subject to the conditions specified for each use, review, and approval of the Planning Commission, the imposition of special conditions which in the opinion of the Planning Commission are necessary to fulfill the purposes of this Ordinance, and the procedures set forth in Article 28.

- (1) Any use which may meet the intent of this district and is similar to the uses in this section.
- (2) Child care centers and group day care homes and centers (not including dormitories), when not operated in connection with a private or public school or church/synagogue, subject to the specific provisions in section 122-779.
- (3) Child drop-off centers, licensed by the State of Michigan, where minor children are not cared for longer periods than four (4) hours.
- (4) Nursing homes, convalescent homes, and rest homes, subject to the specific provisions in section 122-796.
- (5) Organized markets such as a farmers' market
- (6) All permitted uses of greater than five thousand (5,000) square feet for single business occupant.

**Sec. 122-533. Area regulations.**

Upon the change of use as defined in Section 122-205, no building or structure nor any enlargement thereof shall be hereafter erected except in conformance with the following lot area, yard, and building coverage requirements:

- (1) *Front Yard.* There shall be a front yard of not greater than twenty (20) feet as measured from the front lot line.
- (2) New developments shall achieve a minimum floor area ratio (FAR) of 1:1.

**Sec. 122-534. Height regulations.**

No building or structure shall be less than two (2) stories in height at street frontage.

**Sec. 122-535. Development Standards.**

Buildings and uses in the RRD District shall be subject to the following standards and all applicable standards and requirements set forth in this Ordinance:

(1) Access, Parking, Service

- a. No parking area is permitted in the front yard setback. Garage openings must be in rear or side of buildings. Uses allowed within front setback include, sidewalk cafes or customer service areas, and patios, porches and gardens.
- b. No minimum parking standard shall apply to any commercial use within the RRD, however a minimum of 1.5 parking spaces shall be provided for each residential unit. This calculation shall supersede the formulae specified in section 122-836.
- c. Bicycle parking spaces shall be provided for all uses at a ratio of 1 bicycle parking space per 5 automobile parking spaces provided.
- d. Buildings must have pedestrian access and have connectivity to an overall non-motorized system.

(2) Building Scale and Articulation

- a. Buildings must have orientation to the street frontage, or publically accessible pedestrian way or park.
- b. Facades facing a street right-of-way or other publicly accessible right of way shall not consist of a blank wall and shall incorporate window and/or door openings or other architectural design features to limit the appearance of blank walls.
- c. For commercial uses, a minimum 50% area of the first floor façade must be comprised of windows, doors, openings or other architectural design features to limit the appearance of blank walls.
- d. Buildings exceeding fifty (50) feet in width shall utilize at least three (3) of the following design features to provide visual relief and variation along any façade facing public streets or private drives:
  - i. Vertical offset in ridge line;
  - ii. Gables;
  - iii. Exaggerated cornices or bracketed eaves;
  - iv. Dormers; or
  - v. Covered entries;
  - vi. Cupolas;
  - vii. Pillars or posts;
  - viii. Varied width;
  - ix. Balconies;
  - x. Bay or bow windows (minimum 12 inch projection);
  - xi. Off-sets in building facade (minimum 16 inches); or
  - xii. Other architectural feature that achieves the intent of this paragraph.

(3) Materials.

All walls visible from any public or private right-of-way shall be finished primarily in a durable hard surface such as brick, stone, wood, or cement-based siding products. These primary

materials shall make up a minimum of 60% of the solid wall area, exclusive of windows and doors. Vinyl products and aluminum siding do not satisfy this requirement.

(4) Landscaping

- a. Where screening of development or parking area is required, landscaped berms shall not be used. Screening shall be provided via solid walls, fences, or evergreen plantings.
- b. Greenbelt and foundation landscaping requirements shall be waived for any portion of a building that has no setback from the property line. At the discretion of the Planning Commission, hardscape materials may be substituted for lawn and plant materials in order to facilitate outdoor dining and similar uses.
- c. Street trees shall be provided along all street right-of-ways, within the right-of-way. A minimum of one street tree shall be provided for each 30 feet of street frontage. Tree selections and installation methods shall comply with standards and unified streetscape plans provided by the City prior to site plan approval.
- d. Public open space shall not count toward FAR calculations. Such open space must be contiguous with public parkland or right-of-way, must be deeded to the City or subject to a public access and use easement, and must be usable space, such as plazas or recreational space. Parking area landscaping, screening, and other required landscaping shall not be considered public open space.

**CRD / RRD DISTRICT SIGNAGE AMENDMENTS**

(As recommended to Council by Planning Commission, 02/18/09)

**Sec. 122-875. Number of signs permitted.**

- (a) The number of signs which may be erected on each lot pursuant to this article, shall be determined by reference to the zoning district in which the sign is located.

| District       | Number of Signs |
|----------------|-----------------|
| R1             | 1               |
| R2             | 2               |
| R3, R4         | 2               |
| RO, RC, RRD    | 2               |
| B1, B2         | 2               |
| B3, B4, CRD    | 3               |
| WS, M1, M2, CI | 3               |

**Sec. 122-880. Schedule A--Area, height and placement regulations for permanent signs.**

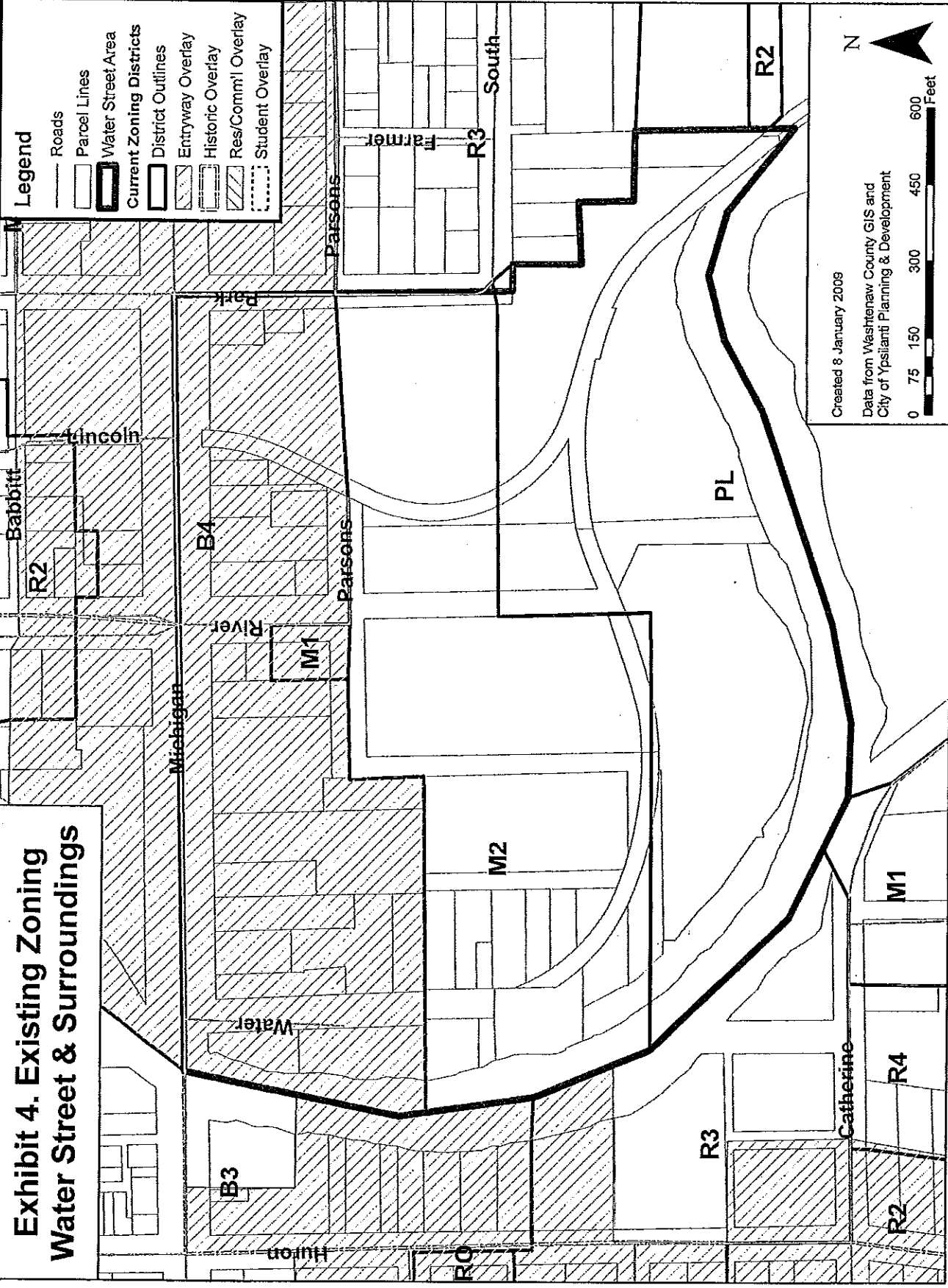
| Zoning District | Categories of Signs Allowed                              | Maximum Square Footage of Ground or Pole Signs (Square Feet) | Maximum Height of Ground or Pole Signs (Feet) | Sign Placement Requirements                   |
|-----------------|----------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| R1              | Any 1 of following 3 categories: #1, #3, #5              | 6                                                            | 6                                             | Within front, side and rear of property lines |
| R2              | Any 2 of following 3 categories: #1, #3, #5              | 6                                                            | 8                                             | Within front, side and rear of property lines |
| R3, R4          | Any 2 of following 3 categories: #1, #3, #5              | 16, 32                                                       | 8                                             | Within front side, and rear property lines    |
| RO, RRD         | Any 2 of following 3 categories: #1, #3, #5              | 30                                                           | 8                                             | Within front, side and rear property lines    |
| B1, B2          | Any 2 of following 3 categories: #1, #2, or #3           | 40                                                           | 10                                            | Within front, side and rear property lines    |
| CRD             | Any 3 of following categories: #1, #3, #4, #5, #6        | 40                                                           | 10                                            | Within front, side and rear property lines    |
| B3, B4          | Any 3 of following categories: #1, or #2, #3, #4, #5, #6 | 150                                                          | 35                                            | Within front, side and rear property lines    |
| WS, M1, M2, CI  | Any 3 of following categories: #1 or #2, #3, #4, #5, #6  | 150                                                          | 35                                            | Within front, side and rear property lines    |

**Categories:**

- |                |               |
|----------------|---------------|
| #1 Ground sign | #4 Roof sign  |
| #2 Pole sign   | #5 Marquee    |
| #3 Wall sign   | #6 Projecting |

# Exhibit 4. Existing Zoning Water Street & Surroundings

- Legend**
- Roads
  - Parcel Lines
  - Water Street Area
  - Current Zoning Districts
  - District Outlines
  - Entryway Overlay
  - Historic Overlay
  - Res/Comm'l Overlay
  - Student Overlay



Created 8 January 2009

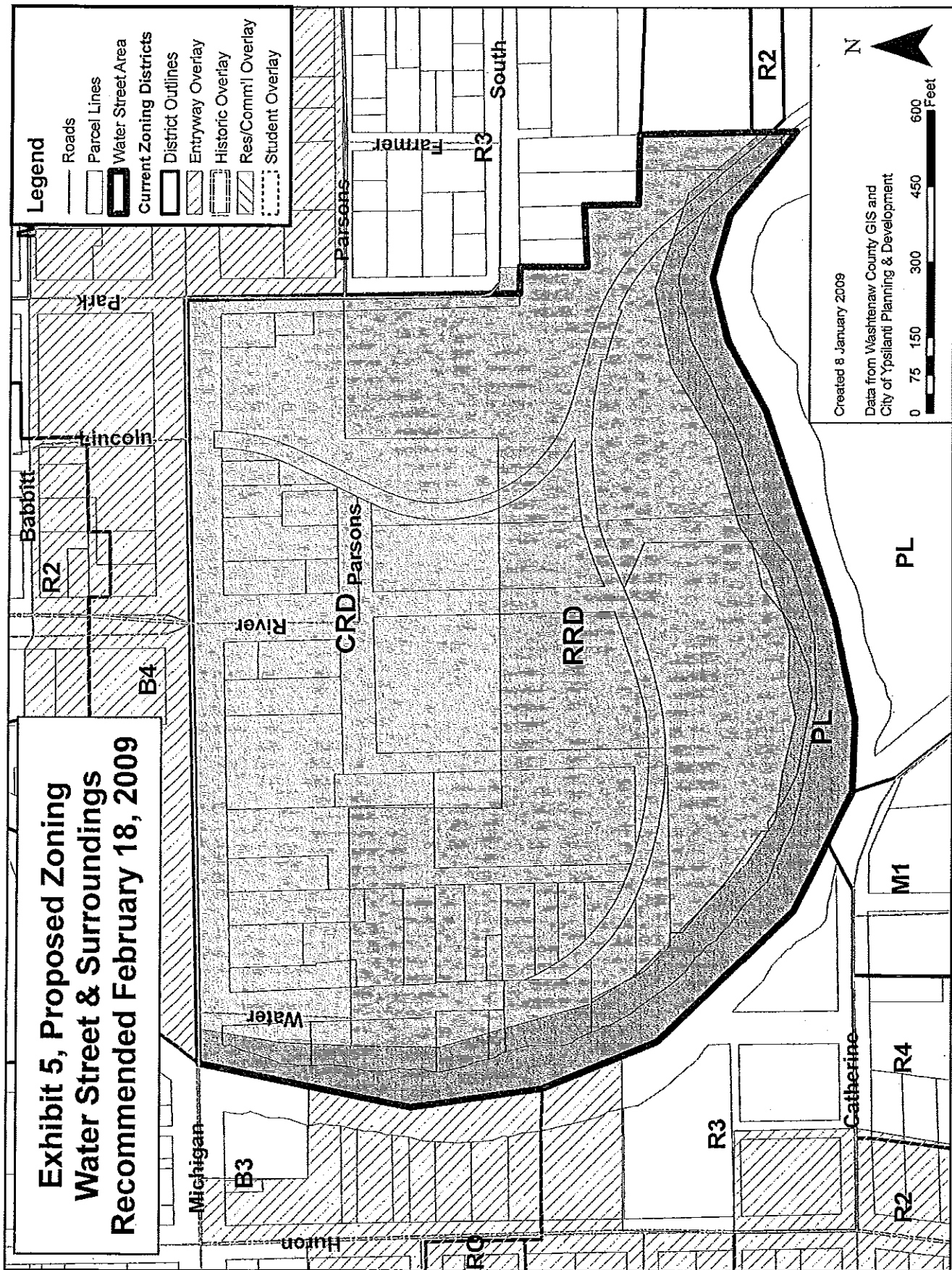
Data from Washtenaw County GIS and  
City of Ypsilanti Planning & Development

0 75 150 300 450 600 Feet

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# **Exhibit 5, Proposed Zoning Water Street & Surroundings Recommended February 18, 2009**

- Legend**
- Roads
  - Parcel Lines
  - Water Street Area
  - Current Zoning Districts
  - District Outlines
  - Entryway Overlay
  - Historic Overlay
  - Res/Comm'l Overlay
  - Student Overlay



Created 8 January 2009  
Data from Washtenaw County GIS and  
City of Ypsilanti Planning & Development

0 75 150 300 450 600 Feet

Exhibit 6. -- Planned Unit Development text amendments for CRD/RRD districts

**ARTICLE IX. PLANNED UNIT DEVELOPMENT\***

\*State law reference(s)--Planned unit development, MCL 125.584b, MSA 5.2934(2).

**Sec. 122-571. Description and purpose.**

- (a) It is the purpose of this article to provide guidelines for development or redevelopment which is planned as a unit. Toward this end, it is the intent of these regulations to allow flexibility in the regulation of land development; encourage innovation in land use and variety in design, layout, and type of structures constructed; achieve economy and efficiency in the use of land, energy, public services, and utilities; encourage useful open space; provide better housing, employment, shopping opportunities, compatibility of design, and use between neighboring properties; facilitate the preservation and reuse of historic structures; and encourage development that is consistent with the city's master land use plan.
- (b) The approval of a planned unit development application shall require an amendment to this chapter to revise the zoning map and designate the subject property as "PUD, planned unit development." An approval granted under this article, including all aspects of the final site development plan and conditions imposed on it, shall constitute an inseparable part of this chapter.
- (c) The provisions of this article are not intended as a device for ignoring this chapter, the specific standards set forth in this chapter, or the planning upon which it has been based. Provisions of this article are intended to result in land development substantially consistent with the zoning standards generally applied to the proposed uses, allowing for modifications and departures from generally applicable standards in accordance with the guidelines of this article to insure appropriate, fair, and consistent decision-making.

(Ord. No. 626A, § 5.144, 7-15-1994; Ord. No. 1087, 2-3-2009)

**Sec. 122-572. Permitted uses.**

In a planned unit development, the principal uses which shall be permitted shall be based on the underlying zoning district. City Council may also consider, upon Planning Commission recommendation, the City of

Ypsilanti Master Plan as a basis for principal uses permitted in a planned unit development.

| <i>Underlying Zoning District</i> | <i>Permitted Uses under Planned Unit Development</i>                                                                                                                                                                                                                                                   |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R1, R2                            | Planned unit developments shall not be permitted in these districts.                                                                                                                                                                                                                                   |
| R3, R4                            | Any combination of uses permitted in the R3 and R4 zoning districts. Limited commercial, service, and office uses shall be permitted if in combination with and related to residential uses.                                                                                                           |
| RO, B1, B2, B3 or RC              | Any combination of uses permitted in the RO, B1, B2, B3 or RC (Ord. No. 918, 8-4-2000) zoning districts. Residential uses shall be permitted only if in combination with such commercial or office uses.                                                                                               |
| B4, WS or CI                      | All commercial, service, and office uses or any combination of such uses shall be permitted. Limited light industrial uses shall be permitted if in combination with such commercial or office uses. However, the CI district shall permit a standalone light industrial use. (Ord. No. 918, 8-4-2000) |
| M1, M2                            | All industrial and office uses and any combination of such uses. Limited commercial and service uses shall be permitted if in combination with industrial uses. Residential uses shall not be permitted.                                                                                               |
| <u>CRD, RRD</u>                   | <u>Any combination of uses permitted in the CRD or RRD zoning districts, or other uses consistent with the Master Plan.</u>                                                                                                                                                                            |

(Ord. No. 626A, § 5.145, 7-15-1994; Ord. No. 970 1-2-03)

**Sec. 122-573. Requirements for planned unit developments.**

The following requirements shall apply to all planned unit developments:

- (1) *Unified control.* The proposed development shall be under single ownership or control such that there is a single person or entity having responsibility for completing the project in conformity with this chapter. The applicant shall provide legal documentation of a single

Exhibit 6. – Planned Unit Development text amendments for CRD/RRD districts

ownership or control in the form of agreements, contracts, covenants, and deed restrictions which indicate that the development can be completed as shown on the plans, and further, that all portions of the development that are not to be maintained or operated at public expense will continue to be operated and maintained by the developers or their successors.

- (2) *Minimum size.* The minimum size of a planned unit development shall be 43,560 square feet (one acre) of contiguous land. The city council may approve a planned unit development for a parcel as small as 21,780 square feet (one-half acre) if the proposal involves the preservation and/or adaptive reuse of a historically significant structure. The historical significance shall be determined by the city historic district commission.
- (3) *Applicable base regulations.* Unless waived or modified in accordance with the procedures and standards set forth in this article, the yard, bulk, parking, loading, landscaping, lighting, general provisions, and all other standards set forth in this chapter for the uses listed below shall be applicable for uses proposed as part of a planned unit development:
  - a. Multiple-family residential uses shall comply with the regulations applicable in the R4 multiple-family residential district.
  - b. Commercial and office uses shall comply with the regulations applicable in the B3 central business district.
  - c. Manufacturing uses shall comply with the regulations applicable in the M2 light manufacturing district.
  - d. Mixed uses shall comply with the regulations applicable for each individual use, as outlined above, except that if conflicts exist between provisions, the regulations applicable to the most dominant use shall apply.
  - e. Regardless of use, planned unit development with an underlying zoning district of CRD or RRD shall comply with the regulations applicable in that underlying district.
  - f. To encourage flexibility and creativity in development consistent with the planned development concept, departures from compliance with the base regulations may be granted by the city council, upon recommendation of the planning

commission, as a part of the approval of the planned development. For example, such departures may include modifications of lot dimensional standards, setback requirements, density standards, parking and landscaping requirements, and similar requirements. Such departures may be approved only on the condition that they will result in a higher quality of development than would be possible using conventional zoning standards.

- (4) *Street access.* Each lot, main building, and principal use within a planned development district shall have vehicular access to a public street. Adequate provision shall be made for dedications of land for streets and essential services.
- (5) *Usable open space.* The proposed development shall contain at least as much open space as would otherwise be required by the existing underlying zoning.
- (6) *Landscaping and maintenance of common areas.* All required yards and common areas shall be landscaped and adequately and permanently maintained by the property owner, tenant, or organization responsible for maintaining common areas. Through an irrevocable conveyance, such as deed restrictions or covenants that run with the land, the developer shall assure that all yards and common areas will be developed in accordance to the site plan and not changed to another use.
- (7) *Additional considerations.* During review of a proposed planned development, the planning commission shall take into account the following considerations which may be relevant to a particular project: perimeter setbacks and screening; thoroughfares, drainage, as provided for in best management practices as appropriate, and utility design; underground installation of utilities; insulating pedestrian circulation from vehicular thoroughfares and ways; achievement of an integrated development with respect to signage, lighting, landscaping and building materials; and noise reduction mechanisms, particularly in cases where nonresidential uses adjoin off-site residentially-zoned property.

(Ord. No. 626A, § 5.146, 7-15-1994)

## EXHIBIT D

### RESTRICTIVE COVENANT AGREEMENT

#### DECLARATION OF RESTRICTIVE COVENANT

*This transfer is exempt from taxation pursuant to MCLA 207.505(a) and MCLA 207.526(a), the consideration being less than One Hundred Dollars and pursuant to MCLA 207.505(l) and MCLA 207.526(n), confirming a title already vested in Grantee.*

**THIS DECLARATION** (the "Declaration") is made by **THE CITY OF YPSILANTI**, a Michigan municipal corporation, of One South Huron Street, Ypsilanti, Michigan 48197 ("Declarant"), being the owner of property situated in the County of Washtenaw, and State of Michigan, described in Exhibit A attached hereto (the "Retained Property"):

#### Background

Declarant owns the Retained Property. Simultaneously upon execution of this Declaration, Declarant has sold the real property (the "Sale Property") described on attached Exhibit B to Ninety Nine 90, LLC (the "Purchaser"). As a condition of Purchaser's willingness to purchase the Sale Property, Declarant agreed to restrict the use of the Retained Property as follows:

#### Declarations

1. Use Restrictions. For so long as Family Dollar, its successors or assigns, is open and operating a fully staffed and inventoried variety store, variety discount store, discount department store, dollar store, liquidation or close-out store on the Sale Property, from being used as any variety store, variety discount store, discount department store, dollar store, liquidation or close-out store, or any store similar to a Family Dollar store in operation or merchandise including, but not limited to, Dollar General, Bonus Dollar, dd's Discounts, Deal\$, Only Deals, 99 Cents Only, Dollar Tree, Fred's, or Marc's (the "Exclusive Use Restriction"); provided, however, the Exclusive Use Restriction shall not prohibit any portion of the Retained Property from being used as (a) a big box discount department store (the term "big box discount department store" shall not include those stores listed above) which exceeds Thirty Thousand (30,000) square feet (like a Target, Meijer, Wal-Mart or Kmart), (b) a drug store, (c) a grocery store, (d) a toy store, (e) a hobby store, (f) a sporting goods store, (g) a card and gift store, (h) a hardware store, (i) a home improvement store, (j) an auto supply store, (k) an electronics store, (l) an office supply store, or (m) any other store selling a single category of merchandise, even though the category may be a broad one such as toys or hardware.

2. Duration. This Declaration shall remain in full force and effect while Family Dollar is constructing a dollar store on the Sale Property, but shall automatically terminate in the event Family Dollar does not open within the period required by the Purchase Agreement. Once Family Dollar has opened, this Declaration shall automatically terminate when Family Dollar, its successors or assigns, fails to operate a fully staffed variety store, variety discount store, discount department store, dollar store, liquidation or close-out store on the Sale Property for period of 6 consecutive months or more, other than in connection with a renovation or restoration in connection with a casualty. This Declaration will not

terminate in connection with a renovation or restoration so long as Family Dollar is diligently pursuing such renovation or restoration.

3. Enforcement. In the event of a violation or breach of this Declaration, Purchaser, and its successors and assigns, shall have the right to proceed at law or in equity to compel compliance with the Declaration or to prevent its violation or breach. The Declarant's obligation to Purchaser shall be limited to recording of this Declaration and Declarant's own acts which violate the Exclusive Use Restriction. Declarant shall have no personal liability to Purchaser, any successor owner of the Sale Property, or Family Dollar for any violation of this Declaration by any party other than Declarant.

4 Amendment. The provisions of this instrument may be amended or terminated, but only with the consent of the owner of the Sale Property.

IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictive Covenant effective on the \_\_\_\_ day of \_\_\_\_\_, 2013.

The City of Ypsilanti, a Michigan municipal corporation.

By:

[Redacted Signature]

PAUL T. SCHNEIDER

Its: Mayor

And

By:

Its:

STATE OF MICHIGAN

)

)ss.

COUNTY OF WASHTENAW

)

The foregoing instrument was acknowledged before me, a notary public, this \_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, the Mayor of The City of Ypsilanti, a Michigan municipal corporation, on behalf of said corporation.

\_\_\_\_\_, Notary Public

\_\_\_\_\_, County, \_\_\_\_\_

My commission expires: \_\_\_\_\_

)

)

, Notary Public

My commission expires: \_\_\_\_\_

**EXHIBIT E**  
**COVENANT DEED**

\_\_\_\_\_  
SPACE ABOVE THIS LINE FOR RECORDING PURPOSES

**COVENANT DEED**

Grantor, **City of Ypsilanti**, whose address is One South Huron Street, Ypsilanti, Michigan 48197, does hereby grant, bargain and convey to Grantee, **Ninety Nine 90, LLC**, whose address is \_\_\_\_\_, the following described real property situated in the City of Ypsilanti, County of Washtenaw, State of Michigan, more fully described as follows:

See attached Exhibit A

together with Grantor's interest in all and singular the rights, tenements, hereditaments, privileges and appurtenances thereunto belonging or in anywise appertaining ("Property"), and all of the estate, right, title, interest, claim or demand whatsoever, of Grantor, either in law or in equity, of, in and to the Property.

No portion of the Property shall be owned and/or used by any entity that would qualify the Property as exempt for ad valorem taxes and/or assessments.

Subject to conditions, restrictions, easements, limitations and rights-of-way of record, any liens for taxes not yet due and payable, any matters which would be disclosed by a current survey, zoning or other governmental restrictions.

Grantor grants to Grantee the right to make no divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967.

Consideration is set forth on the Real Estate Transfer Tax Valuation Affidavit filed herewith.

Grantor will warrant and defend the conveyed premises against the lawful claims and demands of all persons claiming through Grantor but against no other person including predecessors in title.

\_\_\_\_\_  
signatures on the following page

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013

City of Ypsilanti, a Michigan municipal corporation.

By: 

Its: Mayor

PAUL T. SCHREIBER

And

By:

Its:

STATE OF MICHIGAN )

)ss.

COUNTY OF WASHTENAW )

The foregoing instrument was acknowledged before me, a notary public, this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, the Mayor of The City of Ypsilanti, a Michigan municipal corporation, on behalf of said corporation.

\_\_\_\_\_, Notary Public

\_\_\_\_\_, County, \_\_\_\_\_

My commission expires: \_\_\_\_\_

STATE OF MICHIGAN )

)ss.

COUNTY OF WASHTENAW )

The foregoing instrument was acknowledged before me, a notary public, this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, the Mayor of The City of Ypsilanti, a Michigan municipal corporation, on behalf of said corporation.

\_\_\_\_\_, Notary Public

\_\_\_\_\_, County, \_\_\_\_\_

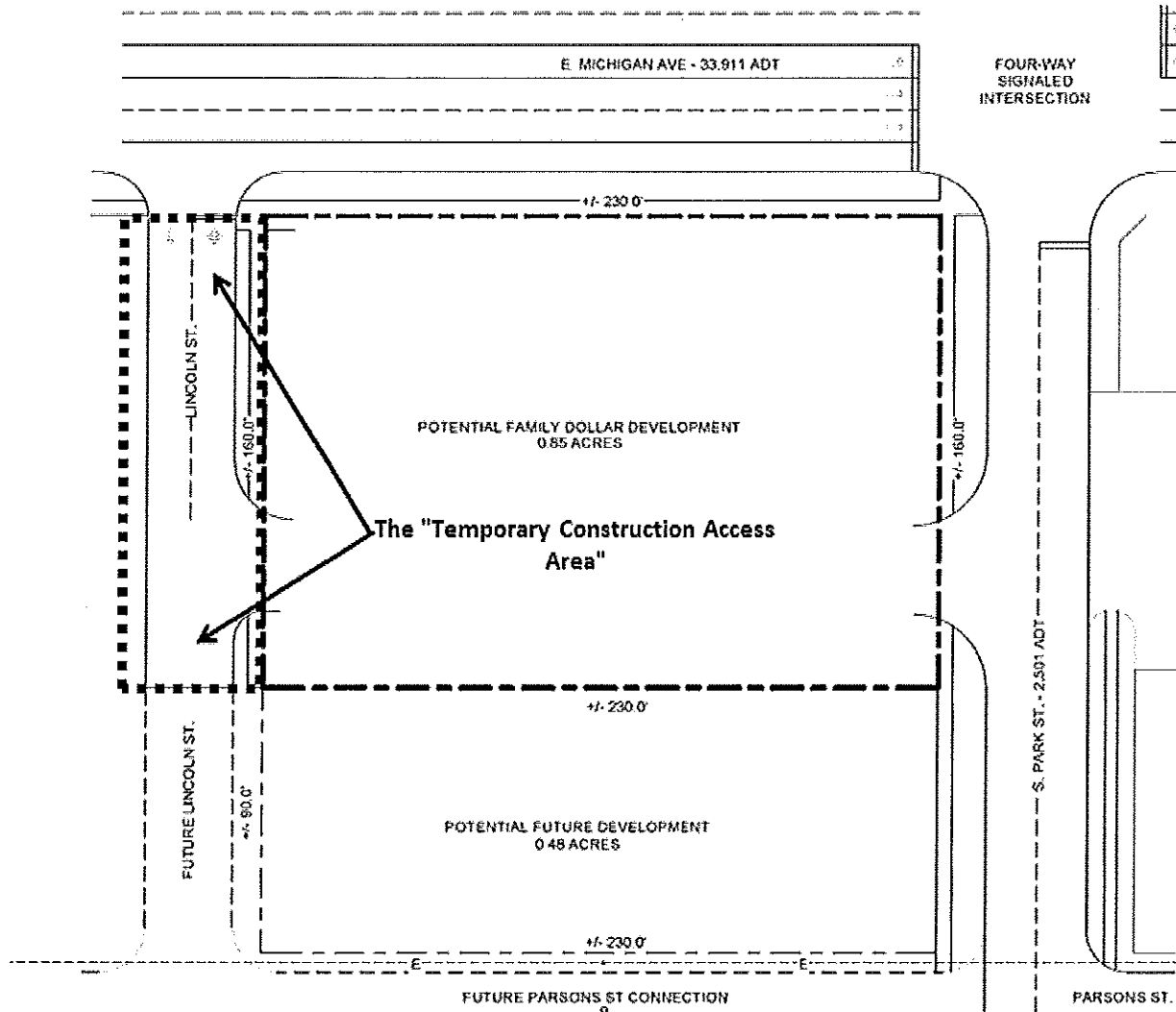
My commission expires: \_\_\_\_\_

Drafted by and when recorded return to:

**Exhibit A to Covenant Deed**

**Legal Description**

**EXHIBIT F**  
**LOCATION OF THE SHARED DRIVE**



## **EXHIBIT G**

### **ACCESS DRIVE EASEMENT AGREEMENT**

#### **EASEMENT AGREEMENT**

**THIS EASEMENT AGREEMENT** (this "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between FAMILY DOLLAR STORES OF MICHIGAN, INC. ("First Party") and the City of Ypsilanti, a Michigan municipal corporation ("Second Party").

WHEREAS, First Party is the owner of a tract of real property located in City of Ypsilanti, County of Washtenaw, State of Michigan, more particularly described on Exhibit A attached hereto and incorporated by reference (the "First Party Tract"), and intends to develop the First Party Tract to be used for retail purposes; and

WHEREAS, Second Party owns a tract of real property adjacent to and lying next to the First Party Tract, also located in City of Ypsilanti, County of Washtenaw, State of Michigan, more particularly described on Exhibit B attached hereto and incorporated herein by reference (the "Second Party Tract"); and

WHEREAS, Second Party desires to grant to First Party easements of access, ingress and egress to enable the First Party and their respective Permittees (as hereinafter defined) access over and through that portion of the Second Party Tract described on Exhibit C (the "Access Easement"); and

WHEREAS, First Party desires to construct a road over the Access Easement Parcel, same being a part the Second Party Tract and Second Party is willing to grant a construction easement for the construction of the driveway; and

WHEREAS, the parties desire to enter into other agreements regarding the use of their respective parcels as set forth herein;

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Grant of Construction Easement. Second Party hereby grants to First Party a temporary construction easement (the "Construction Easement") on, over and across that portion of the Second Party Tract depicted on Exhibit C (the "Construction Easement Parcel") for the purpose of constructing the road and sidewalk improvements described on Exhibit \_\_\_\_ (the "Access Drive Improvements") within the Access Road Parcel. The location of the Construction Access Easement is shown on Exhibit C attached hereto and incorporated by reference. The Construction Easement shall be a temporary easement, existing for a period of \_\_\_\_\_ days (the "Construction Period") beginning on the date (the "Commencement Date") that First Party commences construction of the Access Drive Improvements. The Commencement Date shall be set forth in a written notice from First Party to Second Party given not

less than ten (10) days prior to the Commencement Date. First Party shall construct the Access Drive Improvements within the Access Easement Parcel during the Construction Period in a manner that will not unreasonably interfere with business operations on the Second Party Tract or with the orderly flow of traffic thereon. First Party shall obtain and pay for all permits, approvals and licenses necessary for the construction and use of the Access Drive Improvements. The Access Drive Improvements shall be constructed in accordance with all applicable laws, codes, ordinances and other requirements of governmental authorities having jurisdiction thereof. The Access Drive Improvements shall be constructed in a good and workmanlike manner in accordance with the Site Plan and pursuant to the specifications for roads and sidewalks and curbcuts owned by the City of Ypsilanti. First Party shall pay all costs or expenses related to the construction of the Access Drive Improvements and shall not permit any lien to attach to the Second Party Tract or any part thereof. The Construction Easement shall automatically terminate upon the expiration of the Construction Period; provided, however, in no event shall the Construction Period last more than one (1) year from the date of recordation of this Agreement. First Party shall indemnify, defend and hold Second Party harmless from and against any claims, losses, causes of action, and damages (including attorney's fees for counsel selected by Second Party) arising out of First Party's construction of the Cross Access Drive and use of the Construction Easement.

2. Grant of Easements of Access, Ingress and Egress.

(a) Second Party hereby grants to First Party, and their respective Permittees (as hereinafter defined), a perpetual, permanent, non-exclusive easement over and across the Access Easement Parcel described on the attached Exhibit D for vehicular and pedestrian traffic (e.g., driveways and curb cuts), which easement shall be for use by First Party for vehicular access, ingress and egress (but not parking) to and from the First Party Tract to Michigan Avenue. Said easement shall hereinafter be referred to as the "Access Easement."

(b) Notwithstanding the above, the Access Easement is contingent upon the completion of construction of the Access Drive Improvements in accordance with the requirements set forth in Section 1 above.

3. Covenants Running with the Land. The Access Easement herein granted by Second Party to First Party shall run with the land. Second Party hereby warrants and covenants with First Party that it has the right to convey such easements and that the easements are unencumbered except for easements and restrictions of record on the date hereof.

4. Maintenance. First Party shall, at its sole cost and expense, maintain the Access Drive Improvements until such time as the Access Drive Improvements are utilized by any party other than the First Party for access to any portion of the Second Party Tract ("Third Party Use"). Upon the commencement of any Third Party Use, the First Party and the third party shall share maintenance costs for the Access Drive equally until the Access Drive or Access Drive Improvements can be dedicated. Further, upon the commencement of any Third Party Use, the Access Drive shall be dedicated and the Second Party shall cooperate with the First Party to accept such dedication as soon as practicable.. In the event any party fails to maintain, repair or replace the Access Drive as set forth above, the other parties shall have the right to perform such maintenance, repair and/or replacement. If any party fails to reimburse the other party for maintenance, repair and/or replacement costs associated with the Access Drive within thirty (30) days after demand for same is made, the party performing such maintenance, repair and/or replacement shall have the right, in addition to any other remedies at law or in equity, to file a lien for the unpaid amounts against the parcel owned by the party facility to reimburse, as applicable, which such lien shall be subordinate to any first mortgage lien. As used in this Agreement, the term "maintain" or "maintenance" shall mean to: (a) maintain (including periodic patching and resurfacing) the

Access Drive Improvements in a good and safe condition and state of repair; (b) replace the Access Drive Improvements as needed to ensure that it is kept in a good and safe condition and state of repair; and (c) keep the Access Drive free and clear from unreasonable accumulations of snow, ice, leaves, debris, litter or other obstructions. All maintenance, repair and/or replacement activities shall be performed in a lien-free, good and workmanlike manner and undertaken in such a manner so as not to unreasonably interfere with the use and enjoyment of the Access Drive. Once the Access Drive is dedicated, the maintenance obligations of the First Party and the any third party set forth herein shall terminate automatically.

5. Condemnation. Nothing in this Agreement shall be construed to give one party any interest in any award or payment made to the other party in connection with any exercise of eminent domain or transfer in lieu thereof affecting the other party's rights or giving the public or any government any rights. The parties may file collateral claims with the condemning authority for their losses that are separate and apart from the value of the land area and improvements taken.

6. Driveway Changes. First Party and Second Party each reserve the right to from time to time change the driveways and other traffic improvements located within their respective parcels other than the Access Drive. In the event either party wishes to modify the location of the Access Drive, the party must obtain the prior written consent of the other party, which may be granted or denied in that parties sole and exclusive discretion.

7. Permittees. As used herein, the term "Permittees" shall mean each party hereto, and their successors in title, and each of their respective tenants, employees, contractors, guests and invitees.

(Signature/Notary pages attached)

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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>WITNESSES AS TO FIRST PARTY:</b><br><br>Signed:<br>Print Name:<br><br>Signed:<br>Print Name:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>FIRST PARTY:</b><br>«FD_Entity», «FD_Entity_Description»<br><br>By:<br>Print Name:<br>Title:<br><br>Dated: |
| STATE OF «STATE_FULL_NAME»<br>COUNTY OF «COUNTY»<br><br>I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by _____, the _____, of «FD_Entity», «FD_Entity_Description», freely and voluntarily under authority duly vested in him by said company. He/she is personally known to me or has produced _____ as identification.<br><br>WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2012.<br><br>_____<br>Notary Public<br><br>_____<br>Typed, printed or stamped name of Notary Public<br><br>My Commission Expires: _____ |                                                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                               |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| WITNESSES AS TO SECOND PARTY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | SECOND PARTY:                              |
| Signed:<br>Print Name:<br><br>Signed:<br>Print Name:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | By:<br>Print Name:<br>Title:<br><br>Dated: |
| <p>STATE OF «STATE_FULL_NAME»<br/>         COUNTY OF «COUNTY»</p> <p>I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by _____, the _____, of _____, a _____, freely and voluntarily under authority duly vested in him by said company. He/she is personally known to me or has produced _____ as identification.</p> <p>WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2012.</p> <p>_____<br/>         Notary Public</p> <p>_____<br/>         Typed, printed or stamped name of Notary Public</p> <p>My Commission Expires: _____</p> |                                            |

TRACT - CONSENT AND SUBORDINATION OF LENDER

**Lender Consent**

\_\_\_\_\_, a \_\_\_\_\_ (*Type of Lender*), as holder of  
that certain \_\_\_\_\_ (*Mortgage, Deed of Trust,*  
*etc.*) dated \_\_\_\_\_ with respect to the \_\_\_\_\_ **Tract**, hereby  
consents to the terms and conditions contained in this Agreement and subordinates the lien of  
said \_\_\_\_\_ (*Mortgage, Deed of Trust, etc.*) to  
this Agreement.

STATE OF \_\_\_\_\_:

COUNTY OF \_\_\_\_\_:

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2011 by  
\_\_\_\_\_, the \_\_\_\_\_ of  
\_\_\_\_\_, a \_\_\_\_\_.

He/She is personally known to me, or produced \_\_\_\_\_ as identification.

Notary Public, State of

Name Printed:

My Commission expires:

[NOTARIAL SEAL]

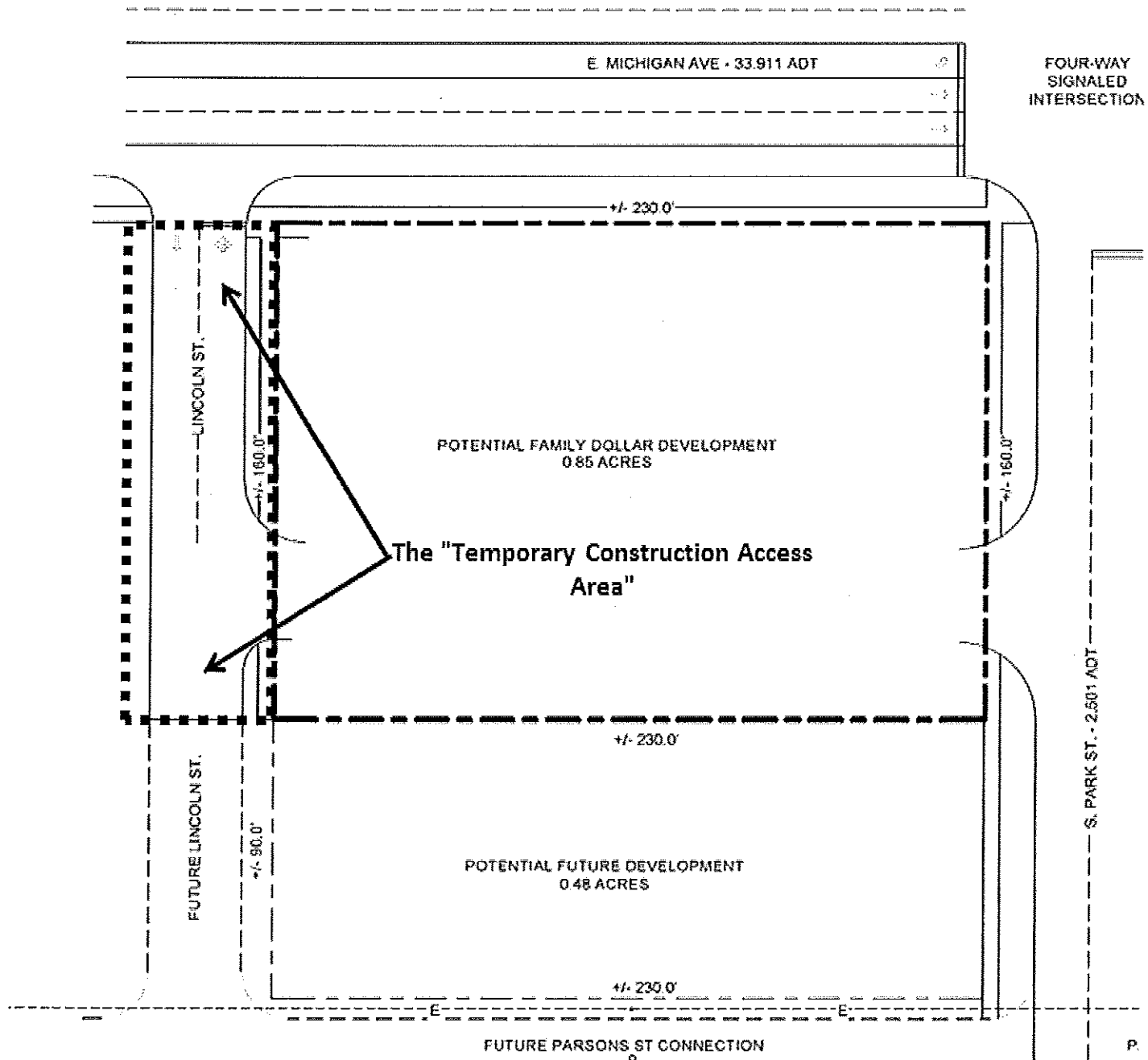
## EXHIBIT A

### Description of First Party Tract

## EXHIBIT B

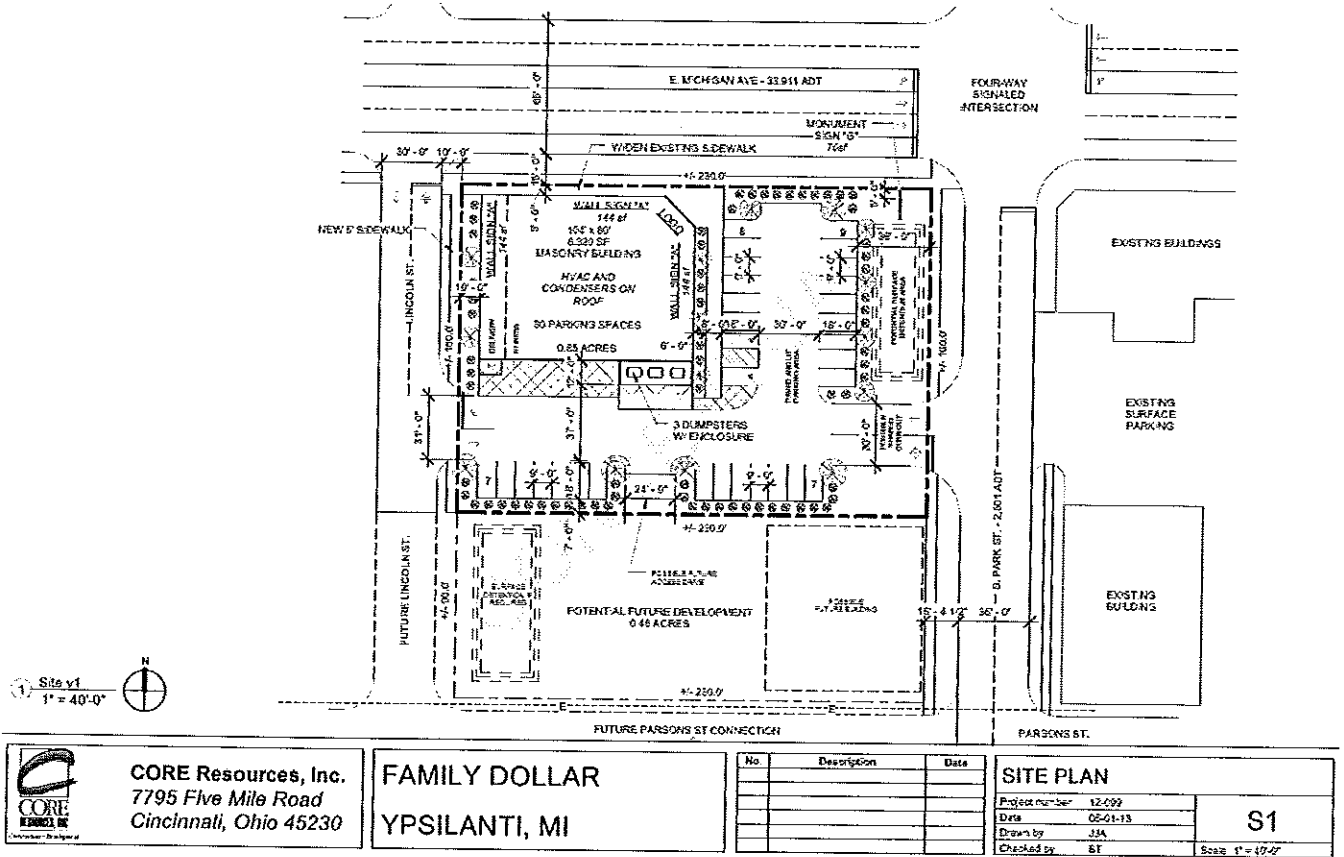
### Description of Second Party Tract

### Temporary Construction Access Area



# EXHIBIT C-1

## CONCEPTUAL SITE PLAN



## **FIRST AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE**

**THIS FIRST AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE** (the "First Amendment") is made as of the \_\_\_\_th day of August, 2013 (the "Effective Date"), by and between **The City of Ypsilanti** ("City"), and **NINTY NINE 90, LLC** ("Purchaser").

(A) On or about May 7, 2013, the City and Purchaser entered into an Agreement to Purchase Real Estate (the "**Agreement**"). All terms and provisions of the Agreement are incorporated herein by this reference.

(B) Subsequent to entering into the Agreement, the parties hereto have determined that certain obligations of the Purchaser established in Section 4 of the Agreement are to be modified.

(C) The City and Purchaser desire to enter into this First Amendment to evidence the changes to Section 4 of the Agreement, as provided herein.

NOW, THEREFORE, for and in consideration of the premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The recitals of fact set forth above are true and correct and are by this reference made a part hereof.

2. Defined Terms. All defined terms contained in the Agreement are incorporated in this First Amendment by this reference.

3. Amendment of Contract. The Agreement is hereby modified, amended and supplemented as follows:

(a) Modification of Section 4 – Title; Survey. Section 4 of the Agreement shall be removed in its entirety and replaced with the following;

Within one hundred twenty (120) days from the Effective Date, the Purchaser shall, at its cost, cause the Title Company to deliver to Purchaser a commitment for an ALTA Owner's Title Insurance Policy (the "Commitment") in the amount of the Purchase Price, bearing a date later than the Effective Date, and identifying the condition of title to the Property, together with copies of the instruments and documents referenced in the Commitment. In addition, within fifteen (15) days from the Effective Date, the City shall make available to Purchaser a copy of the City's most-recent existing survey of the overall Property ("Survey"). Purchaser shall obtain, at its sole cost and expense, an updated ALTA Survey of the Property, certified to the City, Purchaser and Title Company and setting forth the legal description of the Property, the Access Drive (as defined in paragraph 13(a)) and the storm water detention license referenced in paragraph

7(c), and provide to the City a copy of such updated Survey within one hundred fifty (150) days from the Effective Date. The City shall advise Purchaser of any objections to the Survey and/or the legal description contained therein within ten (10) business days of receipt. If the City objects to the Survey, the parties will work in good faith to resolve same. If no objection is made, or after all objections are resolved, the legal description contained in said Survey shall be used for the conveyances contemplated herein.

4. Controlling Provisions. To the extent of any conflict between this First Amendment and the Agreement, the terms and provisions of this First Amendment shall control and prevail.

5. Other Provisions. Except as modified in this First Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have set their hands and seals as of the Effective Date, with the understanding that it is joining into this First Amendment for the purposes set out in Section 4 of the Agreement.

**CITY:**

**Witness to City**

**City**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_, 2013

Witnesses as to Purchaser:

**“PURCHASER”**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_, 2013



Resolution No. 2013 – 147  
August 6, 2013

**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:

| <u>NAME</u>                                                                   | <u>BOARD</u>        | <u>TERM TO EXPIRE</u> |
|-------------------------------------------------------------------------------|---------------------|-----------------------|
| Tony Bedogne (replacing Dan Lautenbach)<br>717 Stanley<br>Ypsilanti, MI 48197 | Planning Commission | 5/1/2015              |

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:            NO:            ABSENT:            VOTE:

Dear Mayor Paul Schreiber,

I am interested in service on the City of Ypsilanti planning commission. As an Ypsilanti resident since 1994 and a homeowner since 2009 I am very familiar with the rich historic significance of our fine city and the progression which it has gone over the past 19 years as a resident.

I have rented many different housing units; including locations on EMU campus, the off campus student district, midtown, the normal park neighborhood; and currently own in Prospect park. I am extremely familiar with many businesses that have been long time staples of the community, and some others that have come, gone, and been redeveloped into others. I have seen things that work well, and others that didn't. I am aware of the many assets and challenges of the City. I also frequently attend community events and festivals, and always invite friends and family to Ypsilanti to join us in celebration.

I identify my life very strongly with being a part Ypsilanti, and have successfully transitioned from student life at Eastern Michigan University, into a working professional in this community. I have spent some time away over the past 19 years for periods of time, and was always felt welcomed when I returned and was happy to do so. As an avid runner, I spend several hours each week jogging around the different neighborhoods of the community, trying to meet neighbors, and seeing how houses and businesses are improving their properties. It is truly a great, friendly place to do this type of activity. I often run down to the south side of town as well, and while I recognize many opportunities in this sector of the community, I am often greeted with the same friendly "Ypsi" style, reminding me we are a diverse mix but the same; ypsilantians.

I believe that I can be an asset to the planning commission not only because of my passion to continue to make Ypsilanti a better place, but optimistic that I can use some of my professional experiences to value the team. My daily work responsibility at the Washtenaw County Office of the Water Resources Commissioner is the acquisition and verification of legal descriptions, property surveys, deed restrictions, and recorded documentation. Understanding and helping the public customer interpret and understand language of such documentation and then plotting this information on a map or series of maps. Working in local government I understand the need to be transparent, helpful, and as accurate as possible. I have lots of experience working with developers and professionals in the land development industry and have spent countless hours reviewing site plans and utility infrastructure drawings.

Lastly I have been very excited and somewhat engaged in the *ShapeYpsi*, master plan and zoning ordinance updates. This process has been very well done in my opinion and I want to continue to be involved as it moves forward toward completion.

Please consider me for an appointment to the City of Ypsilanti planning commission.

Thank You  
Tony Bedogne  
717 Stanley



REQUEST FOR LEGISLATION  
August 6, 2013

To: Mayor and Council  
From: Ralph A. Lange, City Manager  
Subject: Medicare Advantage Plan

---

SUMMARY & BACKGROUND:

On July 15, 2013, representatives from Blue Cross Blue Shield presented a Medicare Advantage Plan to Council. This is a plan that would be beneficial to the City in order to save money for retiree health care. It will also provide services to our retirees that they are currently having to pay out-of-pocket (i.e. office visits, pneumonia shots, etc.).

The projected cost savings is approximately \$11,000 per month. However, this does not include the increase in costs starting January 1, 2014, when we will have to start paying additional taxes to support the Affordable Care Act.

City staff held an informational meeting on Wednesday, July 24, 2013 to introduce the retirees to the Medicare Advantage Plan. The retirees who attended were very receptive to the plan.

Therefore, we are requesting that City Council approve the attached resolution in order to move forward in enrolling our retirees who are on Medicare A & B into the Blue Cross Blue Shield Medicare Advantage Plan.

RECOMMENDED ACTION: Approval

ATTACHMENTS: Resolution; Contract; Addendums

---

CITY MANAGER APPROVAL: \_\_\_\_\_ COUNCIL AGENDA DATE: 08/06/2013

CITY MANAGER COMMENTS: \_\_\_\_\_

FISCAL SERVICES DIRECTOR APPROVAL: \_\_\_\_\_



Resolution No. 2013 – 148  
August 6, 2013

**RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

**WHEREAS**, City Council of the City of Ypsilanti deems it to be in the best interest of the City to continue to reduce health care costs where applicable; and

**WHEREAS**, on July 15, 2013, representatives from Blue Cross Blue Shield presented the Medicare Advantage Plan; and

**WHEREAS**, Blue Cross Blue Shield understands the City's commitment to retirees and has taken measures to ensure that retiree health coverage remains at the same or better levels; and

**WHEREAS**, retirees currently enrolled both Medicare A & Medicare B are eligible to be converted to the Medicare Advantage Plan;

**THEREFORE BE IT RESOLVED**, BY THE COUNCIL OF THE CITY OF YPSILANTI that the City Manager is authorized to implement the Blue Cross Blue Shield Medicare Advantage Plan for all eligible retirees and execute all documents necessary to convert eligible retirees.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:                      NO:                      ABSENT:                      VOTE:

I do hereby certify that the above resolution is a true and correct copy of Resolution 2013-148 as passed by the Ypsilanti City Council, at their meeting held on August 6, 2013.

\_\_\_\_\_  
Frances McMullan, City Clerk

**City of Ypsilanti**  
**Revised 8/2/2013**

|                           |                              |                 |
|---------------------------|------------------------------|-----------------|
| Effective Date            | 11/1/2013                    |                 |
| Contract Period           | 11/01/2013 - 12/31/2014      |                 |
|                           |                              |                 |
| Period                    | <b>11/1/2013 -12/31/2013</b> |                 |
|                           | <b>Option 1</b>              | <b>Option 2</b> |
| <b>Medical Rate PMPM</b>  | \$ 271.31                    | \$ 272.50       |
| <b>Pharmacy Rate PMPM</b> | \$ 280.43                    | \$ 315.99       |
| <b>Total PMPM</b>         | \$ 551.74                    | \$ 588.49       |
|                           |                              |                 |
|                           |                              |                 |
| Period                    | <b>1/1/2014 -12/31/2014</b>  |                 |
|                           | <b>Option 3</b>              | <b>Option 4</b> |
| <b>Medical Rate PMPM</b>  | \$ 271.31                    | \$ 272.50       |
| <b>Federal Tax PMPM</b>   | \$ 28.11                     | \$ 28.14        |
| <b>Pharmacy Rate</b>      | \$ 280.43                    | \$ 315.99       |
| <b>Federal Tax PMPM</b>   | \$ 8.42                      | \$ 9.33         |
|                           | -----                        | -----           |
| <b>Total PMPM</b>         | \$ 588.27                    | \$ 625.96       |
|                           |                              |                 |
|                           |                              |                 |

Group Signature\_\_\_\_\_

BCBSM Rep Signature\_\_\_\_\_

## **Medicare PLUS Blue Group PPO<sup>SM</sup>**



**Blue Cross  
Blue Shield**  
of Michigan

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association. Medicare Plus Blue Group PPO is a health plan with a Medicare contract.

# STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

NOVEMBER 1, 2013 - DECEMBER 31, 2014

(14-Month Rate)

Option 1

## Medicare PLUS Blue Group PPO™



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## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

|                             |                      |
|-----------------------------|----------------------|
|                             | <b>2013 MAPD PPO</b> |
| Effective Date of Coverage: | 11/1/2013            |
| Month's of Coverage:        | 14-Months            |
| Plan Type:                  | MAPD- Passive        |
| Option:                     | Option 1             |

## MEDICARE ADVANTAGE GROUP RATE:

## Medical Rate:

|                        |              |
|------------------------|--------------|
| 2013 MA PPO PMPM Rate: | See Attached |
|------------------------|--------------|

## Pharmacy Rate:

|                       |              |
|-----------------------|--------------|
| 2013 MA PPO PDP Rate: | See Attached |
|-----------------------|--------------|

## Combined Rate:

## Notes and Conditions:

- 1) The quoted rates are effective from **November 1, 2013 through December 31, 2014**, for **14 months**.
- 2) The coverage plan is based on "full replacement" such that all Medicare eligible plan participants are enrolling in the BCBSM Medicare Plus Blue Group Medicare Advantage PPO Plan.
- 3) The premiums shown here include MA (medical services) and PDP (pharmacy services). Other lines of coverage such as dental and vision are not included.
- 4) BCBSM reserves the right to modify this quote if there are changes to the:
  - benefit design included in the proposal,
  - effective date,
  - covered population (+/- 10%),
  - subsequent changes in CMS funding levels, or
  - regulatory changes or if the above conditions are not met.
- 5) Rate calculations were made based upon CMS funding projections known at this time. If significant changes are made to funding levels, BCBSM reserves the right to alter the rates appropriately.
- 6) To meet the expected implementation date of **November 1, 2013**, a decision from the group is required by **August 8, 2013**, in order to secure the proposed plan implementation date.

## Medicare PLUS Blue Group PPO™



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## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

|                                                                                                           |  |                                    |                                                         |
|-----------------------------------------------------------------------------------------------------------|--|------------------------------------|---------------------------------------------------------|
|                                                                                                           |  | 2013 MAPD PPO                      |                                                         |
| Effective Date of Coverage:                                                                               |  | 11/1/2013                          |                                                         |
| Month's of Coverage:                                                                                      |  | 14-Months                          |                                                         |
| Plan Type:                                                                                                |  | MAPD- Passive                      |                                                         |
| Option:                                                                                                   |  | Option 1                           |                                                         |
| MEDICARE ADVANTAGE GROUP BENEFITS:                                                                        |  |                                    |                                                         |
| MED/SURG.                                                                                                 |  | Schedule B                         |                                                         |
| OUT-OF-POCKET MAXIMUM:                                                                                    |  | \$1,000                            |                                                         |
| OUT-OF-POCKET COST SHARE OPTIONS:                                                                         |  | Coinsurance, Deductible and Copays |                                                         |
|                                                                                                           |  | COST SHARE                         |                                                         |
| PPO BENEFIT STRUCTURE<br>(ACTIVE or PASSIVE)                                                              |  | PASSIVE                            |                                                         |
| DEDUCTIBLE:                                                                                               |  | \$0                                |                                                         |
| COINSURANCE:                                                                                              |  | 0%                                 |                                                         |
| CORE BENEFITS                                                                                             |  |                                    |                                                         |
| Inpatient Facility Svcs (Home Health Care - No Member Cost Share)                                         |  | No Member Cost Share Applies       |                                                         |
| Outpatient Facility Svcs                                                                                  |  | No Member Cost Share Applies       |                                                         |
| Physician / Practitioner Services                                                                         |  |                                    |                                                         |
| Office Visits / Consultations                                                                             |  | \$0 copay                          |                                                         |
| Chiropractic Services                                                                                     |  | \$0 copay                          |                                                         |
| Specialist Services                                                                                       |  | \$0 copay                          |                                                         |
| Facility Evaluation & Management Services                                                                 |  | Cost Share Applies                 |                                                         |
| Psychiatric - Psychotherapy Services                                                                      |  | \$0 copay                          |                                                         |
| Surgical Services / Anesthesia Services / Cardiac Catheterization / Cardiovascular - Therapeutic Services |  | No Member Cost Share Applies       |                                                         |
| Other Physician Services<br>(Clinical Labs - No Member Cost Share)                                        |  | No Member Cost Share Applies       |                                                         |
| Preventative Service                                                                                      |  | No Member Cost Share Applies       |                                                         |
| Emergency Room                                                                                            |  | \$65 Copay                         |                                                         |
| Ambulance Services                                                                                        |  | No Member Cost Share Applies       |                                                         |
| DME, P&O and Supplies                                                                                     |  | No Member Cost Share Applies       |                                                         |
| A la Carte Medical / Surgical Benefits:                                                                   |  |                                    |                                                         |
| Foreign Travel (Not Restricted to Emergency & Urgent Care Only)                                           |  | X                                  | Cost Share Same As If Services Was Provided in the U.S. |
| Determination of Refractive State                                                                         |  | X                                  | INN/ONN Cost Sharing Applies                            |
| Home Infusion Therapy                                                                                     |  | X                                  | No Member Cost Share for these Services                 |

## Medicare PLUS Blue Group PPO™



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## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------|-------------------|
| <b>Effective Date of Coverage:</b><br><b>Month's of Coverage:</b><br><b>Plan Type:</b><br><b>Option:</b>                                                                                                                                        |                                                                                                                  | <b>2013 MAPD PPO</b> |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | 11/1/2013            |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | 14-Months            |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | MAPD- Passive        |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | Option 1             |                   |
| <b>Pharmacy:</b>                                                                                                                                                                                                                                |                                                                                                                  |                      |                   |
| <b>Formulary Option:</b>                                                                                                                                                                                                                        |                                                                                                                  | Open Enhanced        |                   |
| (Open, Standard-Closed, or Lean-Closed)                                                                                                                                                                                                         |                                                                                                                  |                      |                   |
| <b>Clinical Edits/Step Therapy:</b>                                                                                                                                                                                                             |                                                                                                                  | NO                   |                   |
| <b>Deductible:</b>                                                                                                                                                                                                                              |                                                                                                                  | \$0                  |                   |
| TIER 1<br>(Preferred Generic)                                                                                                                                                                                                                   | Cost Share:                                                                                                      | \$5 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 2<br>(Non-Preferred)                                                                                                                                                                                                                       | Cost Share:                                                                                                      | \$5 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 3<br>(Preferred Brand)                                                                                                                                                                                                                     | Cost Share:                                                                                                      | \$10 Copay           |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 4<br>(Non-Preferred)                                                                                                                                                                                                                       | Cost Share:                                                                                                      | \$10 Copay           |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| <b>[NOTE Tier 5: Not available at 90-day or Mail Order]</b>                                                                                                                                                                                     |                                                                                                                  |                      |                   |
| TIER 5<br>(Specialty)                                                                                                                                                                                                                           | Cost Share:                                                                                                      | \$10 Copay           |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| <p><i>NOTE: Your signature below serves as approval to begin implementation of the 2013 MA PPO plan, with accepting of rates and benefits as shown in this document.</i></p> <p>Group Representative :</p> <p>(Signature or Initial) (Date)</p> |                                                                                                                  |                      |                   |

**Medicare PLUS Blue Group PPO<sup>SM</sup>**



**Blue Cross  
Blue Shield**  
of Michigan

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**MEDICARE ADVANTAGE GROUP CONTRACT  
2013 SCHEDULE A**

**GROUP NAME:** City of Ypsilanti

**Option** Option 1

**CONTRACT EFFECTIVE DATE:** 11/1/2013

**CONTRACT COVERAGE PERIOD:** 14-Months

**FUNDING TYPE:** ☐ ASC ☒ FULLY INSURED

**2013 MEDICAL/SURGICAL RATE:** See Attached PMPM

**2013 PHARMACY RATE:** See Attached PMPM

***SIGNATURES***

**GROUP REPRESENTATIVE(S):**

**BCBSM REPRESENTATIVE(S):**

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## **Medicare PLUS Blue Group PPO<sup>SM</sup>**



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# STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

NOVEMBER 1, 2013 - DECEMBER 31, 2014

(14-Month Rate)

Option 2

## Medicare PLUS Blue Group PPO™



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Blue Cross  
Blue Shield  
of Michigan

## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

Effective Date of Coverage:

2013 MAPD PPO

11/1/2013

Month's of Coverage:

14-Months

Plan Type:

MAPD- Passive

Option:

Option 2

## MEDICARE ADVANTAGE GROUP RATE:

Medical Rate:

2013 MA PPO PMPM Rate:

See Attached

Pharmacy Rate:

2013 MA PPO PDP Rate:

See Attached

Combined Rate:

## Notes and Conditions:

- 1) The quoted rates are effective from [November 1, 2013](#) through [December 31, 2014](#), for 14 months.
- 2) The coverage plan is based on "full replacement" such that all Medicare eligible plan participants are enrolling in the BCBSM Medicare Plus Blue Group Medicare Advantage PPO Plan.
- 3) The premiums shown here include MA (medical services) and PDP (pharmacy services). Other lines of coverage such as dental and vision are not included.
- 4) BCBSM reserves the right to modify this quote if there are changes to the:
  - benefit design included in the proposal,
  - effective date,
  - covered population (+/- 10%),
  - subsequent changes in CMS funding levels, or
  - regulatory changes or if the above conditions are not met.
- 5) Rate calculations were made based upon CMS funding projections known at this time. If significant changes are made to funding levels, BCBSM reserves the right to alter the rates appropriately.
- 6) To meet the expected implementation date of [November 1, 2013](#), a decision from the group is required by [August 8, 2013](#), in order to secure the proposed plan implementation date.

## Medicare PLUS Blue Group PPO™



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## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

|                                                                                                           |  |                                    |                                                                                 |
|-----------------------------------------------------------------------------------------------------------|--|------------------------------------|---------------------------------------------------------------------------------|
|                                                                                                           |  | 2013 MAPD PPO                      |                                                                                 |
| Effective Date of Coverage:                                                                               |  | 11/1/2013                          |                                                                                 |
| Month's of Coverage:                                                                                      |  | 14-Months                          |                                                                                 |
| Plan Type:                                                                                                |  | MAPD- Passive                      |                                                                                 |
| Option:                                                                                                   |  | Option 2                           |                                                                                 |
| MEDICARE ADVANTAGE GROUP BENEFITS:                                                                        |  |                                    |                                                                                 |
| MED/SURG.                                                                                                 |  | Schedule B                         |                                                                                 |
| OUT-OF-POCKET MAXIMUM:                                                                                    |  | \$1,000                            |                                                                                 |
| OUT-OF-POCKET COST SHARE OPTIONS:                                                                         |  | Coinsurance, Deductible and Copays |                                                                                 |
|                                                                                                           |  | COST SHARE                         |                                                                                 |
| PPO BENEFIT STRUCTURE<br>(ACTIVE or PASSIVE)                                                              |  | PASSIVE                            |                                                                                 |
| DEDUCTIBLE:                                                                                               |  | \$0                                |                                                                                 |
| COINSURANCE:                                                                                              |  | 0%                                 |                                                                                 |
| CORE BENEFITS                                                                                             |  |                                    |                                                                                 |
| Inpatient Facility Svcs (Home Health Care - No Member Cost Share)                                         |  | No Member Cost Share Applies       |                                                                                 |
| Outpatient Facility Svcs                                                                                  |  | No Member Cost Share Applies       |                                                                                 |
| Physician / Practitioner Services                                                                         |  |                                    |                                                                                 |
| Office Visits / Consultations                                                                             |  | \$0 copay                          |                                                                                 |
| Chiropractic Services                                                                                     |  | \$0 copay                          |                                                                                 |
| Specialist Services                                                                                       |  | \$0 copay                          |                                                                                 |
| Facility Evaluation & Management Services                                                                 |  | No Member Cost Share Applies       |                                                                                 |
| Psychiatric - Psychotherapy Services                                                                      |  | \$0 copay                          |                                                                                 |
| Surgical Services / Anesthesia Services / Cardiac Catheterization / Cardiovascular - Therapeutic Services |  | No Member Cost Share Applies       |                                                                                 |
| Other Physician Services<br>(Clinical Labs - No Member Cost Share)                                        |  | No Member Cost Share Applies       |                                                                                 |
| Preventative Service                                                                                      |  | No Member Cost Share Applies       |                                                                                 |
| Emergency Room                                                                                            |  | \$65 Copay                         |                                                                                 |
| Ambulance Services                                                                                        |  | No Member Cost Share Applies       |                                                                                 |
| DME, P&O and Supplies                                                                                     |  | No Member Cost Share Applies       |                                                                                 |
| A la Carte Medical / Surgical Benefits:                                                                   |  |                                    |                                                                                 |
| Skilled Nursing Facility - Unlimited Days                                                                 |  | X                                  | Cost Share Same As Inpatient Facility Services above                            |
| Removal of Caps for Outpatient Physical Therapy                                                           |  | X                                  | Cost Share Same As Other Physician/ Practitioner Services above                 |
| Foreign Travel (Not Restricted to Emergency & Urgent Care Only)                                           |  | X                                  | Cost Share Same As If Services Was Provided in the U.S.                         |
| Determination of Refractive State                                                                         |  | X                                  | INN/ONN Cost Sharing Applies                                                    |
| Home Infusion Therapy                                                                                     |  | X                                  | No Member Cost Share for these Services                                         |
| Private Duty Nursing                                                                                      |  | X                                  | 50% Coinsurance Applies (Does Not Accumulate Towards Deductible / OOP Maximums) |

## Medicare PLUS Blue Group PPO™



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## 2013 STANDARD GROUP BENEFIT and RATE SUMMARY

City of Ypsilanti

July 26, 2013

|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------|-------------------|
| <b>Effective Date of Coverage:</b><br><b>Month's of Coverage:</b><br><b>Plan Type:</b><br><b>Option:</b>                                                                                                                                        |                                                                                                                  | <b>2013 MAPD PPO</b> |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | 11/1/2013            |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | 14-Months            |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | MAPD- Passive        |                   |
|                                                                                                                                                                                                                                                 |                                                                                                                  | Option 2             |                   |
| <b>Pharmacy:</b>                                                                                                                                                                                                                                |                                                                                                                  |                      |                   |
| <b>Formulary Option:</b>                                                                                                                                                                                                                        |                                                                                                                  | Open Enhanced        |                   |
| (Open, Standard-Closed, or Lean-Closed)                                                                                                                                                                                                         |                                                                                                                  |                      |                   |
| <b>Clinical Edits/Step Therapy:</b>                                                                                                                                                                                                             |                                                                                                                  | NO                   |                   |
| <b>Deductible:</b>                                                                                                                                                                                                                              |                                                                                                                  | \$0                  |                   |
| TIER 1<br>(Preferred Generic)                                                                                                                                                                                                                   | Cost Share:                                                                                                      | \$2 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 2<br>(Non-Preferred)                                                                                                                                                                                                                       | Cost Share:                                                                                                      | \$2 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 3<br>(Preferred Brand)                                                                                                                                                                                                                     | Cost Share:                                                                                                      | \$2 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| TIER 4<br>(Non-Preferred)                                                                                                                                                                                                                       | Cost Share:                                                                                                      | \$2 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | 1.0 Preferred        | 2.0 Non-Preferred |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| <b>[NOTE Tier 5: Not available at 90-day or Mail Order]</b>                                                                                                                                                                                     |                                                                                                                  |                      |                   |
| TIER 5<br>(Specialty)                                                                                                                                                                                                                           | Cost Share:                                                                                                      | \$2 copay            |                   |
|                                                                                                                                                                                                                                                 | 32-90 Day Supply Mail Order Copay Multiplier:                                                                    | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 | Minimum / Maximum Charged per Claim:<br>(Only Applicable when Coinsurance Selected; Subject to Copay Multiplier) | Not Applicable       | Not Applicable    |
|                                                                                                                                                                                                                                                 |                                                                                                                  |                      |                   |
| <p><i>NOTE: Your signature below serves as approval to begin implementation of the 2013 MA PPO plan, with accepting of rates and benefits as shown in this document.</i></p> <p>Group Representative :</p> <p>(Signature or Initial) (Date)</p> |                                                                                                                  |                      |                   |

# Medicare PLUS Blue Group PPO<sup>SM</sup>



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Blue Shield**  
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## MEDICARE ADVANTAGE GROUP CONTRACT 2013 SCHEDULE A

GROUP NAME: City of Ypsilanti

Option Option 2

CONTRACT EFFECTIVE DATE: 11/1/2013

CONTRACT COVERAGE PERIOD: 14-Months

FUNDING TYPE: ☐ ASC ☒ FULLY INSURED

2013 MEDICAL/SURGICAL RATE: See Attached PMPM

2013 PHARMACY RATE: See Attached PMPM

### SIGNATURES

GROUP REPRESENTATIVE(S):

BCBSM REPRESENTATIVE(S):

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_



REQUEST FOR LEGISLATION  
August 13, 2013

From: Ralph A. Lange, City Manager

Subject: Other Qualified Adult Policy

---

SUMMARY & BACKGROUND:

A resolution (No. 2013-135) was brought before the City of Ypsilanti Council to prepare a City Policy for Other Qualified Adult Benefits. This resolution was passed with a 6 to 1 vote.

Therefore I am attaching a policy that would allow benefits to be offered to an Other Qualified Adult living in their household of an employee.

City Council has twice unanimously passed resolutions opposing PA 297 which bans school districts and municipalities from providing other qualified adult benefits. Since this prohibition no longer exists, the City can move forward and adopt this policy.

For the reasons mentioned above, it is the City Manager's request that City Council approve the resolution approving the Other Qualified Adult Benefits Policy.

RECOMMENDED ACTION: (Approval/Denial)

ATTACHMENTS:

---

CITY MANAGER APPROVAL: \_\_\_\_\_ COUNCIL AGENDA DATE: 8/6/13

CITY MANAGER COMMENTS: \_\_\_\_\_

FISCAL SERVICES DIRECTOR APPROVAL: \_\_\_\_\_



Resolution No. 2013-149  
August 13, 2013

**WHEREAS**, a letter was written on July 23, 2013 from the Ypsilanti Human Relations Commission for the Mayor and City Council to support a policy that would provide partner benefits for City employees; and

**WHEREAS**, on July 23, 2013 City Council adopted Resolution No. 2013-135, to have administration develop a policy for Other Qualified Adult Benefits; and

**WHEREAS**, a Policy for Other Qualified Adult Benefits has been prepared by Human Resources and reviewed by the City Attorney and City Manager.

**THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI** hereby authorizes the attached Other Qualified Adult Benefit Policy and its implementation to Non-Union employees and negotiates said benefits to the various union groups.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

YES:                      NO:                      ABSENT:                      VOTE:

### **3.16-A “Other Qualified Adult” Benefits**

Effective Date: 9/01/2013

The City of Ypsilanti recognizes that health insurance is a benefit of vital importance to our employees. Therefore, we are implementing a new category of dependent called Other Qualified Adult (OQA).

Eligibility, coverage and benefits for Other Qualified Adult under this policy must meet the following criteria.

- The City of Ypsilanti Employee must be eligible for benefits
- The Employee can only name one other adult as an Other Qualified Adult
- The Other Qualified Adult and Employee must share a common residence and have done so for at least the past twelve (12) months, other than as a tenant
- Neither the Employee nor the Other Qualified Adult is married to someone else
- The Other Qualified Adult is not eligible to inherit from the Employee under the laws of intestate succession in the State of Michigan
- The Other Qualified Adult is not related by blood to a degree of closeness that would prevent legal marriage in Michigan
- At least one of the following is true:
  - o The Employee and the Other Qualified Adult have a durable power of attorney for health care for the other; or
  - o The employee and the Other Qualified Adult have a durable power of attorney for financial management of the other
- At least two of the following are true:
  - o The Employee and the Other Qualified Adult have a common or joint ownership or lease of residence; or
  - o The Employee and Other Qualified Adult have a common or joint ownership or lease of a motor vehicle; or
  - o The Employee and Other Qualified Adult have a joint checking or savings account; or
  - o The Employee and Other Qualified Adult have a joint credit account

To remain eligible for coverage, the above criteria must be continuously met. If the above criteria are no longer met, eligibility for coverage will cease at the end of the month. Employees must notify Human Resources immediately of any change in eligibility status.

## **BENEFITS OFFERED**

It is the intent of this program to provide insurance coverage to Other Qualified Adults of City Employees identical to those provided to spouses of City Employees, wherever possible.

Health Care plans offered through **Blue Cross Blue Shield Community Blue PPO or Simply Blue**

Prescription Drugs are through **EHIM**

Dental provided by **Assurant/Fortis**

Optical is provided through **MECA** at the Employees expense

Life Insurance

## **OBTAINING COVERAGE**

**Annual Open Enrollment:** Each Fall the Human Resources Department holds the annual Open Enrollment Period during which Employees can change benefits, including adding or deleting persons covered under their benefits. Any additions made during Open Enrollment will go into effect on January 1 of the following calendar year.

**New Hire:** For a newly hired Employee at the City of Ypsilanti, benefits are effective on the 1<sup>st</sup> of the month following new hire status. If an Employee desires coverage for his/her Other Qualified Adult they will need to list him or her on the application completed at the time of New Hire Orientation with the Human Resources Department. Both the Employee and the Other Qualified Adult will have the same effective date of coverage.

**Other Qualifying Events:** If an Employee's Other Qualified Adult involuntarily loses his/her group health benefits, he/she may be enrolled in the City of Ypsilanti's health care plans. A letter from the Other Qualified Adult's employer is required indicating the date and reason for termination of coverage. This must be done within thirty (30) days of loss of coverage. If notification is provided within 30 days of the qualifying event, coverage shall be effective the date of the qualifying event. If not completed within the first thirty (30) days, the Other Qualified Adult must wait to be added during the annual Open Enrollment Period.

## **SUMMARY OF BENEFITS PROVIDED**

The City of Ypsilanti provides Employees with health care, dental care and life insurance benefits under the terms and conditions of four (4) collective bargaining agreements, as well as by way of City Policy. These benefits are also provided to Employees in accordance with applicable State and Federal laws and regulations.

### **Health Care**

The City of Ypsilanti provides a choice of Blue Cross Blue Shield Community Blue PPO or Blue Cross Blue Shield Simply Blue. There is a \$30 co-pay for office visits. The employees contribute 20% of the premium cost toward their health care in accordance with PA 152 of 2011.

### **Prescription Drug**

The City of Ypsilanti provides our prescription drug coverage through EHIM. For employees hired prior to July 1, 2010, their co-pay is \$10/\$20 for prescriptions. For employees hired on or after July 1, 2010, their co-pay is \$10/\$40.

### **Dental**

The City of Ypsilanti provides dental coverage through Assurant/Fortis. The coverage afforded to our employees is 100% for Class I preventive, 80% coverage for Class II Basic Restorative (fillings, extractions, root canals, etc.) and 80% coverage for Major Restorative (crowns, dentures, bridges, etc.). Each family member will have a \$1500 maximum benefit per calendar year.

### **Vision Insurance**

The City of Ypsilanti provides vision insurance to its employees hired prior to July 1, 2010. All employees hired on or after July 1, 2010, may enroll in the City's plan at their own expense.

### **Life Insurance**

The City of Ypsilanti provides life insurance for all full time employees.

Non-Union and COAM receive Life Insurance 1 x their annual salary not to exceed \$75,000. The salary is doubled for an AD&D (accidental death and dismemberment).

AFSCME & POAM receive \$60,000 for life insurance and this is doubled for an AD&D.

IAFF receives \$35,000 for life insurance which is doubled for an AD&D.

## **FRAUD**

The Sworn Application/Affidavit for Other Qualified Adult Benefits provides acknowledgement by the participants that civil action may be brought against them for any losses or costs due to false statements or failure to notify the City of Ypsilanti in the event of termination of the relationship. The application/affidavit contains a statement certifying that the facts represented are true and correct and that willful falsification of information could lead to disciplinary action up to and including discharge from employment.

## **TAX INFORMATION**

The IRS has ruled that Other Qualified Adults cannot be considered spouses for tax purposes. Employers are required to report and withhold taxes on the fair market value of the Other Qualified Adult coverage. This amount is usually the amount the employer contributes to the health plan to cover the Other Qualified Adult.

Therefore, health insurance and life insurance benefits provided to an Other Qualified Adult and his/her children will, under federal tax law, generally require taxation of the City of Ypsilanti contribution attributable to the Other Qualified Adult and his/her children. This tax will be deducted from the employee's paycheck.

However, if the employee's Other Qualified Adult meets the IRS definition of a "dependent" under the IRS, such benefits may be considered non-taxable. Internal Revenue Code (IRC) Section 152 defines a dependent as someone who resides in the employee's household and who receives at least half of their support from the employee.

Employees should consult a tax advisor before requesting this exemption to determine whether his/her Other Qualified Adult qualifies as a dependent.



Resolution No. 2013-150  
August 6, 2013

## **City of Ypsilanti Support for Same-Sex Marriage**

### **RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:**

WHEREAS, The City of Ypsilanti has a non-discrimination city charter clause that prohibits discrimination based upon sexual orientation; and

WHEREAS, the non-discrimination clause was decisively upheld by Ypsilanti city voters in 1998 and again in 2002; and

WHEREAS, in 2004 Michigan voters amended the state constitution to define marriage as only between a man and a woman by a margin of 59% to 41%; and

WHEREAS, that same amendment was roundly rejected by City of Ypsilanti voters 65% to 35%; and

WHEREAS, in 2012 both President Barack Obama and Vice-President Joe Biden came out in public support of same-sex marriage; and

WHEREAS, thirteen states legally recognize same-sex marriage: California, Connecticut, Delaware, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New York, Rhode Island, Vermont, and Washington; and

WHEREAS, in June the U.S. Supreme Court threw out a key part of the Defense of Marriage Act that barred same-sex couples from federal marriage benefits; and

WHEREAS, in June Democratic state lawmakers have introduced legislation to legalize same-sex marriage in Michigan; and

WHEREAS, legalizing same-sex marriage would attract and retain talented individuals and families of diverse beliefs and orientations to the State of Michigan and the City of Ypsilanti.

NOW THEREFORE BE IT RESOLVED that Ypsilanti City Council strongly supports state legislation that:

1. Adds sexual orientation as a protected class to the Elliott-Larsen Civil Right Act.
2. Eliminates the state legislative ban on same sex marriage.
3. Recognizes same sex marriages of other states.
4. Places the repeal of the Michigan Constitutional prohibition of same sex marriage on the ballot.

AND FURTHER BE IT RESOLVED that a copy of this resolution be sent to the Governor, members of the Michigan House and Senate and Kirk Profit.

OFFERED BY: \_\_\_\_\_

SUPPORTED BY: \_\_\_\_\_

Yes:                      No:                      Absent:                      Vote:



Resolution No. 2013-151  
August 6, 2013

**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: