1. City Council Regular Meeting Agenda

    Documents:

        1-20-15 FINAL AMENDED AGENDA.PDF

2. City Council Regular Meeting Packet

    Documents:

        1-20-15 AMENDED COUNCIL PACKET_REDACTED.PDF

3. City Council Regular Meeting Action Minutes

    Documents:

        1-20-15 ACTION MINUTES.PDF

CITY OF YPSILANTI
COUNCIL MEETING AGENDA
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
Tuesday, January 20, 2015
7:00 p.m.

I. CALL TO ORDER –

II. ROLL CALL –

Council Member Anne Brown	P A	Council Member Robb	P A
Council Member Nicole Brown	P A	Council Member Vogt	P A
Council Member Murdock	P A	Mayor Edmonds	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. PRESENTATIONS –

1. Resolution No. 2015-010, recognizing Martin Luther King Jr. Day

2. Housing Affordability and Equity Assessment

VIII. AUDIENCE PARTICIPATION –

IX. REMARKS BY THE MAYOR –

X. MINUTES –

Resolution No. 2015-011, approving the minutes of January 6, January 8, and January 13, 2015

XI. CONSENT AGENDA - Resolution No. 2015-012

1. Resolution No. 2015-013, approving Ordinance No. 1239, an ordinance to amend Ordinance No. 2014-1212 in order to provide for a service

charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act"). ***(Second Reading)***

2. Resolution No. 2015-014, to amend the City Charter to provide that the Mayor and Council Members are to maintain their qualifications for office continuously throughout their term.

3. Resolution No. 2015-015, to amend the City Charter to allow members of City Council to serve on City boards and commissions when permitted by law.

XII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2015-016, retaining "Basic" as the City's Flexible Spending Account (FSA) provider.

2. Resolution No. 2015-017, approving contract with DTS Contracting for Community Development Block Grant Program (CDBG) Ypsilanti Senior Center Public Facility Improvement Project.

XIII. LIASON REPORTS –

A. SEMCOG Update
B. Washtenaw Area Transportation Study
C. Washtenaw Metro Alliance
D. Urban County
E. Freight House
F. Parks and Recreation
G. Millennial Mayors Conference
H. Ypsilanti Downtown Development Authority
I. Eastern Washtenaw Safety Alliance

XIV. COUNCIL PROPOSED BUSINESS –

XV. COMMUNICATIONS FROM THE MAYOR –

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. AUDIENCE PARTICIPATION –

XVIII. REMARKS FROM THE MAYOR –

XIX. ADJOURNMENT -

Resolution No. 2015-018, adjourning the City Council meeting.

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Resolution No. 2015-010
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, Dr. Martin Luther King, Jr., changed our Nation forever through his leadership, service, and clarity of vision; and

WHEREAS, Dr. King devoted his life to strengthening the content of the American character and called on our Nation to live up to its founding principles of life, liberty, and the pursuit of happiness for all its citizens; and

WHEREAS, Through his determination, spirit, and resolve, Dr. King helped lift souls and lead one of the greatest movements for equality and freedom in history; and

WHEREAS, the City of Ypsilanti wishes to honor the lasting legacy of this great American, remember the ideals for which he fought, and recommit ourselves to ensuring that our country's promise extends to all Americans across the great land; and

WHEREAS, on November 2, 1983, Ronald Reagan, the 40th President of the United States, signed a bill creating a federal holiday to honor Dr. King on the third Monday of January every year.

NOW THEREFORE BE IT RESOLVED THAT, as we observe Dr. King's birthday, the City of Ypsilanti encourages all Americans to honor Dr. King by living out his teachings as we continue to work for the day when the dignity and humanity of every person is respected and to celebrate his memory by performing acts of kindness through service to others.

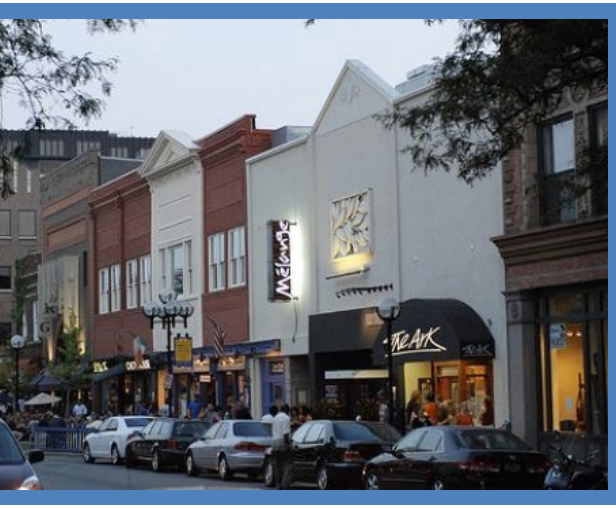
OFFERED BY: _____

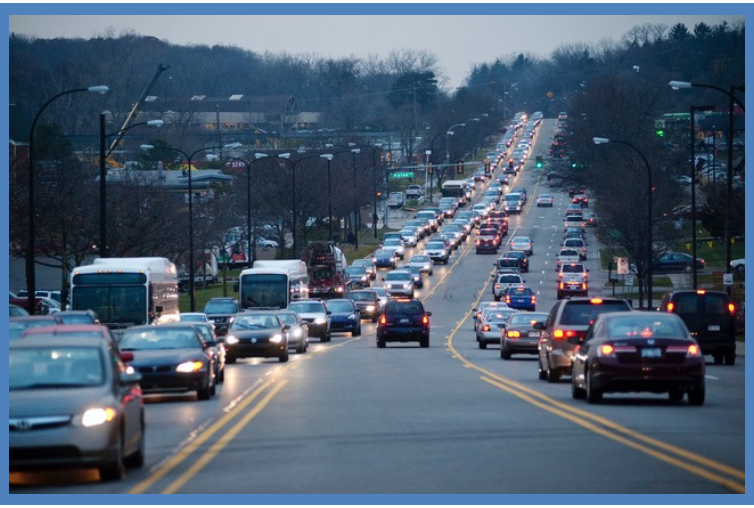
SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Housing Affordability and Economic Equity - Analysis

Washtenaw County, Michigan





czb Report
Prepared for the Office of Community and Economic Development
Washtenaw County
January 2015

The imbalance in income, education and opportunity between the jurisdictions along with the segregation that goes with it will hamper the regional economic growth potential of the area. Regions that experience strong and more stable growth are typically more equitable, have less segregation and better balanced workforce skills within them.

This report was commissioned by the Washtenaw County Office of Community and Economic Development, and was funded by the U.S. Department of Housing and Urban Development, the City of Ann Arbor, the Ann Arbor Downtown Development Authority, and Washtenaw County. The goal of this analysis is to provide a snapshot of housing market conditions and corresponding goals to improve affordability across a wide spectrum of households in Washtenaw County's urban core communities. In support of these goals, the report identifies tools intended to guide the allocation of resources and policy decisions toward a regionally balanced housing market in order to maximize opportunity for lower and middle class households. This supports the development of a more equitable community, with corresponding economic, environmental, and other quality of life benefits for all residents.

czb is an Alexandria, Virginia - based community planning practice specializing in econometric analysis, community engagement, and strategy and comprehensive planning

www.czb.org

EXECUTIVE SUMMARY

While real challenges require attention, the overall housing market in Washtenaw County is basically healthy.

Despite foreclosure and resulting - and troubling - tenure shifts in Ypsilanti Township, the countywide market has stabilized to where most homes in most jurisdictions have recovered at least 85% of their 2005 value. And, at the county level, the "housing ladder" is balanced, with a wide range of options for renters and buyers. Though more than 90% of renter households with annual incomes below $20,000 are cost burdened, the overall market is affordable. Value to income ratios throughout most of the county are between 2.67 (Ypsilanti Township) and 4.34 (Ann Arbor), making home ownership possible. Plus, renter household incomes to median rent ratios range from 2.4 to 3.4, meaning that all but the most challenged can find an affordable apartment in the county without a significant commute.

However, this is not a complete picture. The fuller story is that while Washtenaw County's housing market today is basically healthy, it won't be for long, as it is likely to become considerably out of balance. And while the county is fundamentally affordable today, housing cost increases are going to so outpace income gains that affordability will be a real challenge in the future as regards both housing and transportation expense.

The reality is that Washtenaw County has two distinct housing markets.

One is fundamentally strong - anchored by the City of Ann Arbor. The other - the City of Ypsilanti and Ypsilanti Township - is fundamentally weak and in some respects in abject distress.

The former has a high quality of life and excellent public schools. The latter faces real challenges. The former does not have a perception problem when it comes to safety and housing equity, the latter does.

Ann Arbor - and its central driver, the University of Michigan - is a magnet for highly educated households with upward mobility and significant disposable income. With some exceptions, Ypsilanti (City and Township) - and their challenge of being overloaded by a disproportionate number of at risk households and homes with negative equity - is where the most affordable options exist.

Moreover, the deeper truth is not just that the City of Ann Arbor (and Ann Arbor Township) is strong, but that both and Pittsfield are getting stronger, and their rate of growing strength is likely to increase.

And, correspondingly, that the City of Ypsilanti and Ypsilanti Township have not kept pace, and neither are well positioned to keep pace, and are thereby at real risk of falling even further behind.

In sum, Ann Arbor and those with Ann Arbor addresses are at one end of the spectrum where property values are increasing and that appears likely to continue, while Ypsilanti (City and Township) is at the other and in real trouble. **At this unblended scale, these are two markets going in opposite directions with three very probable outcomes, barring a significant change in policy at the local jurisdictional or countywide level.**

- First, Ann Arbor will become more costly, and less affordable, especially to non student renters in the short run and eventually, to aspiring buyers as well. The driver for higher costs is a combination of high livability and quality of life, great public schools, resulting sustained demand by households with discretionary income, and resulting expectations of stable and continually rising property values.

- Second, Ypsilanti will become more distressed and thus more affordable, especially to at-risk households. The reasons include unstable and falling property values and the impacts of disproportionate concentrations of struggling families (crime, lower levels of property maintenance, fiscal stress).

- Third, as housing costs in the Ann Arbor market outpace the incomes of working families employed in Ann Arbor but not able to afford to live there, those families will commute to housing they can, particularly on key corridors. This will increase congestion, compromising environmental quality and market appeal. And since more and more of the area's very low income families (working, as well as unemployed) will locate to the City of Ypsilanti and Ypsilanti Township for pricing advantages, those markets will be at increased risk for even higher concentrations of struggling households. In turn this will further weaken those jurisdiction's fiscal capacity.

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The result will be a county decreasingly affordable and out of balance and, eventually, unsustainable, as some parts of the county possibly degrade beyond a point of no return, and others grow in value beyond a point that's ever again affordable.

The imbalance in income, education and opportunity between the jurisdictions along with the socioeconomic segregation that goes with it will hamper the regional economic growth potential of the area. Regions that experience strong and more stable growth are typically more equitable, have less segregation and better balanced workforce skills within them. [1]

In the Ann Arbor Metro Area, households in the 90th percentile (income) have experienced an 18.8% gain since 1979 while wages have *decreased* by 14.4% for those in the 10th percentile.

"The rise in inequality in the United States over the last three decades has reached the point that inequality in incomes is causing an unhealthy division in opportunities, and is a threat to our economic growth. Restoring a greater degree of fairness to the U.S. job market would be good for businesses, good for the economy, and good for the country." - Alan Kreuger

This is important because racial gaps in income correlate with educational attainment and projected job education requirements. The National Equity Atlas shows that in the Ann Arbor Metro Area, 43.6% of all jobs require at least two year's of college. Education gaps for Black (36.9%) and Latino (40.6%) households translate into wage gaps which translate into racial gaps in income which turn translates into lost GDP.[2]

As pointed out by PolicyLink, this contributes to a $1.43B opportunity cost in lost potential regional GDP resulting from racial gaps in income. For Washtenaw County, this means persistent (if not worsening) gaps in the conditions that lead to income disparity and lost economic output.

Why? With very few exceptions - parts of Appalachia and the Ozarks where white poverty is significant - race and class are near perfect proxies for one another in America today.

To be in the 90th percentile (income) in Washtenaw County is to be white, and to be in the 10th percentile is to not be white.

Any concentration of households in the 90th percentile in one location is a de facto guarantee of a concentration of households in the 10th percentile in another. If the former results in demand for housing that so outpaces supply that values rise at a greater rate than do the incomes for anyone below the 90th percentile, housing becomes decreasingly affordable for all but those at the top. In other words, when the rate of return on capital (principally in the form of real estate investments in Ann Arbor by those at the top) is greater than the rate of economic growth (principally as a function of the wages of everyone else), the result is a concentration of wealth that by definition will trigger instability if not curtail growth.[3]

These problems can be addressed, and Washtenaw County is not unique; many jurisdictions across the country are facing similar challenges, but hard choices will be required.

- Right now, the City of Ann Arbor focuses much of its attention on the housing problems for the poorest households. Increasingly however, another critical housing dilemma in Ann Arbor will be for affordable non-

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[1] Aghion and Caroli asked in 1999 in their seminal *Inequality and Economic Growth,* "can the negative impact of inequality on growth be reduced by redistribution?" They (and others - Persson and Tabellini) concluded that inequality may have a direct negative effect on growth because inequality reduces investment opportunities, b) worsens borrower incentives, and c) generates volatility. See also:

- America's Tomorrow: Equity is the Superior Growth Model by PolicyLink (2011)
- The Rise and Consequences of Inequality in the United States by Alan Kreuger (2012)
- Equality of Opportunity by Richard Reeves and Isabell Sawhill (2014)
- Neighborhoods, Cities, and Economic Mobility (Draft) by Patrick Sharkey (2014)

[2] National Equity Atlas; PolicyLink (2013)

[3] Capital in the 21st Century by Thomas Piketty, President and Fellows of Harvard College, 2014; p 353

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student rentals. Where will they go? Who will develop them? In what ratio to market rate units?

- Right now, vastly disproportionate numbers of subsidized housing units are in Ypsilanti. Land is less expensive there, as are rents. Greater numbers of cost-burdened households can be housed in Ypsilanti than in Ann Arbor or Pittsfield.
  - If these trends are not reversed, or worse are continued, the overall Ypsilanti market and the fiscal stability of the city itself will be in further jeopardy.
  - It is in no one's best interest for Ypsilanti (city or township) to fail, as failure brings on a whole host of increased service costs that invariably become constraints (such as police and public safety, prolonged demand for housing subsidies, insurance, et.al.)
  - But if subsidized low income households are not housed in Ypsilanti, where else in the county will they go?

  Put another way, there are always going to be those in Washtenaw County who earn significant incomes, those who earn very little, and those in between. The more that those who earn very little are segregated and concentrated, the more those jurisdictions will be in fiscal distress, and the more those jurisdictions are in fiscal distress, the more the costs of segregation reverberate throughout the county in costly ways - air quality reductions through congestion, business attraction and retention challenges, safety compromises through concentrations of poverty, reduced real estate values through falling demand and prices.

- Right now, the market is doing an adequate job of addressing significant portions of the rental housing needs of working families. But families with poor credit and work histories, disabilities, or other challenges are not being served by the market, and there is limited public and nonprofit sector capacity to handle the balance, irrespective of where housing might be found or developed. Addressing this will not be inexpensive. Who is going to pay for these costs?

- Right now, Ypsilanti Township is at risk of entering a point of no return in its downward spiral, as the domino effect of foreclosures roots ever more deeply. Turning this around will require expensive cost gaps to be closed, and most likely, a clawback process relying on rental households in the short run to achieve stability before a future home ownership strategy can work. This will require patience and financing. By no means is it too late. But the current array of policies and practices require revision.

- Right now, throughout the Ann Arbor-Ypsilanti corridor, in each jurisdiction, significant stretches of valuable land provide extensive redevelopment opportunities that can produce large amounts of both market and below-market rate housing, especially in Ann Arbor and Pittsfield. These areas can act as powerful receiving areas to absorb directed growth, contribute to regional balance, reduce congestion in the long run, and add to multi-jurisdictional stability by taking the pressure off the weaker Ypsilanti markets to absorb more than their fair share of low income households. But this requires putting sustainable policies in place that actively aim for regional balance.

Housing Affordability and Transportation Expense

This report focuses on the urbanized area for Washtenaw County. This is not to conclude that there are no affordability or neighborhood stabilization challenges throughout the remaining geography of Washtenaw County. Significantly, the urbanized area jurisdictions include 64% of the County's population and 66% of the County's housing stock. These areas also have the greatest access to public transportation, non-motorized networks, and higher instances of transportation choice.

This is important as transportation is usually the second largest household expense for families, after housing costs. This impacts the housing market in Washtenaw County in many ways. In one regard, housing that is close to job centers can make land and housing more valuable. These location-based amenities are valued by the market, enabling households to reduce transportation costs through non-motorized trips, utilization of public transit, and shorter trip distances. In these areas, the same community characteristics that drive value upward result in a reduced transportation burden for the average household. Conversely, land is often cheaper further away from job and economic centers. On one hand this is appealing, as land cost is a significant determinant in housing development value and cost. When housing units are moved significantly outside the job center however, any savings in land value are quickly redirected to increased transportation costs. This occurs through more trips requiring automobile access, at greater distances.

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Therefore, it makes sense to focus the development of affordable units in areas with transportation choices, which are typically close to job centers and other services, to maximize the long term sustainability of households in these units. As commuting expenses as a percentage of income are reduced, either by less costly transportation options or reduced spatial mismatches between jobs and housing, more will be available for housing, food, education, and health care.

The bottom line is that the greater the degree to which Ann Arbor invests in affordable housing for those working in Ann Arbor, and Ypsilanti makes progress towards growing demand by investing in livability, the less the commuting pressures - and resulting congestion - along Washtenaw Avenue and other key corridors will occur.

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PART 1
Qualitative Analysis

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czb met and held telephone calls with over 33 elected officials, community leaders, and staff to discuss issues around affordability in Washtenaw County during June, July, and August 2014. From those discussions we have identified a number of themes regarding people's views about affordable housing in the region. We also conducted a survey of 489 people to gauge their views and ideas about affordable housing. The survey responses contain significant information about respondent's affordable housing priorities, preferred policy options, and community concerns.

Respondent Input and czb Comment

1. **The sky isn't falling.** Yet. As many pointed out, the county has a range of housing options and smart government policies like the new transit system will afford even more opportunities. We agree, but think Washtenaw County can do much better. There is broad agreement that the jurisdictions can do a better job of addressing affordable housing needs. There are clearly growing concerns about the ability of current residents to continue to afford to live in their community and the long-term sustainability of affordable housing prices.

2. **The big challenge is balance.** As many pointed out, there is growing inequity. Some used the word "segregation" to describe gaps between jurisdictions. Many concerns were raised about the creation of luxury units in Ann Arbor at the expense of middle class housing. Over time, that imbalance is going to harm the economic potential of the county. It will also continue to conflict with the strong desire for racial and socio-economic equity in the county expressed repeatedly by many.

3. **There is good news.** Fortunately, the region is well equipped to develop and manage a balanced affordable housing policy that can be coordinated between the jurisdictions. It will take work, but the civic and community ingredients are there to create a state and perhaps national model. People clearly see the value of a regional policy framework to help guide the future of housing in the county.

4. **Quality of life is the biggest driver - and divider - of value in the region.** This is a double edged sword as higher quality of life in one area can cause that area to leapfrog other places quickly and create greater imbalance around housing affordability. Ann Arbor is on this trajectory now. If not checked, Ann Arbor will turn into an exclusive enclave with little alignment between jobs and housing and greater transportation and environmental impacts as a result.

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5. **Vocabulary.** Affordable Housing is a complex term in Washtenaw County that different people understand differently. The region would benefit from a shared understanding and language about affordable housing, its relationship to jobs, to development and growth and to planning. There isn't a consistent framework for discussing or evaluating these issues, and there needs to be one.

6. **Image and perception matter greatly.** Respondents expressed concerns about how subsidized housing in Washtenaw County looks, and about the general safety of the community that is implied by how well or poorly a place is taken care of. They say they want their region to be integrated; they also want it to look nice and they want to feel safe in their neighborhood. These issues need to be addressed in the context of any housing effort, with safety being the number one issue for quality of life.

7. **Agreement.** There is strong regional agreement about the value of mixed-use, mixed-income development along transit corridors and equally strong agreement about the need to limit sprawl and protect agricultural and open space areas. It would be unfortunate to not capitalize on the convergence of opinion and market reality.

8. **Transportation, commuting, jobs, and housing.** People want housing choices to exist throughout the region and believe they should be, ideally, close to jobs. This came up over and over; the issue of housing near jobs, or workforce housing, was a strong thread in interviews and the survey. This can become the undergirding for a regional housing policy.

9. **Concentrated poverty is a problem that isn't going away.** People understand that it isn't economically healthy for any community to have a disproportionate share of low-income housing. It isn't sustainable for one area to essentially send low income residents and the resulting service needs to communities that are not able to afford the services needed to give the residents the best chance at success. This imbalance is one of the most striking and hardest issues that needs to be addressed.

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10. Focus. There is a strong desire to focus on homelessness in Ann Arbor. While appropriate and well-meaning, has taken energy away from workforce housing preservation and creation, which is the more significant issue at hand.

11. Government resources and priorities. To the extent current government funds are spent, we think the needs to preserve public housing, subsidize low-income housing and that addressing the service needs of these residents should take precedence. Strong civic support for these efforts is healthy and should be fostered. It is important though, that they be better balanced geographically in terms of how and where these funds are spent.

12. Market forces. There is a need to look at market solutions, and land-use incentives, for workforce housing needs and as something in the survey suggested, there is clear value in evaluating a funding stream to ensure the preservation of workforce housing for the long-term. Like the difficulty of addressing concentrations of poverty (which require diffusion in a county where few are going to come forward and volunteer to absorb their fair share), the only value market forces provide is the value the community extracts through policy.

13. Nominal history of serious collaborative output. We have been surprised that there isn't greater collaboration or policies around the development community to address these issues. The opportunity for public-private partnerships, especially around workforce housing, is not being taken advantage of. This needs to be explored in more detail. We see opportunities to both educate the development community and residents about what could be possible, such as development rights transfer programs.

14. Weakness and Imbalance. The lack of balance in the housing mix of each jurisdiction has weakened both the overall economic prospects for the region as well as the ability to give all residents of the region an equal chance to move forward successfully. There's a discernible gap between viewpoint and rhetoric and nominal collaborative output to address equity issues. Focusing on this is essential and hard.

15. Housing ladder. While housing for families and people starting out was emphasized, people understand the need to provide housing for all life-stages from people starting out to seniors as well as people with unique health needs. The view of "community" as being driven by the stakeholders was powerful thread through most discussions. The desire for a diverse community is a strength that can be built on.

16. Wages. There is some awareness, especially in the survey, that jobs and wages are one of the policy arenas that should be focused on. We strongly encourage housing policy discussion to be connected to wage issues for there to be any chance for sustainable outcomes.

17. Schools. Schools. Schools. The fact that some areas of the region have access to Ann Arbor schools and others don't creates an inherent economic challenge for the value of housing outside of the Ann Arbor school district. Poor performing schools are an issue that will handcuff any weak market's capacity to recover, so school quality differential requires attention.

18. Capacity. The capacity and ideas to address these issues are within the County. Between the survey's and the interviews, it is clear to us that a policy framework to address the housing issues can be developed and that champions exist to help develop and support it over time. We are impressed with the breath and depth of civic interest and passion around this issue. There is a healthy range of viewpoints and ideas to create something that can last for the long term. But experience also tells us that the ability to craft sustainability policies can vary wildly based on willingness. No progress is likely without risks being taken, issue literacy being elevated, innovation occurring, and multi-jurisdictional collaboration at the center.

19. Positioning. The county is well positioned to play a leading role helping to address its housing and market strength imbalances and to support quality economic development and balanced growth throughout the region, at the center of which are looming affordability challenges given Ann Arbor's high and increasing quality of life. People in the county understand that there should be a planning relationship between jobs, housing, and transit. The challenge is developing a policy framework for the region to work within that also respects the unique differences of each jurisdiction as well as the different economic capacities of each jurisdiction, and then takes those differences into account.

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RECOMMENDED NEXT STEPS

Building on past, successful regional collaborations, we suggest the creation of multi-jurisdictional housing policy working group.

- The group would be responsible for distilling the qualitative and quantitative information collected and analyzed by czb about housing in the county and then to develop a set of housing goals & strategies, as well as metrics and action steps to pursue.

- The importance of reshaping the county into an equitable community across jurisdictions cannot be overstated. Segregation of any sort - racial, economic, other - is also a two way street. It is never mathematically possible for one area to become segregated unless other areas as oppositely comprised. The more segregated into a high income area Ann Arbor becomes, the more segregated Ypsilanti will be. This group should be responsible for educating the community on equity issues.

- Specifically:
  - A working group from multiple jurisdictions should be impaneled
  - The group should receive a detailed briefing on the housing issues in the county
  - The focus should be on bringing the group to a common understanding of the following:
    - Terms/Vocabulary of Affordable Housing
    - Drivers for generating or undermining demand, and thus triggering price change
    - Relationships of housing to job locations and wages to housing cost burdens
    - Link between livability and demand and price and affordability
    - Role of land in determining value and in addressing imbalances
  - Agreement should be pursued on the following:
    - Baseline conditions
    - Trajectory
    - Metrics

From this foundation, the working group may subsequently be in a position to collaborate on multi-jurisdictional responses to the two looming challenges that the county faces: equity imbalance and affordability for low and moderate income working households.

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POLICY OPPORTUNITIES FOR CONSIDERATION FROM INTERVIEWS AND SURVEYS

The interviews and surveys exposed a broad range of policy ideas to consider. Below is just a list of the most frequently mentioned concepts. A plan development process would include a process to identify more ideas to consider.

- Push for higher density, mixed-use projects along transit corridors.
- Re-visit parking requirements to ensure they are encouraging transit and not driving up housing prices.
- Consider multi-jurisdictional tax-districts to support the growth of mixed-use development areas.
- Push for new state rules regarding property taxes for seniors. Current rules may discourage seniors to move to smaller, more manageable homes and essentially “lock-up” larger homes thereby limiting family housing choices.
- Consider ways to develop zoning or other rules that approximate inclusionary zoning or ask the state for new powers.
- Consider ways for zoning to encourage smaller starter homes, family sized units and to add some workforce options to existing neighborhoods.
- Consider changes to zoning and/or policy to encourage development of mixed-income housing in targeted areas.
- Consider ways to ensure property owners don’t set unfair requirements for renters and essentially limit choices for low income residents.
- Identify infill opportunities for new affordable housing projects.
- Consider the use of public lands to help develop affordable housing projects.
- Consider a "fair share" housing provision (each local unit provides a percentage of the region's affordable housing equal to its percentage of the region's total population) or an "impact fee" approximation of such a system, in which units that don't provide housing units provide financial support to those who do.
- Consider metrics between a jurisdictions workforce needs and available housing and set goals for the relationship of the two.
- Consider ways to reduce waiting list for affordable housing (vouchers, etc.)
- Evaluate something like the Twin Cities Fiscal Disparity Act / tax-base sharing -- in part, approximates a per-community payment-in-lieu fair share housing system; regional shift in property tax revenues from communities with high taxable value per capita to those with low, so that cities hosting more low-income residents (and low taxable-value housing) can address the service needs they have.
- Consider creating a local land trusts to hold land to help with affordability.
- Consider increasing local housing trust funds and/or creating a county trust fund.
- Consider approaches to discouraged or prevent over-concentration of low income housing.
- Consider policies to ensure public services are available in areas with greatest need.
- Consider policies to give tenants greater opportunities to purchase units or stay in units after sale.
- Consider changes/update to plan to end homelessness in Ann Arbor
- Explore ways to encourage more co-ops.
- Explore ways to encourage co-housing options.

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PART 2
Quantitative Analysis

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What affordability challenges are faced by Washtenaw County owners and potential buyers?

Throughout the target area (as well as in the portions of the county outside the target area), the number of owners facing unaffordable housing costs (in excess of 30% of income) increased substantially between 2000 (pre-recession) and 2012 (post-recession).[4] Countywide, the number of owners paying more than 30% of their income on housing costs increased by 12,438 households between 2000 and 2012; just under half of this increase (5,358 out of 12,438) was in the target area (Table 1). The number of Washtenaw County owners paying more than 50% of their income on housing costs (those considered to have very unaffordable costs) increased by 5,078 households; again, roughly half of this increase occurred in the target area (where the number of owners with very unaffordable housing costs doubled between 2000 and 2012).

By 2012, nearly three out of every ten owners in the county (and in the target area) paid too much for housing, up from two out of every ten owners in 2000. The largest percentages of owners had unaffordable costs (>30% of income) in Census tracts in western and southern Ann Arbor city, parts of Pittsfield township, southern Ypsilanti city, and parts of Ypsilanti township (see map on following page).

TABLE 1 :: UNAFFORDABLE HOUSING COSTS, WASHTENAW COUNTY VS. TARGET AREA

	Washtenaw County				Target Area			
	2000	2012	Change	% Change	2000	2012	Change	% Change
Unaffordable (>30% of Income) Housing Costs	11,397	23,835	12,438	109%	7,288	12,646	5,358	74%
Very Unaffordable (>50% of Income) Housing Costs	3,428	8,506	5,078	148%	2,200	4,404	2,204	100%
% Unaffordable	19%	29%	10%		19%	28%	9%	
% Very Unaffordable	6%	10%	5%		6%	10%	4%	

source: US Census (2000); 2012 ACS 5 Year Estimates; czb

[4] For the purposes of this analysis, the "target area includes Pittsfield, Ann Arbor City, Ann Arbor Township, Ypsilanti City, and Ypsilanti Township.

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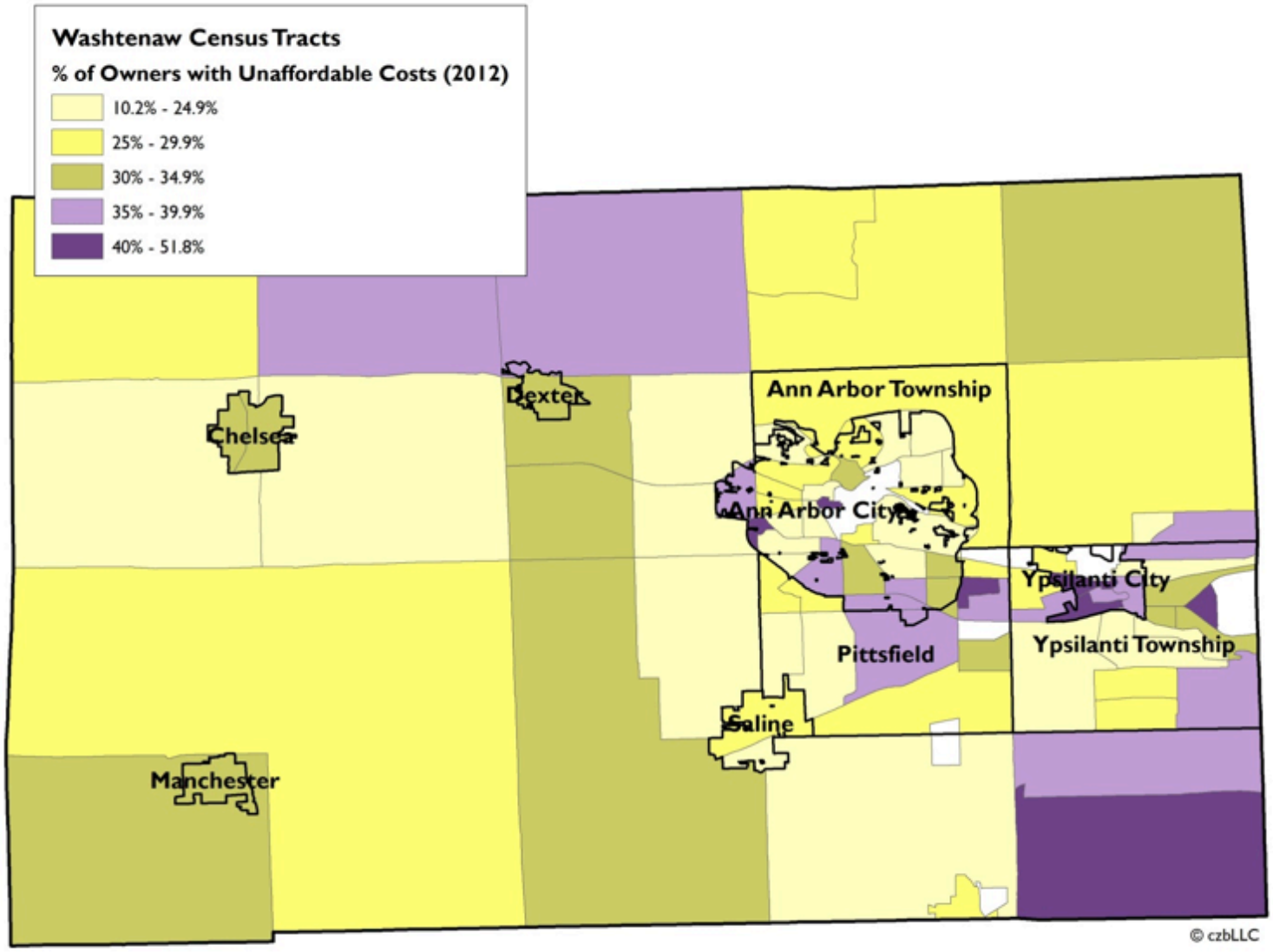

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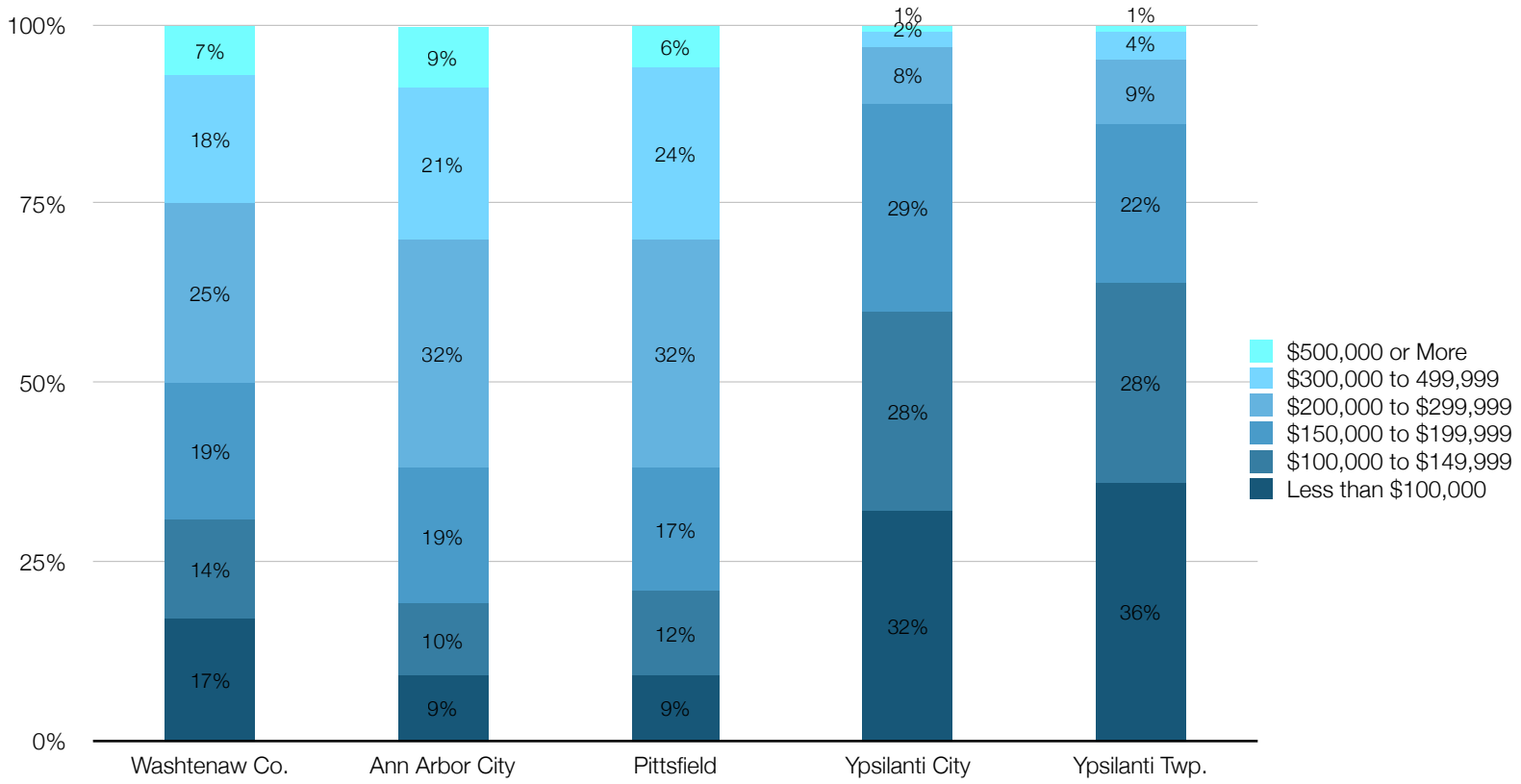
Consistent Affordability for Others – Great Housing Values for Buyers

Yet, on the whole, for-sale housing is fairly affordable in Washtenaw County. Countywide, half of all units are valued below $200,000 (according to the 2012 American Community Survey 5-Year Estimates); just 25% were valued at $300,000 or higher (Graph 1). This breakdown varies greatly, though, between local municipalities: in Ann Arbor city, nearly two-thirds of all owner-occupied units were valued over $200,000, as were almost 90% in Ann Arbor township; in Ypsilanti city and Ypsilanti township, in contrast, roughly three in five units (60% and 64%, respectively) were valued below $150,000.

This variety not only creates vastly different housing markets (for both owner-occupied housing and for rentals) across the target area, but has put different communities and neighborhoods on different trajectories, as some have quickly recovered from the recent recession and others have not.

GRAPH 1 :: BREAKDOWN OF OWNER VALUES IN WASHTENAW CO. SUBDIVISIONS, 2012



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How do housing market conditions vary across Washtenaw County Target Area municipalities?

For the Washtenaw County Target Area analysis, we analyzed a range of people- and place-based data from the 2000 and 2010 Decennial Census and the 2012 American Community Survey 5-Year Estimates. We also received data from the Multiple Listing Service (MLS) on for-sale properties and rentals made available through the system and sold or rented between. These MLS records included 16,570 sales between 2000 and 2014 (with the bulk sold after 2004) and 1,866 apartments rented between 2003 and 2014 (with the bulk rented after 2006). To complement these MLS records, czb compiled an inventory of all rental properties in the target area, which included the number, characteristics, and costs of apartments at each location.

As of 2012 (according to the 2012 American Community Survey 5-Year Estimates), the county's higher-cost owner-occupied housing units were concentrated in Ann Arbor City and Pittsfield (which both had more than their share of housing units valued over $200,000) and particularly Ann Arbor township (which had two times its share of owner units valued in the $200,000s, three times its share of owner units valued in the $300,000s, and four times its share of owner units valued over $500,000). In contrast, both Ypsilanti city and Ypsilanti township had twice their share of owner units valued below $150,000.[5]

To further understand these market dynamics, czb utilized sales data (collected from the multiple listing service (MLS)) to generate average sale prices at the Census tract level based on single-family home sales in 2012, 2013, and 2014. Based on these averages, czb divided Washtenaw County Target Area Census Tracts (those within Ann Arbor city, Ann Arbor township, Pittsfield, Ypsilanti city, and Ypsilanti township) into 6 market types – from "very weak" to "hot." "Very Weak" market Census tracts were those with average sale prices between roughly $25,000 and $75,000 between 2012 and 2014, or had averages more than one standard deviation away from the target area average sale price during that time. The average sale price and Z Scores (or how many standard deviation units each average stood from the overall average) are listed in the table below (Table 2); the market strength for each target area Census tract are shown in the map on the following page.

TABLE 2 :: SALE PRICE RELATIVE TO MARKET TYPE

		Average Sale Price			Z Score Range
		Low		High	
	Very Weak	$26,613	to	$75,492	Less than -1.00
	Weaker	$94,086	to	$186,061	-0.99 to -0.25
	Moderate	$199,050	to	$262,408	-0.24 to 0.24
	Strong	$271,577	to	$357,699	0.25 to 0.99
	Very Strong	$393,360	to	$463,355	1.00 to 1.74
	Hot	$498,139	to	$622,393	1.75 or More

[5] Figures presented in this paragraph are explained further on page x, under the heading "Washtenaw County - Catch Up and Keep Up".

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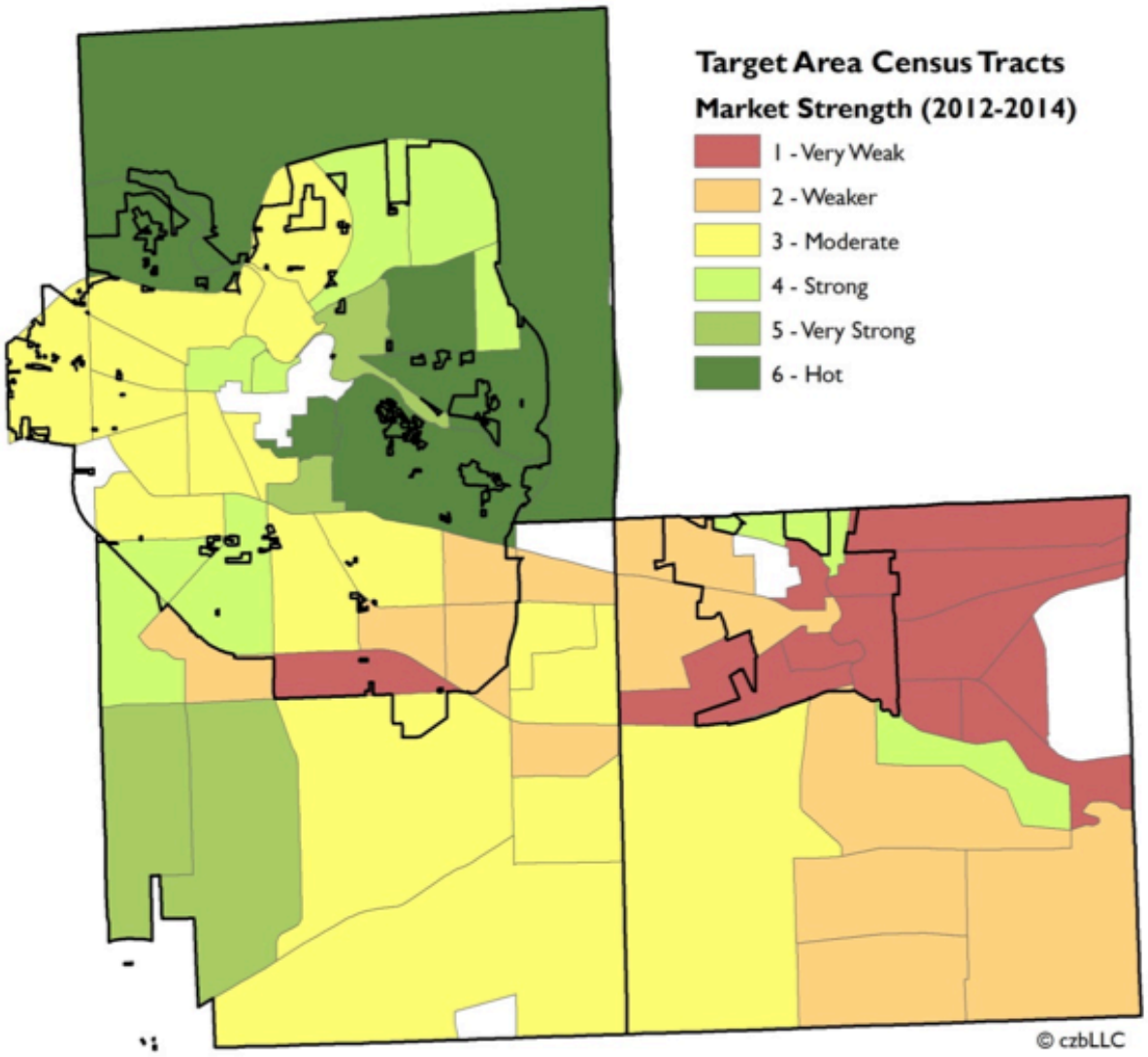

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Across all market types, the average sale price of a single-family home was up in 2005 (during the housing boom) and declined during the recession, hitting lows between 2008 and 2011, before recovering in the years since (Graph 2, Table 3).

What this table illustrates is that the gap in value between the strongest and weakest submarkets in Washtenaw is growing, and all signs indicate a further widening.

GRAPH 2 :: AVERAGE SALE PRICE OF SINGLE-FAMILY HOMES IN WASHTENAW COUNTY TARGET AREA CENSUS TRACTS BY MARKET STRENGTH, 2005-2014

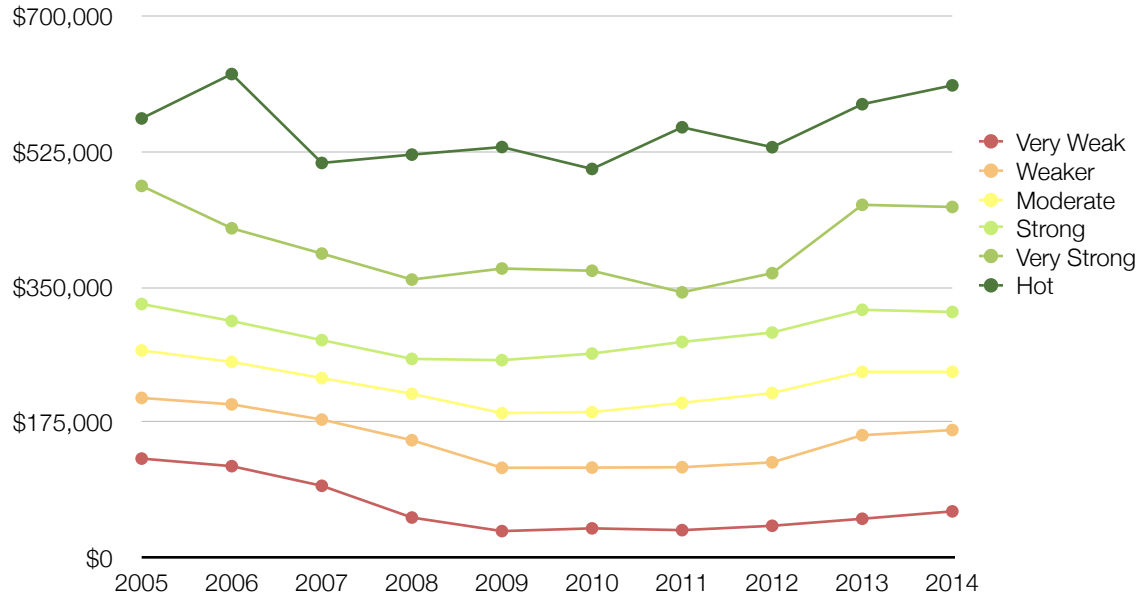

TABLE 3 :: AVERAGE SALE PRICE OF SINGLE-FAMILY HOMES IN WASHTENAW CO. TARGET AREA CENSUS TRACTS BY MARKET STRENGTH 2005-2014

	Average Sale Price									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Very Weak	$127,797	$117,990	$92,635	$51,599	$34,053	$37,608	$35,294	$40,932	$50,021	$59,587
Weaker	$206,180	$197,902	$178,225	$151,559	$115,894	$116,146	$116,629	$122,925	$158,037	$164,727
Moderate	$267,618	$252,775	$231,820	$211,547	$186,609	$187,891	$199,818	$212,538	$239,908	$239,997
Strong	$327,626	$305,656	$280,968	$256,689	$255,048	$263,556	$278,612	$290,768	$320,132	$317,318
Very Strong	$480,256	$425,502	$392,830	$359,223	$373,484	$370,635	$342,762	$367,490	$455,815	$453,071
Hot	$567,486	$624,889	$509,958	$520,733	$530,523	$502,209	$556,091	$530,312	$585,900	$610,267

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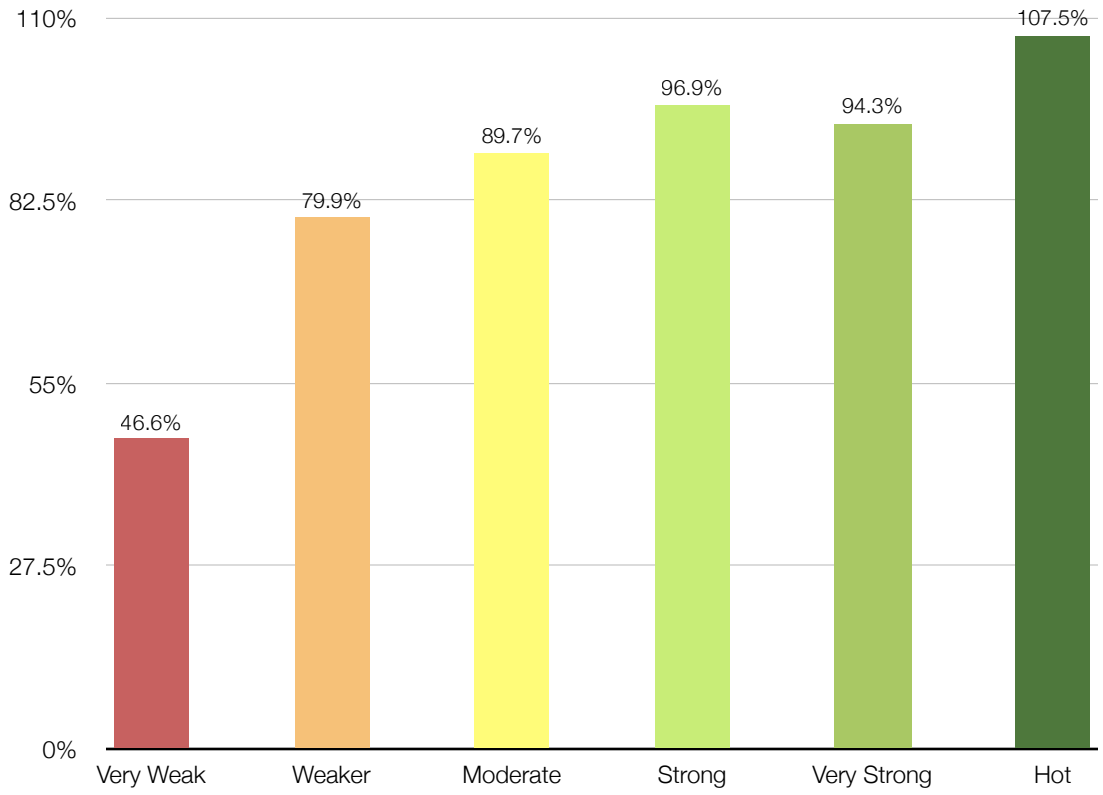
Interestingly, though, while the average sale price of a single-family home was higher in 2014 than it had been in 2005 in “Hot” markets (suggesting a full recovery), the 2014 average sale price in “weaker” markets was equivalent to 80% of the 2005 average sale price; in “very weak” markets, the 2014 average sale price was equal to just 47% of the 2005 average (suggesting far from a full recovery in these areas) (Graph 3).

These still-struggling markets bore the brunt, to a certain extent, of the housing market meltdown: according to Neighborhood Stabilization Program Data released by the U.S. Department of Housing and Urban Development (HUD), Census tracts within and surrounding Ypsilanti city had the areas highest foreclosure rates and vacancy rates in the midst of the crisis.

GRAPH 3 :: AVERAGE SALE PRICE (2014) ÷ AVERAGE SALE PRICE (2005) FOR TARGET AREA CENSUS TRACKS BY MARKET STRENGTH



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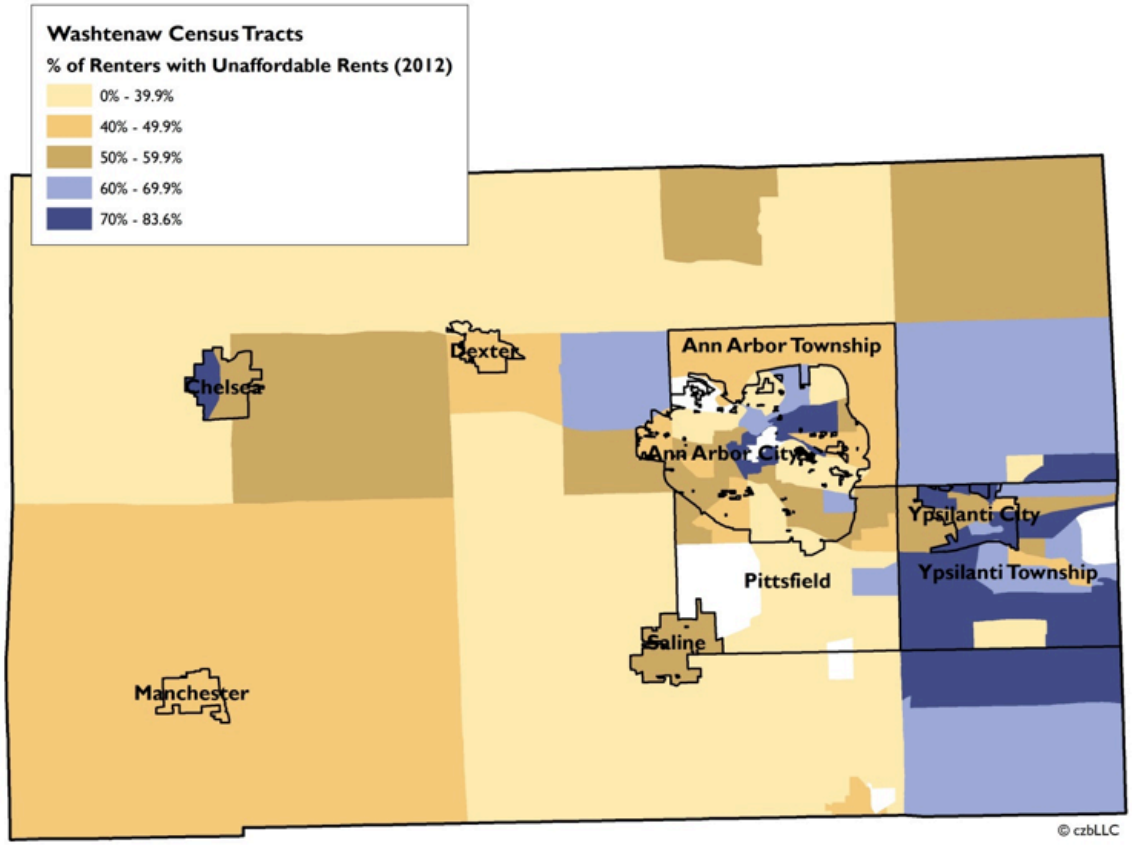
What affordability challenges are faced by Washtenaw County renters and potential renters?

Renters are far more likely than owners to have excessive housing costs in Washtenaw County. In the Census tracts in Central Ann Arbor city (near the University of Michigan), as well as those in far northern and southern Ypsilanti city and throughout much of Ypsilanti township, in excess of 60% of renters pay more than 30% of their income on housing (see map below).

College undergraduate and graduate students, whose incomes tend to be very low (if not $0), as well as higher rents, are driving these numbers in Ann Arbor city; lower-income non-student renters are doing so in Ypsilanti city and Ypsilanti township.

According to data from the Multiple Listing Service, the average lease price for units listed on the MLS was lowest in Ypsilanti city and Ypsilanti township (and in a few scattered Census tracts in Ann Arbor city), and highest throughout much of Ann Arbor city and Ann Arbor township (and in a few scattered Census tracts in Pittsfield and Ypsilanti township).



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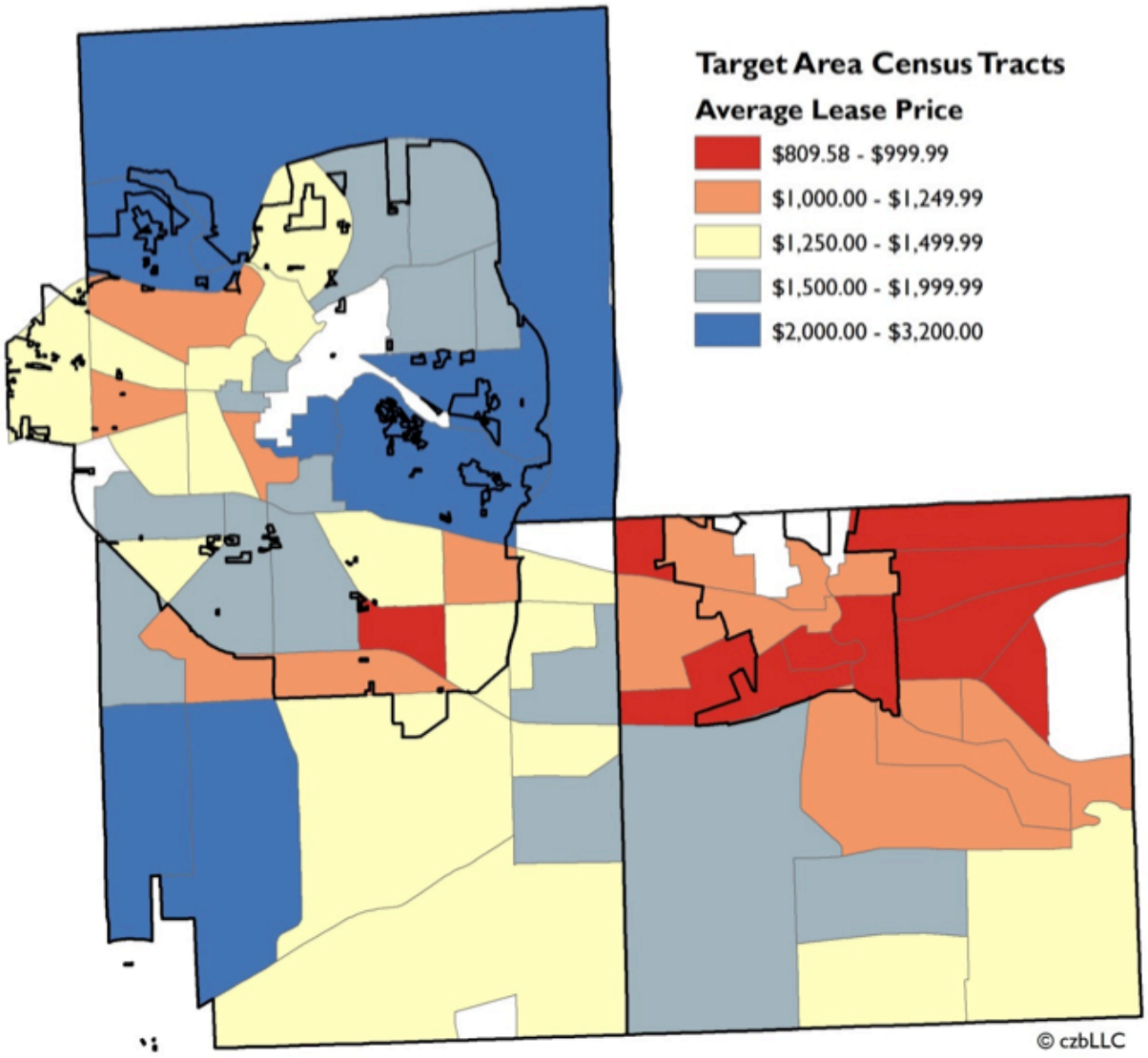

Pressure on the market from student renters certainly plays a role in driving up rents in Ann Arbor city and Ann Arbor township. Both communities have more than their share of rentals with rents over $1,000 (according to data from the 2012 American Community Survey 5-Year Estimates), including those with rents over $1,500. In contrast, Pittsfield and Ypsilanti township both have more than their share of rentals with rents between $500 and $999, and Ypsilanti city has far more than its share of rentals with rents below $750.

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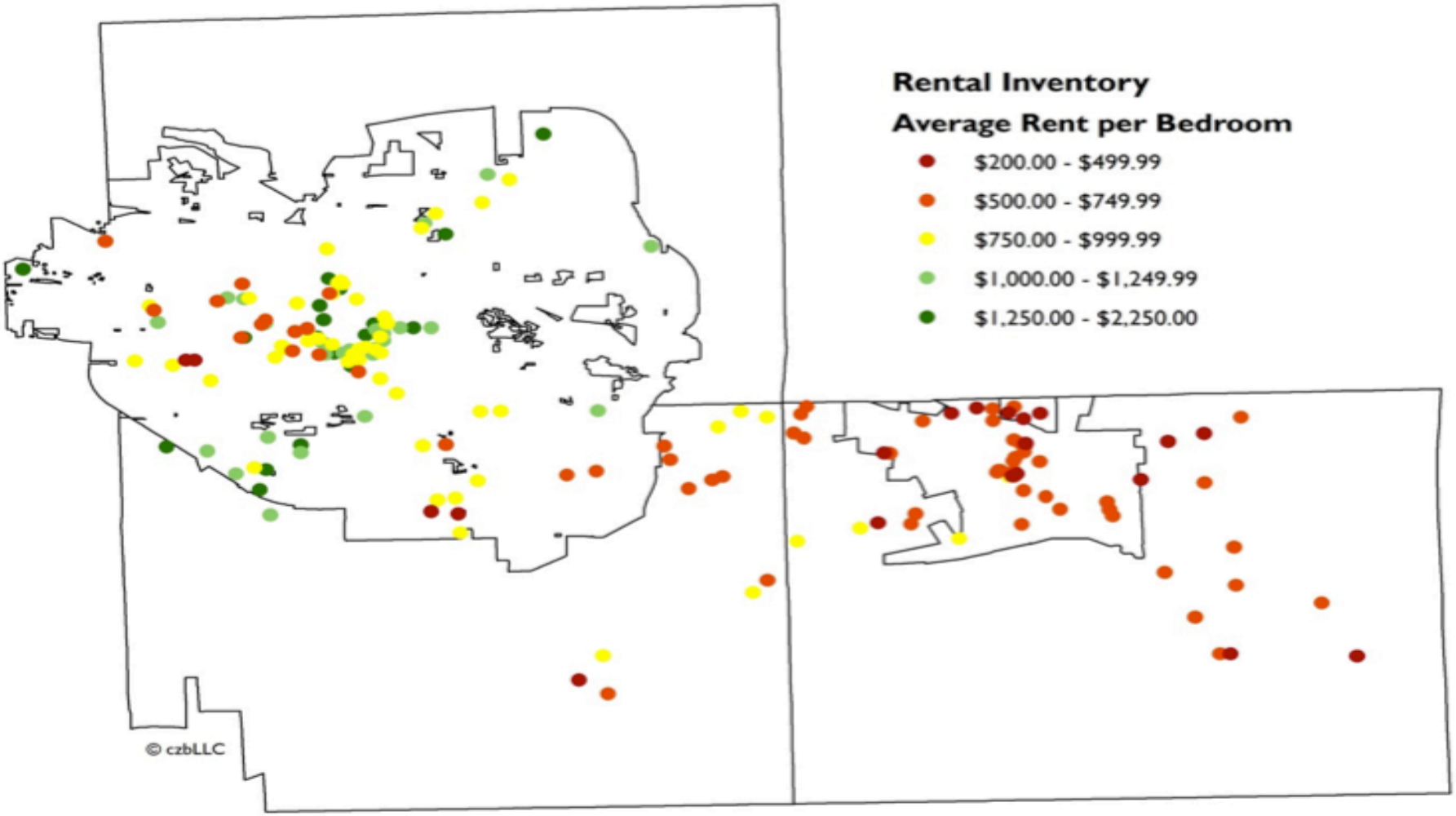

A czb review of the county's rental inventory further highlighted the variety of the target area's rental market: almost exclusively buildings with average rents per bedroom below $750 on the eastern side of the target area and primarily buildings with average rents per bedroom of $750 or more on the western side of the target area (see map above).

At the same time, far more subsidized and public housing, as well as Section 8 vouchers, was concentrated on the eastern side of the target area as well (see map on following page).

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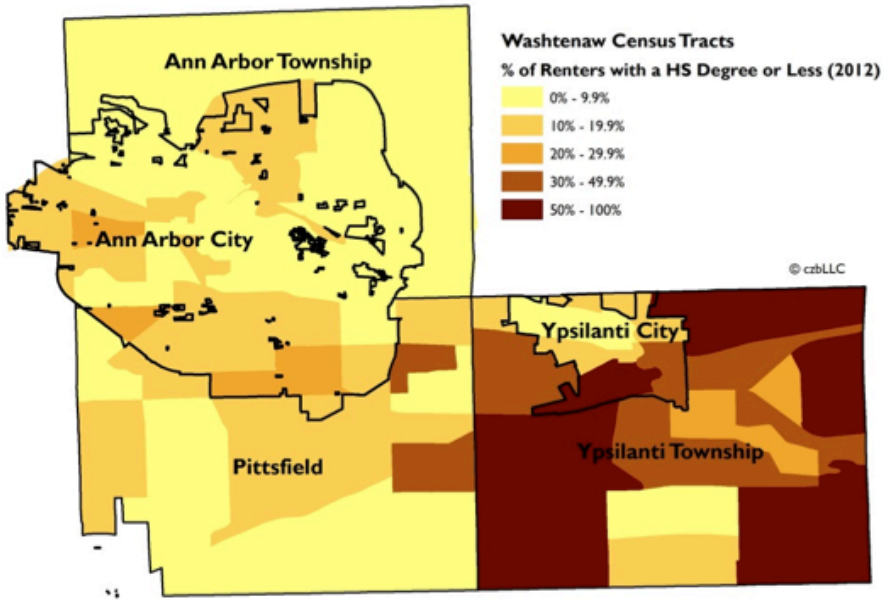

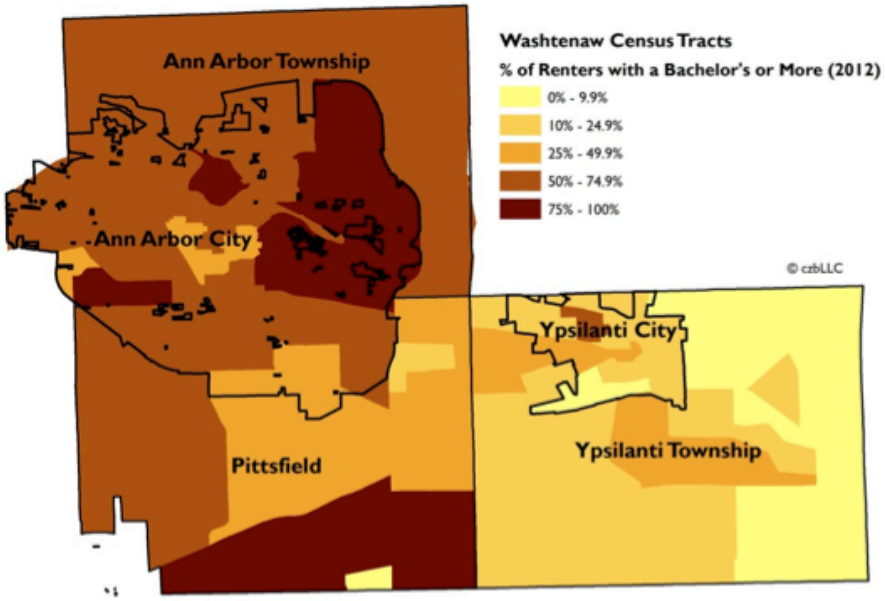

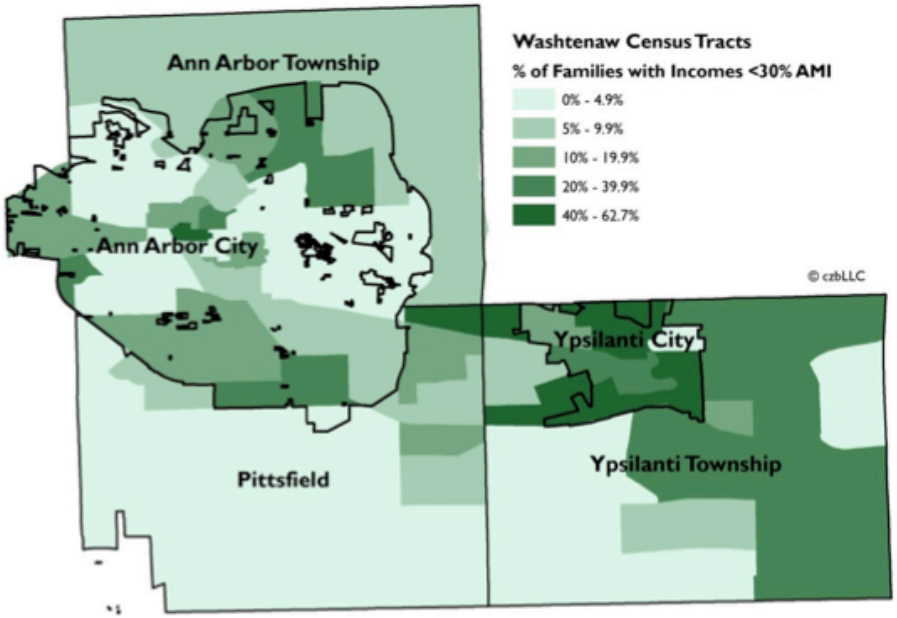

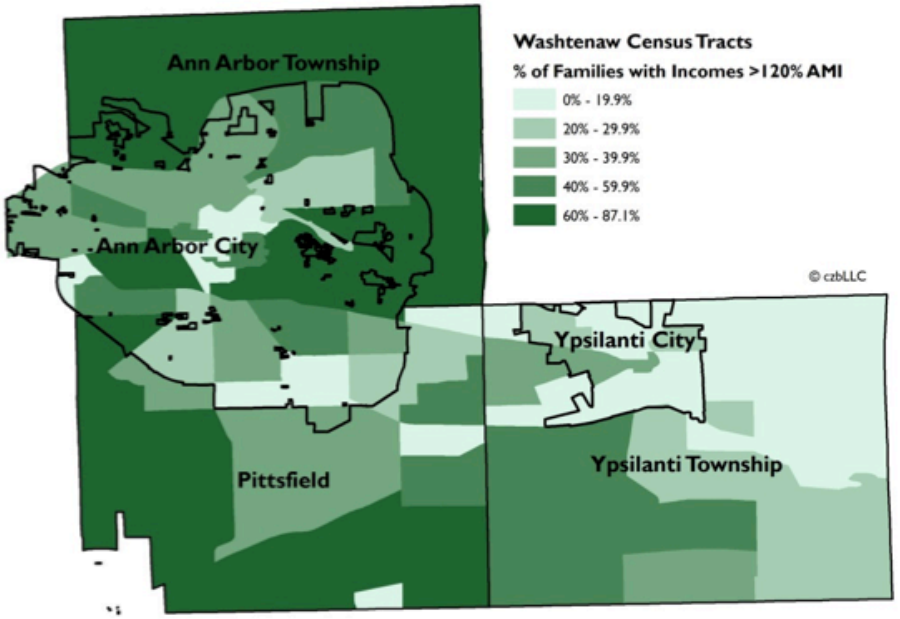

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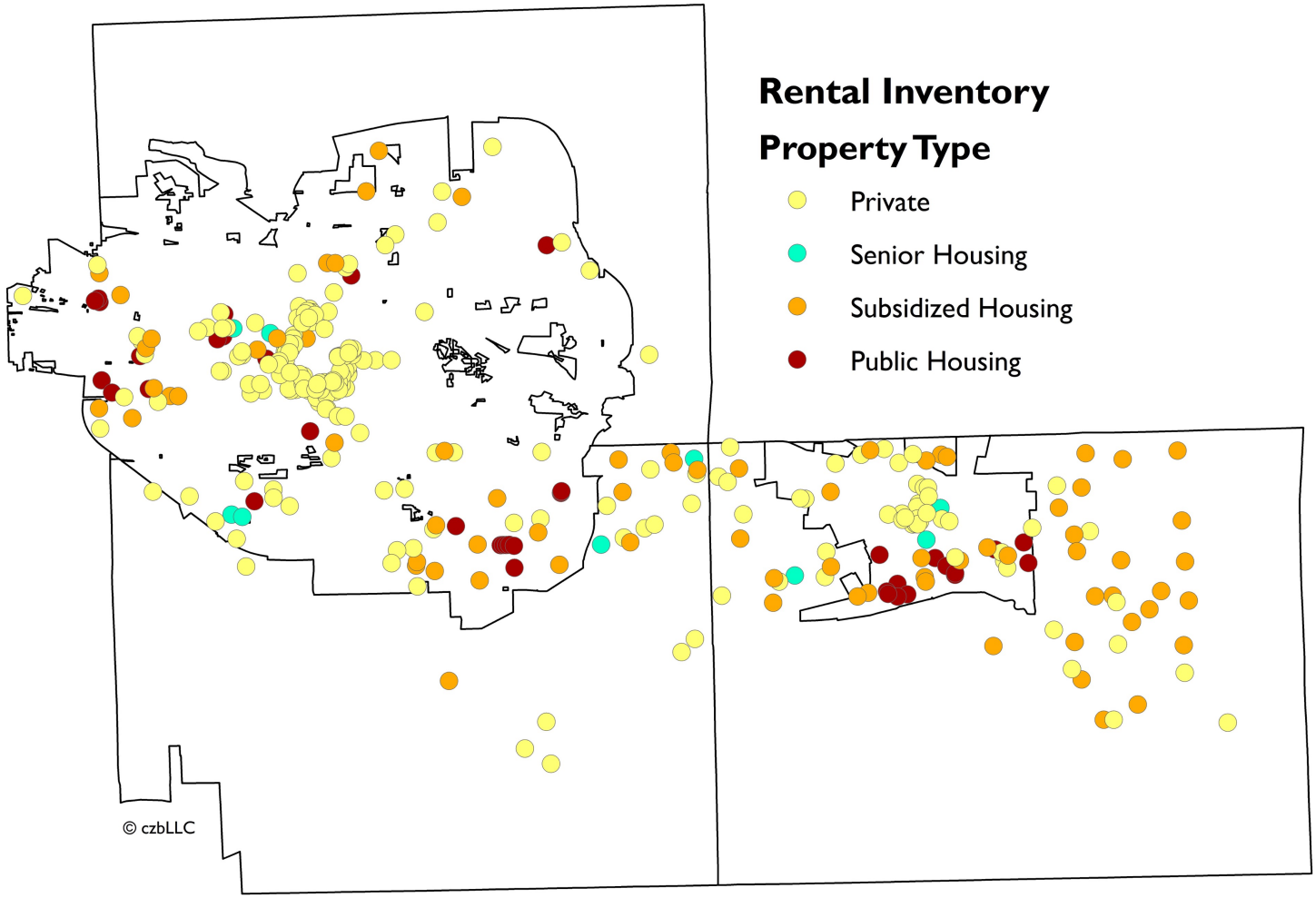

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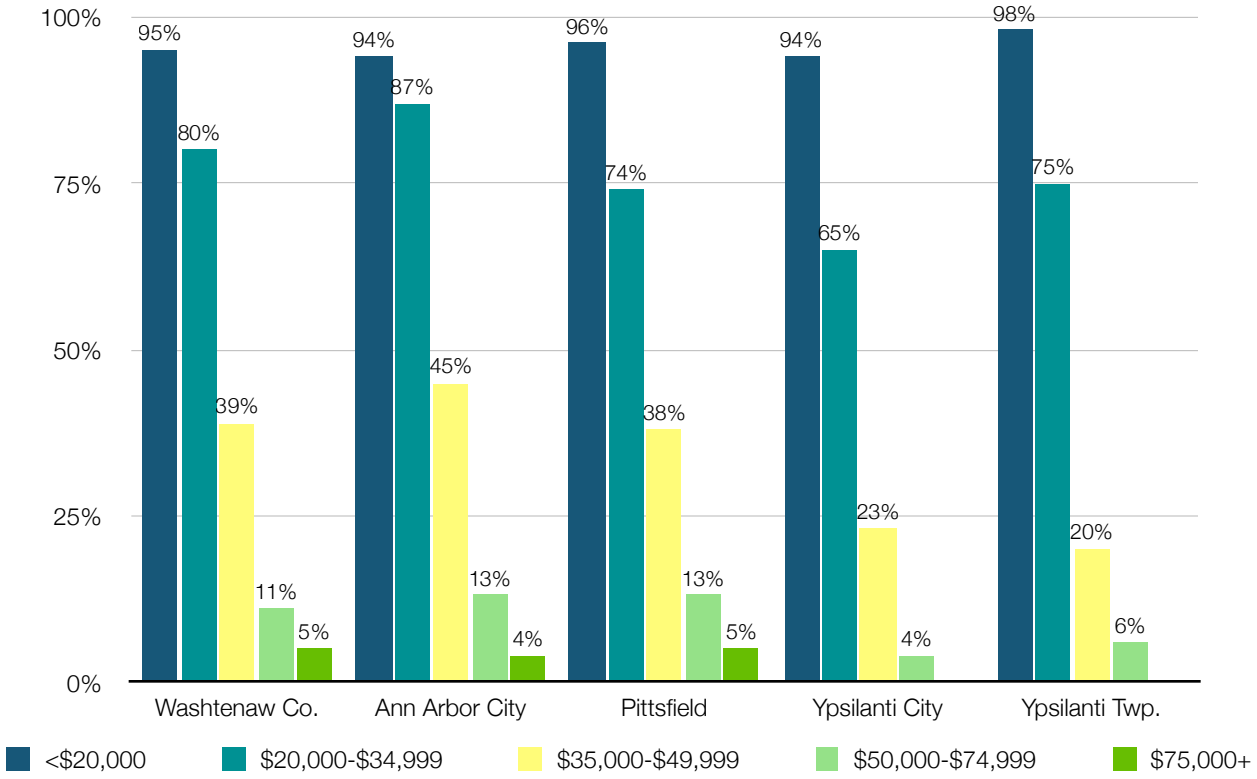
Such different rent levels mean that unaffordability reaches higher up the income ladder in some municipalities than others. For example, across in all target area municipalities, nearly all (94% or more) renter households with incomes below $20,000 pay more than 30% of their income on housing (Graph 4). Most renter households with incomes between $20,000 and $34,999 also paid too much for housing – ranging from 65% of these households in Ypsilanti city to 87% of these households in Ann Arbor city. And while affordability was not really an issue for households with incomes between $35,000 and $49,999 in Ypsilanti city and Ypsilanti township (where just 23% and 20%, respectively, faced unaffordable costs), it remained a serious issue for renter households at this income level in Ann Arbor city (where nearly half (45%) faced unaffordable costs).

Differences in the price of rental units as well as differences in overall market vitality and amenities – in neighborhood quality of life – contributes to two very distinct rental markets in the Washtenaw County target area. Across nearly all Census tracts on the western side of the target area, the percentage of renter household heads with a high school degree or less and the percentage of renting families who have incomes below 30% of the Area Median Income (AMI) are very low, while the reverse is true on the eastern half of the target area. In contrast, across nearly all Census tracts on the western side of the target area, the percentage of renter household heads with a Bachelor's degree or more education and the percentage of renting families who have incomes above 120% AMI are very high, while the reverse is true on the eastern half of the target area (see maps on following page).

GRAPH 4 :: % OF RENTER HOUSEHOLDS PAYING >30% OF INCOME ON RENT BY INCOME LEVEL AND LOCATION, 2012



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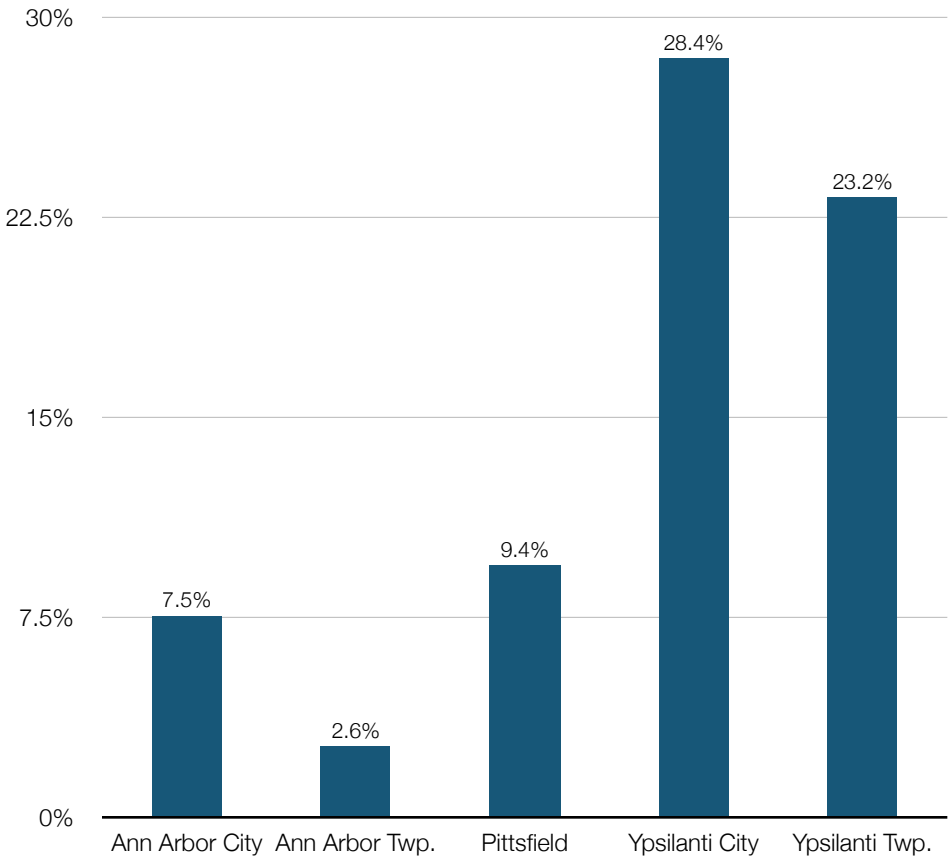
In a third example, while 2.6% of Ann Arbor township households and 7.5% of Ann Arbor city households received public assistance income or food stamp (SNAP) benefits in 2012, roughly one-fourth of Ypsilanti city (28.4%) and Ypsilanti township (23.2%) households did so (Graph 5).

As evidenced by neighborhoods' varied recovery rates following the recent housing market meltdown and municipalities' varied severity of affordability challenges, such disparities between target area municipalities is not sustainable.

Such trends point to the need for regional cooperation going forward.

GRAPH 5 :: % RECEIVING PUBLIC ASSISTANCE AND/OR SNAP BENEFITS



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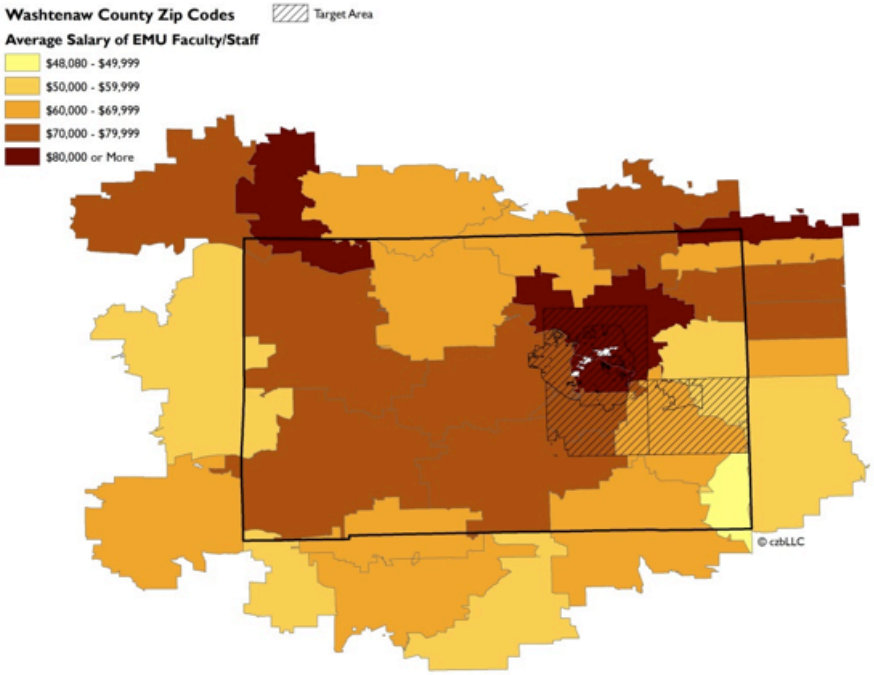
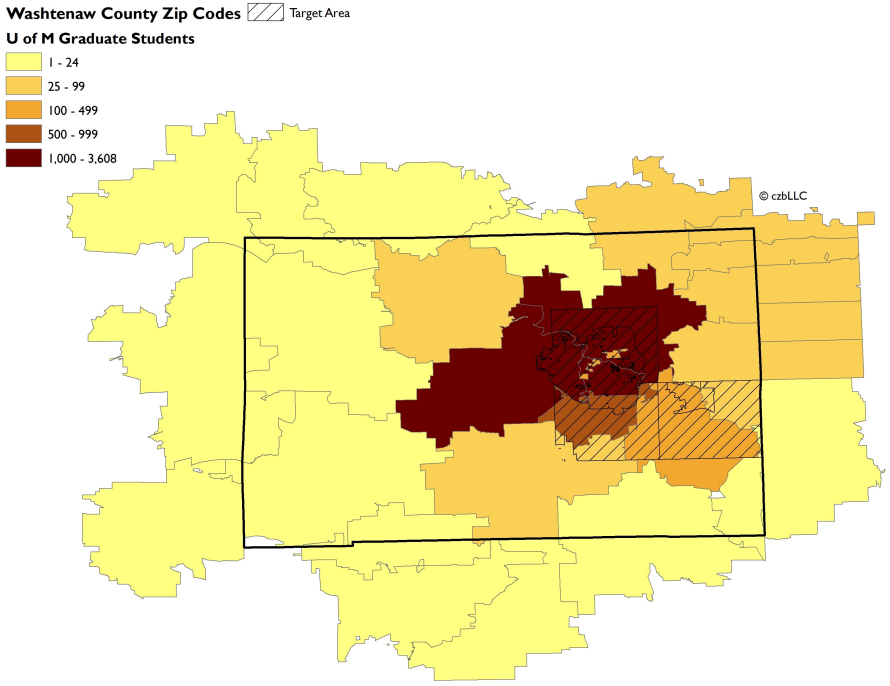
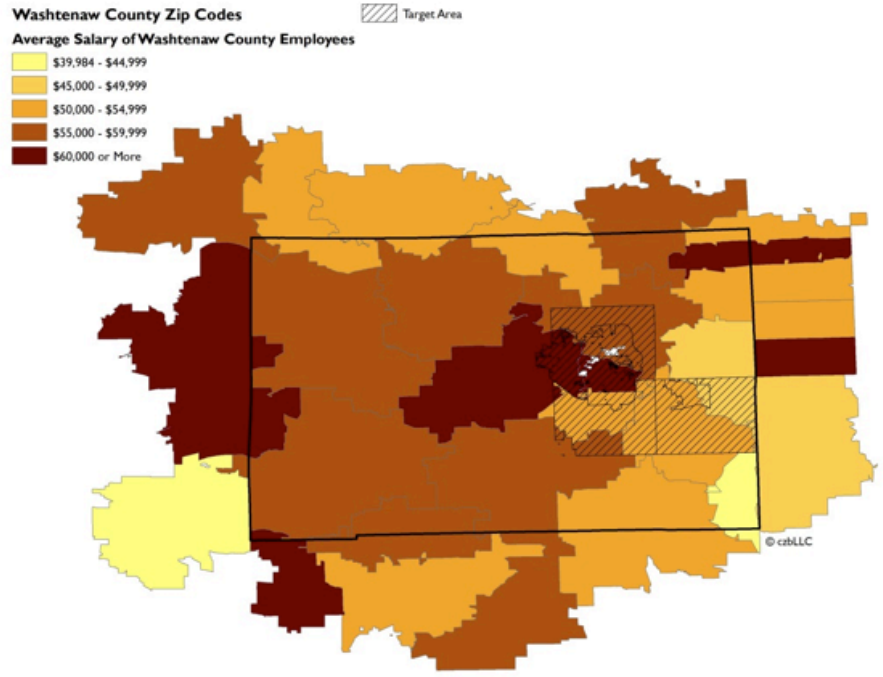
The target area is increasingly splitting into winning municipalities and losing municipalities, and, as time goes by, the gap between the two is only widening. An analysis of the residential choices made by Eastern Michigan University faculty and staff, Washtenaw County employees and University of Michigan graduate students all show the same thing: households with choice (higher incomes and more mobility) are concentrating in Ann Arbor city and Ann Arbor township and pricing out everyone else; those beat out for housing in these communities are concentrating in Ypsilanti city and Ypsilanti township (see surrounding maps).

- UM graduate should be taking advantage of the locational and pricing opportunities that Ypsilanti offers; *yet aren't*. Why? Because the affordability advantages Ypsilanti can provide are offset by the livability disadvantages that push UM graduate students away.
- Pittsfield is filling a middle ground, although is heavily influenced by the adjacent markets, both positively and otherwise.





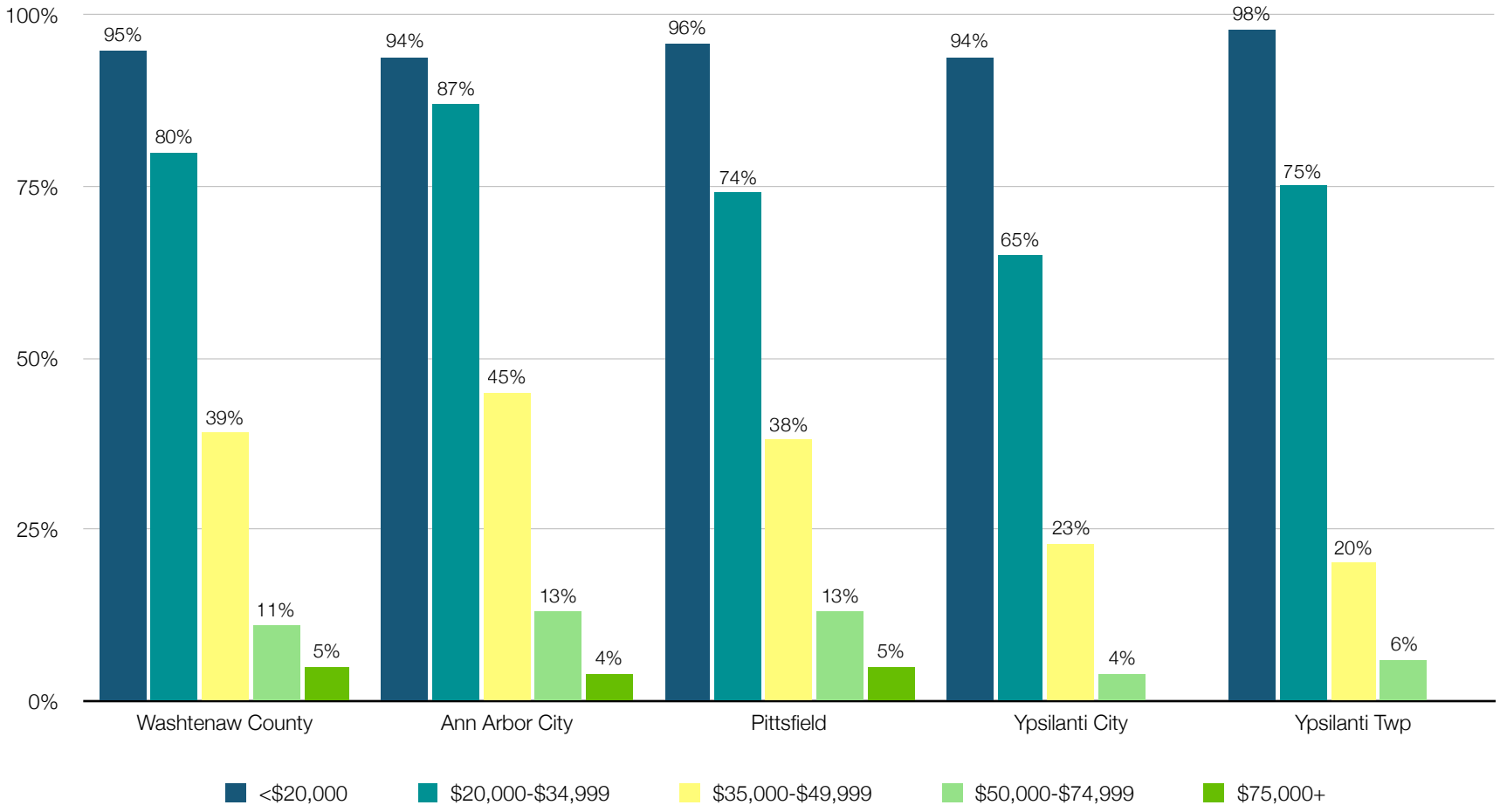


Washtenaw County Catch Up and Keep Up

Most renters with household incomes below $35,000 (or below roughly 40% of HUD's Area Median Income) in Washtenaw County generally, and the target area in particular, face housing cost burdens. In fact, over 90% of renter households with incomes below $20,000 pay more than 30% of their income on rent; roughly three-quarters of households with incomes between $20,000 and $34,999 do so (Graph 6).

While housing cost burdens are less common among renter households with incomes between $35,000 and $49,999 (or between 40% and 60% of Area Median Income), unaffordable rents remain an issue for two-fifths of renters in this income bracket – and for 45% of renters in this income bracket in Ann Arbor city. (Rents are more affordable for households in this income bracket in Ypsilanti city and Ypsilanti township, where only about one-fifth of households with incomes between $35,000 and $49,999 pay more than 30% of income on rent.)

GRAPH 6 :: % OF RENTER HOUSEHOLDS PAYING >30% OF INCOME ON RENT BY INCOME LEVEL AND LOCATION, 2012



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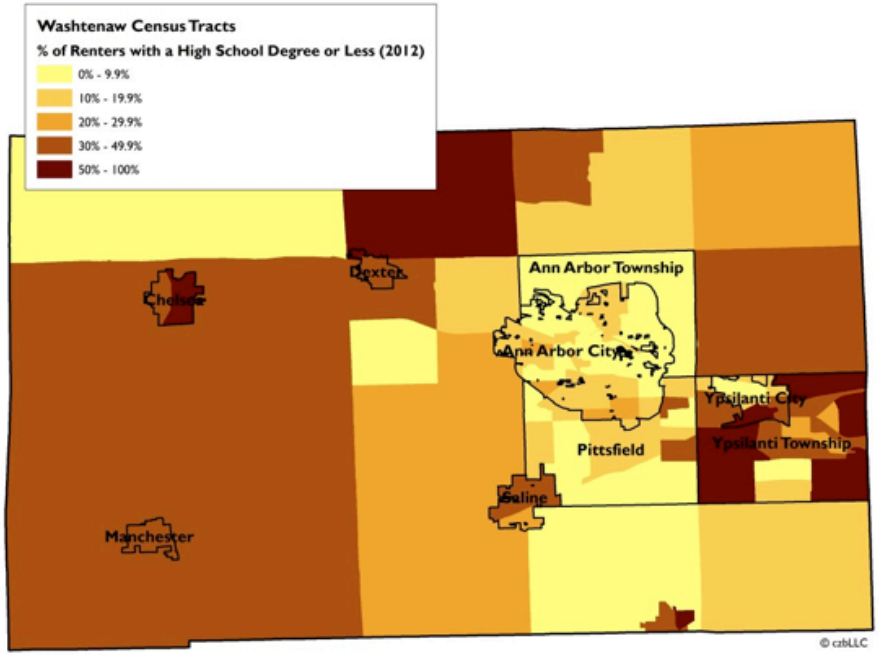
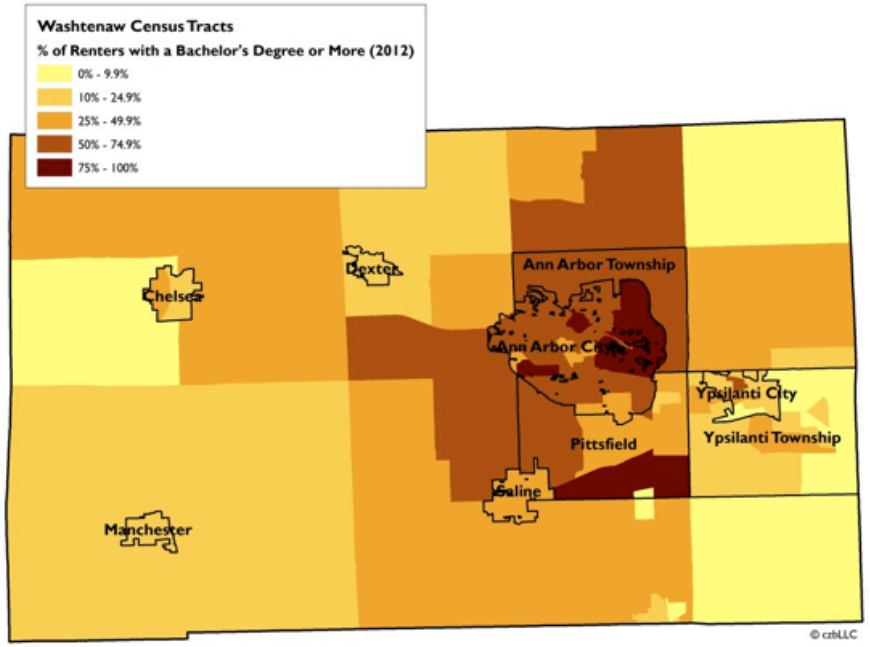
Housing costs make the Ann Arbor rental market harder to access for lower-income households; so does the intense competition for rental housing from 30,000+ undergraduate and graduate students, not to mention hundreds of recent graduates choosing to stay in town, also seeking apartments. As a result, just a small fraction of Ann Arbor renters have a high school degree or less; the reverse is the case in Ypsilanti city and township, where only a small fraction have a bachelor's degree or more (see maps below).

In Ann Arbor city, fully 58% of renter householders has a Bachelor's degree or more; just 13% have a high school degree or less. The breakdown of renters by educational attainment is far different in Ypsilanti city and Ypsilanti township, where far more renters have a high school degree or less (25% and 34%, respectively) and far fewer have Bachelor's degrees or more (22% and 18%, respectively).





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In other words, while Ann Arbor city is home to 48% of the county's renter households, it is where just 30% of the county's renters with a high school degree/GED or less live (Graph 7, Table 4). To instead house 48% of the county's renters with a high school degree/GED or less (or the city's equitable proportion), Ann Arbor would need to accommodate nearly 2,000 more of them (1,948) (Table 5). Similarly, while Ann Arbor city is home to 48% of the county's renter households, it is where just 38% of the county's renters with some college or an Associate's degree live. To instead house 48% of the county's renters with some college or an Associate's degree (or the city's "fair share" of these renters), Ann Arbor would need to accommodate nearly 2,000 more of them (1,925). City officials could think of this as a strategy requiring 2,000 new units for households at 0-40% AMI and another 2,000 new units for households at 40%-60% AMI. (At the other side of the spectrum, to house its equitable proportion of renters with a Bachelor's degree or more, Ypsilanti city would need to add just over 1,000 units for these renters (1,030) and Ypsilanti township would need to add more than 2,000 units for them (2,174).)

GRAPH 7 :: BREAKDOWN OF RENTERS BY EDUCATION ATTAINMENT AND LOCATION, 2012

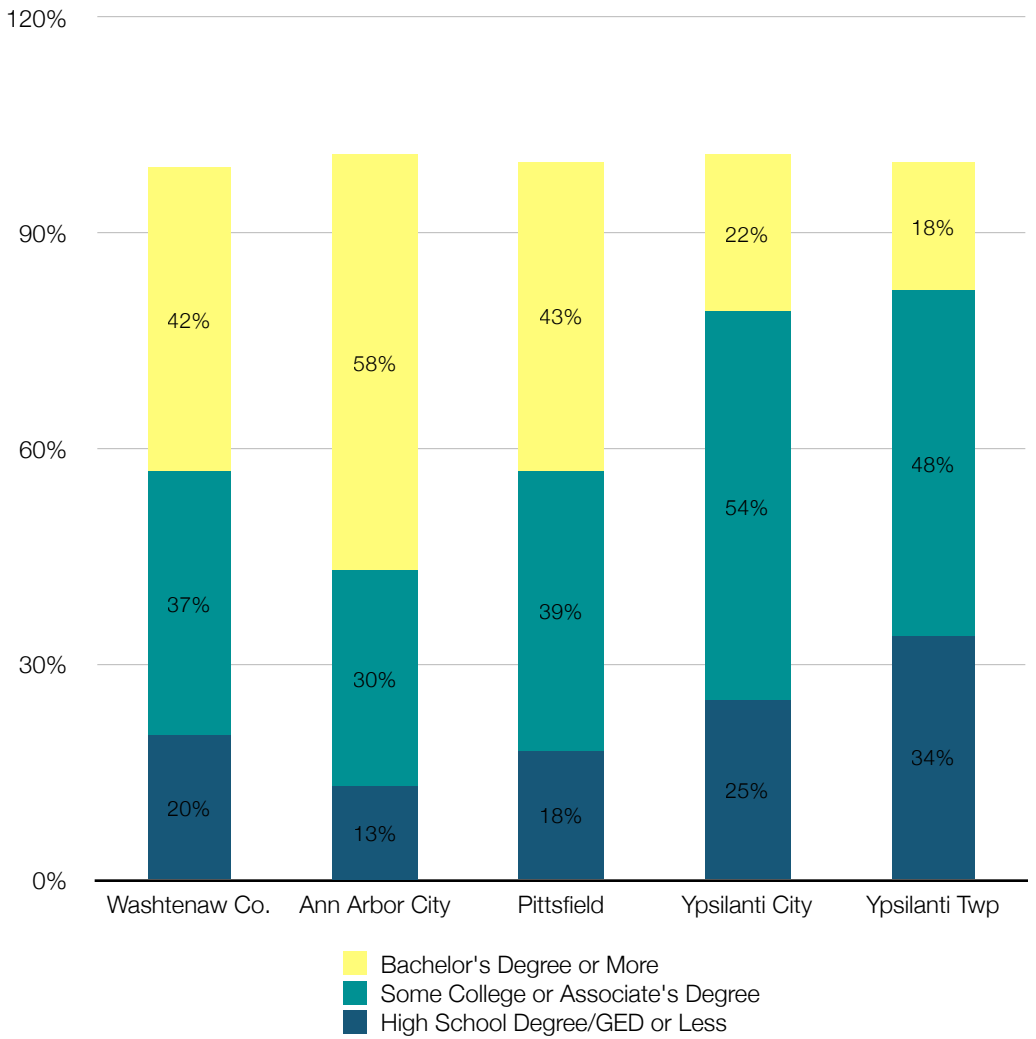

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TABLE 4 :: BREAKDOWN OF RENTERS BY EDUCATION ATTAINMENT AND LOCATION, 2012

	Washtenaw County	Ann Arbor City	Pittsfield	Ypsilanti City	Ypsilanti Twp
All Rental Units:	51,945	24,905	5,922	5,001	8,785
Up to High School/GED	10,608	3,138	1,069	1,226	3,001
Some College/Associate's	19,340	7,348	2,318	2,687	4,238
Bachelor's or More	21,997	14,419	2,535	1,088	1,546
All Rental Units:	100%	48%	11%	10%	17%
Up to High School/GED	100%	30%	10%	12%	28%
Some College/Associate's	100%	38%	12%	14%	22%
Bachelor's or More	100%	66%	12%	5%	7%
All Rental Units:	100%	48%	11%	10%	17%

TABLE 5 :: "FAIR SHARE" DISTRIBUTION OF RENTERS BY EDUCATIONAL ATTAINMENT AND LOCATION, 2012

	Ann Arbor City			Pittsfield			Ypsilanti City			Ypsilanti Twp		
	Current #	Fair Share #	Difference	Current #	Fair Share #	Difference	Current #	Fair Share #	Difference	Current #	Fair Share #	Difference
High School Degree/GED or Less	3,138	5,086	1,948	1,069	1,209	140	1,226	1,021	-205	3,001	1,794	-1,207
Some College or Associate's Degree	7,348	9,273	1,925	2,318	2,205	-113	2,687	1,862	-825	4,238	3,271	-967
Bachelor's Degree or More	14,419	10,546	-3,873	2,535	2,508	-27	1,088	2,118	1,030	1,546	3,720	2,174

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WASHTENAW COUNTY AFFORDABILITY GAPS - OWNER-OCCUPIED	% of County				
	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Total:	33.9%	1.3%	10.3%	5.7%	15.8%
Owner-occupied housing units:*	25.1%	1.5%	9.5%	3.2%	15.2%
Less than high school graduate	8.5%	0.2%	8.2%	5.8%	32.7%
High school graduate (including equivalency)	10.3%	0.6%	5.8%	3.4%	23.7%
Some college or associate's degree	14.8%	0.7%	6.8%	3.2%	19.1%
Bachelor's degree or higher	34.3%	2.1%	11.7%	3.0%	10.1%

	Current Share				
	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Less than high school graduate	0.339	0.127	0.855	1.804	2.154
High school graduate (including equivalency)	0.410	0.406	0.603	1.060	1.562
Some college or associate's degree	0.589	0.448	0.713	0.999	1.261
Bachelor's degree or higher	1.370	1.448	1.230	0.922	0.662

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	2012 Totals					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Owner-occupied housing units:	82,938	20,799	1,214	7,912	2,677	12,588
Less than high school graduate	3,778	321	7	308	220	1,235
High school graduate (including equivalency)	11,284	1,159	67	649	386	2,676
Some college or associate's degree	20,415	3,018	134	1,388	658	3,907
Bachelor's degree or higher	47,461	16,301	1,006	5,567	1,413	4,770
	2035 Goal if Move to Fair Share Distribution					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Owner-occupied housing units:	96,790	24,273	1,417	9,233	3,124	14,690
Less than high school graduate	4,409	1,106	65	421	142	669
High school graduate (including equivalency)	13,169	3,302	193	1,256	425	1,999
Some college or associate's degree	23,825	5,975	349	2,273	769	3,616
Bachelor's degree or higher	55,388	13,890	811	5,284	1,788	8,407
	Difference between 2012 and 2035 Goal					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Owner-occupied housing units:	13,852	3,474	203	1,321	447	2,102
Less than high school graduate	631	785	58	113	-78	-566
High school graduate (including equivalency)	1,885	2,143	126	607	39	-677
Some college or associate's degree	3,410	2,957	215	885	111	-291
Bachelor's degree or higher	7,927	-2,411	-195	-283	375	3,637

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WASHTENAW COUNTY AFFORDABILITY GAPS - RENTER - OCCUPIED	% of County				
	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Renter-occupied housing units:*	47.9%	1.0%	11.4%	9.6%	16.9%
Less than high school graduate	29.3%	0.9%	8.6%	14.3%	34.3%
High school graduate (including equivalency)	29.7%	0.2%	10.7%	10.4%	25.7%
Some college or associate's degree	38.0%	0.6%	12.0%	13.9%	21.9%
Bachelor's degree or higher	65.5%	1.7%	11.5%	4.9%	7.0%

	Current Share				
	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Less than high school graduate	0.611	0.858	0.754	1.488	2.031
High school graduate (including equivalency)	0.619	0.241	0.939	1.080	1.522
Some college or associate's degree	0.792	0.558	1.051	1.443	1.296
Bachelor's degree or higher	1.367	1.667	1.011	0.514	0.416

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	2012 Totals					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Renter-occupied housing units:	51,945	24,905	520	5,922	5,001	8,785
Less than high school graduate	3,142	921	27	270	450	1,079
High school graduate (including equivalency)	7,466	2,217	18	799	776	1,922
Some college or associate's degree	19,340	7,348	108	2,318	2,687	4,238
Bachelor's degree or higher	21,997	14,419	367	2,535	1,088	1,546
	2035 Goal if Move to Fair Share Distribution					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Renter-occupied housing units:	60,621	29,065	607	6,911	5,836	10,252
Less than high school graduate	3,667	1,758	37	418	353	620
High school graduate (including equivalency)	8,713	4,177	87	993	839	1,474
Some college or associate's degree	22,570	10,821	226	2,573	2,173	3,817
Bachelor's degree or higher	25,671	12,308	257	2,927	2,471	4,341
	Difference between 2012 and 2035 Goal					
	Washtenaw County	Ann Arbor City	Ann Arbor Twp.	Pittsfield	Ypsilanti City	Ypsilanti Twp.
Renter-occupied housing units:	8,676	4,160	87	989	835	1,467
Less than high school graduate	525	837	10	148	-97	-459
High school graduate (including equivalency)	1,247	1,960	69	194	63	-448
Some college or associate's degree	3,230	3,473	118	255	-514	-421
Bachelor's degree or higher	3,674	-2,111	-110	392	1,383	2,795

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PART 3
Implementation

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General

Ann Arbor needs to focus its attention on the preservation and production of affordable *non student* rental housing for low and moderate-income workers who are helping to keep so much of the Ann Arbor economy vibrant.

Pittsfield also needs to focus its efforts on existing and future demand for affordable non student rental housing for low and moderate-income workers.

Meanwhile:

Ypsilanti cannot remain the de facto affordable housing policy for Ann Arbor and Pittsfield; continuation of this default way of operating will ensure further decline of property values and fiscal stability.

Ypsilanti must find partners to intervene in the destabilizing cycle of foreclosure, disinvestment, abandonment, flipping, and distress.

Ann Arbor and Pittsfield	Ypsilanti (City and Township)
Add 3,139 non student affordable rentals next 20 years	Grow demand by 4,178 college educated HHs next 20 years

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TASK	GROW THE SUPPLY OF AFFORDABLE NON-STUDENT RENTAL HOUSING IN ANN ARBOR AND PITTSFIELD				
GOALS	Annual	By 2035			
Ann Arbor	140	2797			
Pittsfield	17	342			
OBJECTIVE	Regional Equity and Fair Share Balance (skills, education, housing) to help ensure the County is creating an environment that is best prepared for economic growth.				
METRICS	Additional Affordable Supply on an Annual Basis As Noted Above				
TOOLS	Inclusionary Zoning	Incentive Based Zoning	Need Based Calculations	Housing Trust Fund	Development Review
POTENTIAL IMPACT	HIGH	HIGH	HIGH	HIGH	HIGH
ACTIONS	1. Work with legislative partners to create framework by which high demand communities can implement inclusionary zoning provisions (i.e. amend State enabling legislation to enable communities to require % of residential units be maintained affordable). 2. Work with the City of Ann Arbor to develop an Inclusionary zoning ordinance. 3. Work with the Pittsfield Township to develop an Inclusionary zoning ordinance.	1. In high demand areas, development zoning premiums or other incentive-based approaches to add to affordable and workforce housing inventory. Evaluate planned unit development ordinances in urbanized areas to recommend methods of incorporating affordable and/or workforce housing component to public benefit evaluation.	1. Develop a ratio that equates the development of commercial floor area or market rate housing floor area to a certain number of units of affordable housing required to support the new development. (i.e. the number of low income or workforce jobs that would be needed to support a particular development equate to a certain number of units to house those employees). 2. Develop a ratio that equates the addition of new high-end jobs to a community with the service sector job needed to support the growing workforce. Use this framework to help establish and update annual housing targets. 3. Develop a ratio for rental housing stock that relates current and proposed jobs in the jurisdiction/county to available/needed rental housing. Use this ratio to establish goals for new rental housing as well as affordable home ownership programs.	1. The sale of all public land will donate a portion of the provides to the trust fund. 2. Explore millage, bonds and/or other methods of assembling adequate resources to meet affordable housing unit targets based on history of unit support and projected costs of future development. • Seattle • Austin 3. Leverage DDA funds for affordable housing inventory. 4. Establish a Land Trust to acquire costly land (at current prices) that can be later leased to developers as a tool for achieving affordability. Traditional Land Trust activities can also be accomplished by a Land Bank with suitable statutory language in the organization's enabling charter.	1. In high cost markets, evaluate opportunity to reduce development fees and/or streamline process to promote affordable units through reduced time and/or cost of development review process. 2. Along major development corridors that span multiple jurisdictions, develop common developer procedures to help streamline and simplify developers working on cross-jurisdictional projects or on multiple projects within the corridor.

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TASK	GROW THE SUPPLY OF AFFORDABLE NON-STUDENT RENTAL HOUSING IN ANN ARBOR AND PITTSFIELD	
GOALS	Annual	By 2035
Ann Arbor	140	2,797
Pittsfield	17	342

OBJECTIVE	Regional Equity and Fair Share Balance (skills, education, housing) to help ensure the County is creating an environment that is best prepared for economic growth.					
METRICS	Additional Affordable Supply on an Annual Basis As Noted Above					
TOOLS	ADUs	Choice Voichers	Brownfields	Tax Foreclosures	Tax Exemption	108 Financing
POTENTIAL IMPACT	LOW - MODERATE	LOW - MODERATE	LOW - MODERATE	LOW - MODERATE	LOW - MODERATE	LOW - MODERATE
ACTIONS	Encourage zoning amendments across communities to provide additional housing unit opportunities (e.g. granny flats, small accessory apartments).	Work with housing choice voucher administrators to maximize utility of vouchers by utilizing tiered structure (i.e. higher voucher limits in higher market areas, lower in areas of concentrated poverty).	Amend policy and implementation of Brownfield incentives to require affordable housing units component to any supported residential project in the target areas; Establish thresholds for implementation.	Work with County Treasurer and municipalities to determine methods of maximizing the availability of appropriate tax foreclosed parcels to increase affordable housing inventory.	Maximize use of Public Act 216 of 2006 to provide tax exemptions for non-profit ownership housing; Utilize PILOTs to reduce development and operational cost of affordable housing developments consistent with Act 346 of 196.	Evaluate methods of utilizing Section 108 loan guarantees to support affordable and/or workforce housing development.

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TASK	GROW DEMAND BY WORKING AND COLLEGE-EDUCATED HOUSEHOLDS TO LIVE AND REINVEST IN YPSILANTI					
GOALS	Annual	By 2035				
City	69	1,383				
Township	140	2,795				
OBJECTIVE	Regional Equity and Fair Share Balance (skills, education, housing) to help ensure the County is creating an environment that is best prepared for economic growth.					
METRICS	1. Housing Values That Rise at Rates > the Regional Average 2. Poverty Rates That Are Falling Towards a Target Rate of < the Regional Average					
TOOLS	Invest in Q/L Amenities	Regulatory Updates	Transportation Options	Educational Policy	Neighborhood Stabilization	Limit Additional Affordable Housing
POTENTIAL IMPACT	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH
ACTIONS	1. Create a capital improvements plan that is geared towards urban amenities such as parks, plazas, transportation amenities including pedestrian facilities, bike lanes, new transit stops, etc. 2. Explore millage, bonds and/or other methods of assembling adequate resources to implement capital improvements 3. Develop county-wide grant program for targeted for community enhancements.	1. Update zoning ordinance to allow for higher density development along transit routes. Require high quality urban design in key areas. 2. Curtail apartmentalization of large, single family homes 3. Establish mandatory rental property registration and inspection program 4. Alternatively deploy code enforcement (focus on code compliance in middle market sub areas and code enforcement in most troubled areas)	1. Develop more robust transit options including expanded bus services and potential BRT or light rail on major corridors as well as the creation of a complete network of walking and biking facilities. 2. Ensure that public incentives and investments in affordable and/or workforce housing are made only in instances where housing is effectively linked with public transit, non-motorized networks, and other transportation choices.	1. Create a unified Ann Arbor, Ypsilanti School District 2. Develop / Expand programs to provide continuing education to existing workforce in the community. Set goals for skill growth in the community each year.	1. Focus capital improvement on amenities that improved quality of life, such as parks, and trails. Prioritize projects based on greatest impact. 2. Create the desire for private investment in local/neighborhood commercial areas by public investment in roads and street scape in order to make them attractive to developers and business owners. 3. In areas of concentrated poverty, target investments and incentives to projects that stabilize neighborhoods and/or improve market demand/price point as a means of de-concentrating poverty.	1. Work with housing choice voucher administrators to maximize utility of vouchers by utilizing tiered structure (i.e. higher voucher limits in higher market areas, lower in areas of concentrated poverty) 2. Ensure any investments in affordable and/or workforce housing meet or exceed the median cost of housing in the jurisdiction. 3. Tie any investments in affordable or workforce housing to meaningful quality of life improvements. 4. Work with County Treasurer and municipalities to determine methods to identify available tax foreclosed parcels and try to get them into the hands of programs like Habitat and avoid additional absentee land lords in order to stabilized/increase demand.

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TASK	GROW DEMAND BY WORKING AND COLLEGE-EDUCATED HOUSEHOLDS TO LIVE AND REINVEST IN YPSILANTI	
GOALS	Annual	By 2035
City	69	1,383
Township	140	2,795

OBJECTIVE	Regional Equity and Fair Share Balance (skills, education, housing) to help ensure the County is creating an environment that is best prepared for economic growth.					
METRICS	1. Housing Values That Rise at Rates > the Regional Average 2. Poverty Rates That Are Falling Towards a Target Rate of < the Regional Average					
TOOLS	Balance S-D to Stabilize Prices	Home Purchase Assistance	Tax Increment Financing	Development Review	Control Land***	Energy Efficiency
POTENTIAL IMPACT	MODERATE	MODERATE	MODERATE	MODERATE	MODERATE	MODERATE
ACTIONS	1. Acquire and demolish obsolete pre 1930 wood framed houses throughout the Township 2. Intervene in foreclosure process for post 1960 brick ranch homes throughout Township using an acquisition-rehab-sale process, and target finished product pricing above market 3. Provide incentive and grants to Township and City owner occupants for exterior upgrades 4. Provide incentive loans to Township and City owner occupants for interior upgrades	1. Target first time buyer programs to highly qualified working and professional households, 2. Expand on successful efforts such as LiveYpsi	1. Develop TIF districts along key corridors or other methods to move value creation between jurisdiction into most regionally impactful areas. 2. Strategically invest TIF funds into infrastructure and amenities that promote a sense of place, and quality of life.	1. In weaker markets, evaluate opportunity to reduce development fees and/or streamline process to promote market rate development through reduced time and/or cost of development review process.	1. Use County wide trust funds to acquire vacant parcels; where possible assemble large blocks of land by connecting land purchases to demolition of obsolete pre 1930s housing stocks. • Start with those in foreclosure process. 2. Downzone and place in conservation easement to reduce excess land supply 3. Establish a Land Bank to acquire fallow land (at current prices) that can be managed and, eventually, assembled for development as market rate housing on the demand side of the equation.	1. Develop long term quality products that use best available technology. Create long term sustainability that focuses on the health of occupants and lowers energy costs.

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Best Practices for Addressing Affordability Shortages in High Cost Markets (such as Ann Arbor)

Inclusionary Zoning	Incentive Zoning	Need Based	Housing Trust Fund/Levy/Bond
Madison, WI http://www.cityofmadison.com/cdbg/iz/	**Puget Sound** http://www.psrc.org/growth/housing/hip/alltools/incent-zoning/	**Aspen, CO** http://www.aspenpitkin.com/Departments/Housing-for-Workforce/	**Boston, MA** masshousing.com
Boulder, CO https://bouldercolorado.gov/housing/inclusionary-housing	**Seattle, WA** http://www.seattle.gov/housing/incentives/LandUseCode.htm		**Austin, TX** http://www.austintexas.gov/2013bond tdhca.state.tx.us/htf
Montgomery County, MD http://montgomerycountymd.gov/dhca/resources/files/director/housing_policy/housingpolicy2012_draft.pdf	**New York City, NY** http://www.nyc.gov/html/dcp/html/zone/zh_zoning_tools.shtml		**Seattle, WA** http://www.seattle.gov/housing/levy/ housing.ocd.wa.gov
Sacramento, CA http://www.shra.org/LinkClick.aspx?fileticket=XZQq8ExTDCU%3d&tabid=143&mid=418	**Cambridge, MA** http://www.cambridgema.gov/CDD/housing/fordevelopersandpropmanagers/incentivezoning.aspx		
Barnstable, MA http://ecode360.com/6556730			
New York City, NY http://www.nyc.gov/html/dcp/html/zone/zh_inclu_housing.shtml			
Seattle, WA http://clerk.seattle.gov/%7Escripts/nph-brs.exe?s1=&s3=31551&s2=&s4=&Sect4=AND&l=20&Sect5=RESNY&Sect6=HITOFF&d=RESF&p=1&u=%2F%7Epublic%2Fresny.htm&r=1&f=G			

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Best Practices for Addressing Demand Problems in Weak Markets (such as Ypsilanti - City + Township)

Use of Vacant Parcels	Healthy Neighborhoods	Using Major Institutions	Historic Preservation	Scaled Redevelopment
Pittsburgh, PA https://gtechstrategies.org/wp-content/uploads/2013/10/VacanttoVibrant.pdf	**Baltimore, MD** http://www.healthyneighborhoods.org	**Philadelphia, PA** https://www.fels.upenn.edu/news/new-report-urban-revitalization-1	**Frederick, MD** http://www.downtownfrederick.org/downtown-history	**Denver, CO (LoDo)** http://urbanland.uli.org/development-business/from-skid-row-to-lodo-historic-preservation-s-role-in-denver-s-revitalization/
Louisville, KY http://www.metropolitanhousing.org/get-involved/louisville-vacant-properties-campaign/	**Milwaukee, WI** http://city.milwaukee.gov/HealthyNeighborhoods#.VKb-sluppFI		**Durham, NC** http://durhamnc.gov/ich/cb/cdd/Pages/ssd_revit.aspx	**Baltimore, MD (EBDI)** http://www.ebdi.org
	Jamestown, NY http://jamestownrenaissance.org/neighborhoods/			**Oakland, CA** http://www.downtownoakland.org
	Battle Creek, MI http://www.nibc.org/#&panel1-1			
	Chattanooga, TN http://choosechattanooga.com/neighborhoods/			
	Oswego, NY http://www.oswegonyonline.com			

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APPENDIX
Survey and Interviews

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ADDITIONAL QUALITATIVE FINDINGS FROM INTERVIEWS

Significant feedback was obtained from a large volume of interviews. There was widespread agreement that the community overall faces some hard choices. Likewise there was general agreement that the issues facing one community - while connected - are not the same as those facing others. There was consensus that Ann Arbor is a strong market with an acute affordability challenge; and agreement that Ypsilanti is a weak market with equally acute challenges, but of a different nature. An additional common recognition was the acknowledgment of the limited capacity of the nonprofit development sector.

1. While most believe the region values the need for affordable housing, there is a sense that the region lacks a common definition or understanding of what affordable housing is.
2. There is a strong interest in addressing affordable housing needs in the region in a balanced, thoughtful way.
3. There is some confusion about what affordable housing is (meaning); we were told that some residents have been critical of people that may live in affordable housing even when the new residents would have the same income as the current residents.
4. Some have indicated that issues of race and ethnicity play into where the community wants to put and have affordable housing, but that these issues are not often discussed in public. This contrasts with many public statements about the value of diversity. The question appears to be how that value is supported and implemented through planning and services.
5. Racial and ethnic diversity is a value shared throughout the jurisdictions. But it is a spoken value not revealed in objective data regarding settlement patterns, market values, school district boundaries, and livability. Residential segregation analysis by both the Brookings Institution and the Institute for Social Research at the University of Michigan Social Science Data Analysis Network) speaks clearly to this issue.
6. Most people say they don't want rising housing values to push their neighbors out of their community.
7. The recent regional mass transit plan is an example of multi-jurisdictional collaboration. There have been other regional efforts around policing and others that indicate an ability for the region to cooperate.
8. Mass transit is seen an important part of regional housing, development and economic planning.
9. When talking about affordable housing, people emphasize the need to encourage people to live near where they work and the goal of giving residents a range of housing choices. This idea of workforce housing was regularly identified as a priority.
10. Preserving workforce units - especially as prices are rising and older low income tax credit projects age - may not be getting the focus it deserves, given that the public has focused on, especially in Ann Arbor, the housing options for the very lowest income households.
11. There is considerable civic and policy focus on people under 30% of AMI, especially the homeless, and especially in Ann Arbor. Many commented that public money should focus on helping those under 30% of AMI.
12. Still, generous supportive services for people under 30% of AMI (area median income) in Ann Arbor have attracted people from outside the county to Ann Arbor. This has raised concerns about the sustainability of these programs.
13. The fact that most of Ann Arbor's housing vouchers are used outside the city has created a services imbalance as other communities, often with fewer resources than Ann Arbor, are pressed to provide supportive services to high concentrations of voucher residents.
14. There is a struggle between housing advocates that want to build in lower cost jurisdictions to maximize their investments and people in those jurisdictions concerned about the pressure on their local budgets and overall economic prospects from over concentration of any one type of housing or a lack of alignment between housing and jobs.
15. Existing zoning (density, parking, height, design) can make it hard to provide under 30% AMI housing as well as other levels of affordable housing.
16. Some in Ann Arbor have suggested local zoning and land-use could be modified to encourage transit, discourage cars, and provide for more affordability, as well since providing parking spaces for cars. But this costs extra money. It was raised a few times that changing city parking

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requirements away from a minimum parking requirement would open up more options for mixed use, transit projects that support a range of housing prices.

17. While the student population is not growing very fast, there are concerns (completely validated by quantitative analysis) that new student housing is driving up the cost of housing in Ann Arbor as developers focus much of their attention on high-end student housing.
18. People want to make sure seniors can age in place and/or live in the community for the long term. Many have criticized the state policy that pushes seniors to stay in their current home at a lower tax level because it functions as a disincentive from moving into a smaller and more manageable home.
19. Some suggested that more assisted living, co-housing, rooming and/or co-operative housing options for seniors would be helpful. These housing approaches could be a beneficial tool to support regional affordable housing goals.
20. A number suggested greater density in urban areas would help the region provide a range of housing prices and affordability. Jurisdictions in the region clearly understand the benefit of mixed-use, higher density development clusters in areas with appropriate transit services and their master plans reflect this. But recent development projects, where developers built less than they otherwise could due to concerns about market demand, parking, neighborhood concerns, demonstrate that achieving this development vision can be difficult. Some believe the government should be stronger about enforcing master plans and the calls for mixed income, mixed use development.
21. Urban infill, government owned land and the Washtenaw Avenue Corridor regularly come up as the best opportunities for bringing a range of housing options to the area. Also, Reimagine Washtenaw came up repeatedly as an important regional project that can help foster the collaboration and regionalism needed to also address a balance of affordable housing options. But it was stressed that this project can't address all the affordability issues.
22. Where possible, the jurisdictions want to protect rural areas and prevent sprawl. This is important for environmental, quality of life and infrastructure reasons. It was not generally acknowledged that such aims increase the cost of housing.
23. There is a sense that area developers are not as committed to affordable housing or mixed-income/mixed-use housing as they could be. It was suggested a few times that the local development community needs to be augmented by outside developers with experience in mixed-use-mixed-income projects.
24. A number expressed frustration about lack of inclusionary zoning powers due to state law, though many suggested zoning could still be used to encourage a range of price points.
25. There may be an opportunity to work more closely with developers to provide workforce housing options in the area. Public-private partnerships to create affordable housing have not been as common as some believe they should be. Most said that there is limited collaboration with developers today. Many suggested that there are not enough market-driven developer projects to generate a lot of affordable housing and that more pro-active efforts using publicly owned land and, perhaps even publicly purchased land, would be needed.
26. It can be hard to get private land-lords and apartment companies to accept vouchers or ex-felons. Both policies make providing affordable housing for especially lower income populations hard.
27. There is natural civic tension between doing what is needed to respond to the housing market so that a community can provide a range of affordable housing options and community concerns about change and density. Many indicated that people in the community are concerned about the scale of buildings created obstacles to building affordable housing. We also heard clearly that there are many that associate their community's charm, sustainability and social equity as coming from the diversity and types of people that can live there. But what we heard varies. (The sentiment in Ann Arbor is not the same as the view in Ypsilanti.) The perspective in Ypsilanti Township is not shared by everyone else, and vice versa. Markets with different strengths produce people with different viewpoints.
28. There is concern from some that taking a don't change, low density approach will essentially drive up home values, create sprawl, exasperate traffic and lead to a less balanced region.
29. Carrot Way came up a number of times as a good model for an affordable housing project with people suggesting it should be replicated.
30. Many believe that there is a lot of interest and value in using areas outside Ann Arbor as the affordable housing for the region because they are less expensive and government subsidies can go further. This

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is tempered by the fact that people outside of Ann Arbor are worried about over concentration of low income housing and the overall balance of housing options in their communities.

31. Outside of Ann Arbor there is concern about the amount of rental housing. They have a desire to see more affordable home ownership options. Since the recession, some areas have seen a substantial change from home ownership to rental.
32. As already stated, housing vouchers for Ann Arbor are most often used outside of Ann Arbor and are creating concentrations of vouchers in a few limited areas. This creates demand for supportive services (jobs, mental health, public safety, etc.) that these communities can't afford. Prisoner re-entry programs often send people to the same communities and these residents (as well as those exiting homelessness) have similar needs for support services. It also creates anger and frustration in the receiving jurisdictions.
33. Some expressed concern that the region may lack the staff resources and capacity to support a truly collaborative approach to affordable housing. Others suggested that the County is well positioned to help coordinate and catalyze regional collaboration through the management of grants as well as staff support.
34. There is general agreement that residents of each jurisdiction should have multiple choices about where they can live and that there should be a balance of housing options. No one jurisdiction should have all the high income or the lower income housing, but there are different views about what balance and regionalism mean with some saying it means somebody else takes more and few saying it means they should take more affordable housing. Everyone generally agrees that affordable housing is important, as long as it is located someplace else.
35. Sustainability is integrated into area master plans, transportation, energy and civic planning, but generally speaking is not directly associated with housing affordability. There are some current efforts to make affordable housing more energy efficient. There is a sense that sustainability could be more clearly aligned with affordable housing as the two go hand in hand.
36. Schools play a significant role in how people think about where they live and the value of the housing. Communities that are a part of the Ann Arbor school district have a clear real estate advantage; This does impact the balance of housing choices in the region.
37. There is a sense that more focused political leadership would help affordable housing issues and that the area lacks clear metrics or goals. Past efforts with specific numerical goals failed, so some have also suggested that the focus should be on projects instead.

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1/3 of homeowners surveyed (321) are concerned (119) that they couldn't buy their own home if they tried to do it today.

64% of survey respondents are pretty happy about where they are living now. 20% ready to move if they can afford it.

80% of those contemplating moving in the future are focused on quality of life and cost. Some mentioned work, changes in relationship status, a desire for something new (e.g. warmer weather, country living) as driving their desire to move.

Safety (19%), Affordability (16%), Schools (15%), and Employment options/ jobs (11%) are seen as the top public priorities.

40% live where they are due to quality of life, 31% for cost/affordability reasons, and 28% because it is close to work. Others indicated they live where they do so they can live near family and friends; the need for a larger or smaller house; a change in their relationship status (married, single, etc.); retirement; eviction; safety; a desire for something different (e.g. rural living); needing a place for dogs; needing a place for kids, and; that their previous rental building had been sold.

80% see community sustainability as an important value, including making sure a broad range of people can live in a community (50%), a sense of social justice (44%), protecting community assets (36%), ensuring people that grow up in the community can live there (36%) and about 33% identifying clean water and mass transit as important for sustainability.

Others, when asked about lost affordability, brought up concerns about gentrification, increased foreclosures, increased homelessness, segregation, and longer commutes.

Feedback on Purpose and Value of Affordable Housing

The top goal identified for affordable housing was making sure people have choices about where they live (62%). 48% said affordable housing is necessary to help their community thrive. 41% said the ending homelessness is a major goal. 37% said helping seniors age in place was a top goal. 37% said helping people live near their jobs was an important goal.

The top purposes identified for affordable housing are: 69% housing for working families; 56% entry level rental options; 52% Homeless housing options; 51% senior housing, first time home buyer and general home ownership options.

84% believe that affordable housing is an important issue and 86% believe it is important that people living in their community now can continue to live there into the future.

46% of respondents think others in their community are worried that affordable housing will hurt their home values. 36% think their neighbors believe affordable housing should be somewhere else.

31% of respondents think others in their community want to live in a place with a range of housing options.

31% of respondents think there is modest interest in affordable housing issues amongst their neighbors.

34% are concerned that lost affordability will make it harder to fill jobs in the community and

32% are concerned that lost affordability will contribute to increased traffic and congestion.

49% believe families with children need the most help with affordable housing. 45% say the homeless. 39% say entry-level workers. 37% say seniors.

Why is affordable housing important?

(summary of written responses)

- It is needed to attract and keep community diversity and talent; we need housing for people that work in and contribute to our community.

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- It is important to have options for people to buy housing so they can put down roots and become a part of the community.
- Important to attract and retain young people who contribute to workforce and put down roots.
- People shouldn't have to be homeless.
- People should be able to live near where they work.
- It is an important part of dealing with congestion and sprawl.
- Because many of us could need a different housing option at some point.
- Housing is critical to a person's ability to work and get ahead.
- People should have housing choices.
- To attract new families to an area and to create safe places for children to grow up.
- Single parents need affordable places to raise their families.
- So our children can move back and live where they grew up.
- It is a human right. Social justice is a core community value.
- It helped me.
- People deserve a safe, clean place to live.
- A strong community should not exclude low-income people.
- A strong community has people from all backgrounds and economic levels.
- People with developmental disabilities and mental illness should have places to live in a community.
- The new housing being built is too expensive.
- People shouldn't be priced out of their communities/homes/apartments.
- It is very hard to find a place to live (especially in Ann Arbor).
- Ownership opportunities are too limited for folks; there are not enough affordable choices.
- People shouldn't have to choose between food and rent.
- It is hard to save to buy a home if you can barely afford your own rent. This makes it hard to climb the economic ladder.
- We don't have enough options for seniors to live in.
- Affordable housing in Ann Arbor would increase access to good schools.

Why is it important for people to be able to continue to live in their current community?
(summary of written responses)

- A stable community should have a mix of people, talent, backgrounds.
- Family and community stability require people to have the ability to live in their community for a long time.
- To prevent/slow gentrification.
- The residents are the character and most valuable assets of a community.
- Contributes to strong neighborhoods; long term residents are more civically active.
- If people don't think they can keep living in a place, they are less likely to help improve it or to participate in civic life.
- I want to stay in my community.
- Helps promote pride in the community; community roots get stronger the longer somebody lives in a place.
- People should be able to stay in a community they enjoy.
- Fairness.
- Contributes to community balance and sustainability; community is based on long-term relationships and shared experiences.
- Stability helps contribute to economic base of a community.
- A true community should support people at every stage in their life; Aging in place is important.

What is quality of life?
(summary of written responses)

- A safe and well maintained neighborhood.
- A place you can safely walk around; the ability to walk places.
- Quiet.
- Access to parks & green space. Trees and grass.
- Neighborhood with kids & sense of community.
- Great neighbors.
- Civic pride.
- Grocery stores.
- Access to arts and culture and entertainment.
- Transportation options (walking, biking, transit).
- Access to health care.
- Access to friends.
- Access to farmer's markets and local food choices and local farmers.

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- Access to libraries.
- Good schools nearby.
- Diversity.
- Time to spend with friends and family.
- Quality landlords that are available and provide good customer service.
- Access to restaurants.
- Vibrancy and activity.

What should affordable housing look like?
(summary of written responses)

- Safe.
- Clean and well cared for.
- Well-built.
- Need to fix derelict buildings.
- Affordable housing should be energy efficient.
- Close to good schools.
- It should allow people to have disposable income for other needs.
- It needs to be transportation and transit accessible (need more of this).
- A part of a stable community.
- It should ensure people have choices as to where they can live.
- Close to work. Affordable homes should be within two miles of a job.
- It should be in mixed-income settings. [very strong comments about not segregating housing types].
- Must be compatible with surrounding neighborhood; Should look like the other housing that is near it.
- There should be a range of housing types in every neighborhood for different life stages.
- Denser urban areas with greater mix of housing price points.
- It should not be concentrated; it should be integrated & blended throughout community.
- Smaller scale housing units that are more affordable.
- It should provide options for families. We need more family sized housing.
- Options for working families and retirees.
- Avoid city-owned housing; focus on private-ownership rental.
- Explore market-based affordability rather than government subsidies; zoning and density should be tied to market-based affordability.
- Affordable housing needs to include ownership options, not just rental.
- Ownership is important. Co-ops could be a good form of ownership to encourage.
- Rental and purchase options mixed together.
- Opportunity for long-term living to put down roots in the community.
- Should encourage personal responsibility, growth and ownership.
- Co-housing options should be explored.

Regional Coordination + Balance

88% of respondents believe that communities should provide a range of housing options and types for their residents.

65% don't think there is a fair distribution of housing types in the county. 41% would like to see more opportunities for people to live where they work. 29% wants to see more balance of housing affordability options. 19% wants to see more affordable entry-level housing options.

65% of respondents believe that their community should provide a range of ownership and rental options and need to do more to make this happen. 21% think their community is already doing enough.

83% would like to see coordination between jurisdictions on affordable housing issues, but only 9% think this coordination is already happening.

45% believe different areas of the county currently have different roles with regard to affordable housing…

What does that mean?
(summary of written responses)

- Clearly some areas have more affordable housing than others; all areas should have affordable housing - there shouldn't be a "poor" area.
- Ann Arbor has more subsidized housing, but outside areas are more affordable.
- Ann Arbor should do more. It has become very expensive.
- Ann Arbor needs to focus more on making housing affordable for working people.

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- Ann Arbor provides a lot of services, but other areas of the county have greater numbers of people with needs.
- All of the new development in Ann Arbor is high-end and expensive for people to afford.
- There are options, but not enough.
- Ypsilanti seems to be more diverse and affordable than Ann Arbor.
- Ypsilanti houses a disproportionate amount of the county's affordable housing.
- Ypsilanti isn't as supportive of new affordable housing as other areas.
- It appears that some think Ypsilanti should solve everybody else's affordable housing and workforce needs.
- Rentals are concentrated in the eastern end of the county.
- Ypsi/Eastern Washtenaw generally has enough affordable housing and need to focus on stabilizing neighborhoods, fixing the public schools and getting people good jobs, and encouraging home investment.
- Service needs are concentrated in the eastern end of the county.
- Western Washtenaw, Chelsea and Dexter in particular, are fast becoming retirement centers for wealthy baby boomers & should maybe start thinking about affordability now while space is still available.
- Urban areas have a greater role to play due to proximity to jobs and transit; the more urban an area is, the more important affordable housing is for workforce needs.
- If you have employment, you should have housing near it.
- There should be a variety of people and hosing everywhere; everybody has a role to make sure people have housing options.
- Some areas of county are very expensive; wealthier areas of county should do more.
- Some areas of county have disproportionate share of housing vouchers.
- Need more transit services to support housing options for people.
- We need a regional approach rather than each jurisdiction having a different model.
- Every community needs a health triple bottom line--socially, economically and environmentally--to become truly sustainable.
- Diversity is not spread evenly throughout the county - the county seems very segregated in terms of housing.
- Less dense areas are pushing the more urban areas to cover the needs for affordable housing.
- Some places are trying to ban affordable housing.
- Areas with the most transit and services should support the most affordable housing.
- The County is balanced overall.
- The decisions about balance should depend on each community's unique needs.

What does "fair" mean with regard to affordable housing distribution?

(summary of written responses)

- Every jurisdiction has a role in helping provide the region's housing needs for all income levels; each community has some reasonable degree of diversity of housing options and price points.
- No one community (or two) should have to bear a disproportionate share of low income housing; over concentration isn't fair.
- We should have a fair distribution of tax base so lower cost, lower tax producing properties are not concentrated in one area.
- Ann Arbor, Saline, Dexter and Chelsea should play more of a role.
- We should work to distribute rents/housing choices based on average wages in an area.
- If 20% of the jobs in a town pay poverty-level wages, then 20% of the homes in the town should be affordable to those workers who live in poverty.
- Housing should be available within a 45 minute commute to work or less.
- If you can be employed in a community, you should be able to live there.
- Minimum wage should enable you to find housing that is safe and clean.
- Teachers, firefighters, police officers should all be able to live in the community they work in.
- You should not have to earn 6 figures to live in the community.
- Paying a fair rent (30% of income)
- We need more affordable options near transit lines.
- More opportunities for families with kids.
- People shouldn't have to choose between good schools for their kids and affordability; the best schools should be available to all communities
- People should have a chance to get on their feet, but should not get a free ride.
- People should have a chance to live in a community and get ahead.

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- People shouldn't get special deals based on their income — fair is everybody pays the same for the same house.
- Ex-felons should have a chance to re-start their lives
- Elderly and disabled should be able to live in their community.
- Every community should provide a certain amount of housing options for those with disabilities, senior citizens, and the poor because that is the decent thing to do.
- We should have either a "fair share" housing provision (each local unit provides a percentage of the region's affordable housing equal to its percentage of the region's total population) or an "impact fee" approximation of such a system, in which units that don't provide housing units provide financial support to those who do.
- There should be a sliding scale of income to rent payment.
- Housing choices should take into account all aspects of a persons life. Look at poverty issues and disability issues that affect a person's income.

What affordable housing policies and programs are you most familiar with?
(summary of written responses)

- Low income tax credits (some would like them to allow for more mixed income projects).
- Community Development Block Grant Funds.
- HOME Funds.
- Section 8 Vouchers (frequently mentioned, many concerned about concentrating poverty or concerns about being bad neighbors, many also say they work when they are available but that they are not available in all communities or usable with all land-lords and the waiting lists are too long).
- Habitat for Humanity (most commonly sited) people want to see it used more.
- Avalon (mentioned multiple times as needing more support, as providing good supportive services).
- RAAH.
- Shelter Association.
- Ann Arbor Housing Commission.
- Ann Arbor and Ypsilanti Housing Authorities.
- HOPE 6.
- Public housing projects raised as being unsafe while others talked about how vouchers work and that more are needed (and they should be accepted in more places).
- Co-ops do work.
- USDA Rural Homeowners Program.
- Strong comments about the value of mixed-income development (we don't want segregated areas).
- Rent controls like in NYC.
- Concerns raised about effectiveness of developer contributions and small projects to impact market forces.
- Increase housing first funding.
- Should offer tax incentives so people can live closer to work.
- Inclusionary zoning (mentioned a few times to help create mixed-income housing options).
- Fair share housing (per-community).
- Twin Cities Fiscal Disparity Act / tax-base sharing -- in part, approximates a per-community payment-in-lieu fair share housing system; regional shift in property tax revenues from communities with high taxable value per capita to those with low, so that cities hosting more low-income residents (and low taxable-value housing) can address the service needs they have.
- Tenant right of first refusal.
- There are few programs to help seniors.
- Should have local land trusts to hold land to help with affordability.
- Housing first policies.
- Should have a larger housing trust fund.
- Shared Tax District between jurisdictions to address infrastructure and housing needs.
- Some concerns about concentrated low income housing in Ypsilanti.
- Concerns about low income tax credit projects expiring and people being priced out.
- MSHDA downpayment assistance program helps homebuyers with the substantial financial burden of the downpayment on a mortgage.
- Plan to end homelessness needs to be updated.
- Concerns about subsidized housing producing dependency.
- Step Forward Michigan.
- Interfaith Hospitality Network.
- Some think the focus should be on education not on housing.
- Some want "granny-flat" rental options
- Hamilton Crossing pointed to as a good project.
- Delonis and Alpha House. Need more of these and mental health services.

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- Water street
- 1st ave
- Paradise manor
- University Townhouses
- Arrowwood mentioned a few times as a good project

What would you do for affordable housing if you could do anything?
(summary of written responses)

- New, denser mixed use and mixed income development near all transit lines in region.
- Increase affordability in downtown areas with the most walkability, jobs and transit
- Allow for more density.
- Have a mix of housing in every neighborhood; balance in thee region.
- Provide more home ownership options.
- Prevent sprawl; halt all development on agricultural land.
- Stop McMansions.
- Increase housing supply along key corridors, including both subsidize and market-rate housing.
- Don't allow developers to tear down modestly-priced housing.
- Stop building luxury apartments.
- Don't segregate or concentrate — integrate.
- Expand transit routes (have more buses to and fro Chelsea, Dexter, Canton and add Saline)
- Make sure all affordable housing looks nice and is something we can be proud of.
- Make units small so they are more affordable (e.g. 800 sq ft); make sure zoning allows smaller homes (e.g. more affordable)
- Make all affordable housing energy efficient.
- Support small, modest apartment units/buildings throughout the urban areas.
- Allow ADUs in Ann Arbor.
- Provide more starter homes for young families.
- More rental options for young professionals just starting.
- More affordable first time home buyer options.
- House young families with seniors so the seniors can help with the kids
- More co-ops.
- More senior housing options.
- Affordable 2 bedroom apartments.
- Affordable 3 bedroom purchase options/starter homes.
- More infill housing.
- More housing for non-students in Ann Arbor.
- Less low income housing in Ypsilanti.
- Something near Chelsea that is affordable.
- Change state law to allow inclusionary zoning.
- Expand incentives for developers to include affordability benefits in market-rate housing developments.
- Increased government investment/subsidy.
- Expand Ann Arbor's housing trust fund.
- Rebuild all current public housing.
- Eliminate housing waiting list.
- More options for use of section 8 vouchers.
- Expanded voucher program for more people at a range of income levels.
- Increase use of habitat for humanity.
- Provide vouchers targeted for senior citizens.
- More housing re-habitation funds for seniors and others.
- More support services (mental health, social workers, jobs programs) for people in subsidized housing.
- Make sure people living in subsidized housing take care of their homes.
- Increase subsidized housing options for working - poor with incentives for them to maintain their units.
- Help people with underwater mortgages.
- Lower taxes.
- Continue building the Sister Yvonne Gelise Fund for Supportive Services.
- Reclaim abandoned properties for affordable housing. Use housing funds to buy up low cost housing and work with habitat for humanity to then re-sell it; Take over all vacant properties fix them up.
- Bring in more outside capital to the area to invest in housing choices.
- Put less money into housing first and more into first time home-buyers and workforce housing needs.
- Increase the living wage in county.
- More job training so people could work and afford housing; attract more jobs to area.
- Provide more security in neighborhoods with a lot of affordable/public housing.
- Provide rent to own housing options.
- Develop rent control policies.
- More Avalons.

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- Work collectively as a region; create a region-wide plan.
- County-wide affordable housing trust fund paid for through millage.
- Create a community/regional panel to oversee these issues on a regional scale.
- Create some sort of income metrics to guide plans.
- End homelessness.
- More safe shelters, especially for women and children.
- Improve options for Camp Take Notice.
- More emergency housing options.
- Just let the market due what it does - don't try to control it.
- Work with private investors instead of government.
- Remove the fear and bias from this issue - eliminate the stigma.
- Make sure everybody could find a place to live.
- Working people, seniors, vets, families all deserve places to live.
- Make sure everybody has access to a great education.
- Make sure everybody has access to healthy, local, foods
- More housing options, with services, for people with mental illness.

70% think developers should do more to help with affordable housing…

What does that mean?
(summary of written responses)

- They need to set aside more units as affordable.
- There should be more incentives for developers to create affordable housing.
- We need them to stop building luxury housing — they are only focused on expensive homes and condos.
- They need to put more work into making inexpensive housing look good.
- They are only focused on profit, so their profits should be tied to affordability.
- They are not building mixed income and mixed use buildings that we want
- We need more Avalon's.
- We need inclusionary zoning.
- Should require smaller homes integrated with larger, more expensive ones.
- Unless they are forced to, they won't do it.
- They should have to build on transit and infrastructure corridors… stop sprawl.
- Need to build more small, starter homes.
- When developers do try to build affordable housing, the community opposes it and/or it is struck down by the local government; developers need confidence their affordable projects have a fair shot to move forward.
- Ann Arbor's extra floor space premiums for developers have not been working.
- Zoning restrictions make it hard for developers toe expand housing supply and thus impact supply and demand pressures.
- Developers focus a lot on the student market, not the workforce market.

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Resolution No. 2015 – 011
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the Minutes of January 6, January 8, and January 13, 2015 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, January 6, 2015
7:00 p.m.

I. CALL TO ORDER –

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

II. ROLL CALL –

Council Member Anne Brown	Present	Council Member Robb	Present
Council Member Nicole Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Mayor Pro-Tem Richardson	Present		

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 –

The Mayor introduced the following individuals; Assistant City Attorney Dan Duchene, City Planner Bonnie Wessler, Ypsilanti Housing Director Zach Fosler, and Parks and Recreation Commissioner Cathy Thorburn.

VI. AGENDA APPROVAL –

Council Member Murdock motioned, supported by Council Member Vogt to approve the agenda as submitted.

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

VII. PRESENTATIONS –

VIII. AUDIENCE PARTICIPATION –

1. Alex Upham, 25 N. Washington, stated he represents the Ypsilanti Tenant's Rights Association and his organization was asked to prepare a presentation regarding tenant/city relationships. Mr. Upham stated currently his organization has been researching section eight housing and best practices. Mr. Upham stated the Tenant's Association has been holding regular meetings on Saturdays from 1 p.m. to 3 p.m. at the Library on Michigan Ave.

2. Robert Grams, 317 Oak Street, stated the vacation of the alley on Forest and Oak will help to cut down on traffic, as well as keep the levels of dust under control.

IX. REMARKS BY THE MAYOR –

- Mayor Edmonds thanked Mr. Upham for his update and asked his organization send an email once the presentation is complete to schedule a date and discuss the presentation format.

X. MINUTES –

Resolution No. 2015-001, approving the minutes of December 16, 2014

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the Minutes of December 16, 2014 be approved.

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

On a voice vote, the motion carried and the minutes were approved

XI. ORDINANCES – FIRST READING -

Ordinance No. 1237

1. Ordinance to vacate Lathers Street, located between the City boundary to the west and Warner Street to the east, within the City of Ypsilanti.

A. Resolution No. 2015-002, determination.
(Public hearing will be held at Second Reading – Feb. 17, 2015)

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the owners of the property located at 1010 W Michigan, have requested that the City vacate a street that runs north of their property; and

WHEREAS, after considering the request, the City does not believe any of the factors listed in Section 94-271 of the Code of Ordinances for the City of Ypsilanti indicate that ownership interest in the purported alley should not be vacated; and

WHEREAS, Section 94-297 of the Code of Ordinances for the City of Ypsilanti provides that when a public alley is vacated by the City, the public right-of-way is extinguished and title to the publicly owned land reverts to the adjacent property owners, "except that the city shall in each case retain and reserve within the entire former right-of-way an easement for installation and maintenance of utilities…;" and

NOW THEREFORE:

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

A. It is in the best interests of the City to vacate the street described above; and

B. The ordinance entitled "An ordinance to vacate Lathers Street, located between the City boundary to the west and Warner Street to the east, within the City of Ypsilanti" be approved on first reading.

OFFERED BY: Mayor Pro-Tem Richardson
SUPPORTED BY: Council Member N. Brown

Mayor Edmonds asked City Planner Bonnie Wessler to discuss the easement at West Warner.

City Planner Wessler responded in order to provide a more walkable and connected City that right-of-way should not be extinguished.

Mayor Edmonds stated at the moment that is a right-of-way, but it is on private property.

Ms. Wessler replied yes, it is a right-of-way and may be maintained by individuals living adjacent to the alley, or Ypsilanti's Department of Public Services.

Council Member A. Brown asked what the recommendation of staff is.

Ms. Wessler answered that the portion of Lathers be vacated and on the record stated that the City does not plan to vacate West Warner.

Council Member Murdock asked why West Warner is being mentioned in this resolution.

Ms. Wessler responded it was an item discussed during a Planning Commission meeting.

On a roll call, the vote to approve Resolution No. 2015-002 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

Ordinance No. 1238

2. Ordinance to vacate alley: Forest/Prospect/Oak/River, second north-south alley from east.

A. Resolution No. 2015-003, determination.
(Public hearing will be held at Second Reading – Feb. 17, 2015)

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "An ordinance to close the second north-south alley running between East Forest and Oak between River and Prospect in the City of Ypsilanti" be approved on First Reading.

OFFERED BY: Council Member Robb

SUPPORTED BY: Council Member Vogt

Council Member Murdock asked where the barrier would be placed.

Ms. Wessler responded it would be located in the center of the alley.

Mayor Edmonds asked resident Robert Grams where the barricade should be located.

Robert Grams replied north of the East/West alley.

Council Member Murdock stated if the barricade is put in the center of the ally essentially two lanes would be closed.

Ms. Wessler responded the barricade could be moved to either side, but yes, essentially two lanes would be closed.

Mayor Edmonds asked if Council would need to decide on a location, or would that be at the discretion of the Department of Public Services.

Mr. Grams suggested the barricade be constructed on the north side in order to provide access to utility trucks.

Council Member Murdock responded the City should follow the suggestion of Mr. Grams and avoid need to notice and hold a public hearing for the closure of the other road. Mr. Murdock motioned that the resolution be amended to state the barricade be located on the north side to allow access to the east-west road.

Council Member A. Brown supported the motion

On a roll call, the vote to amend Resolution No. 2015-003 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

On a roll call, the vote to approve Resolution No. 2015-003 as amended was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

Ordinance No. 1239

3. Ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act").

A. Resolution No. 2015-004, determination.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "An Ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act")" be approved on First Reading.

OFFERED BY: Council Member Vogt
SUPPORTED BY: Council Member N. Brown

B. Open public hearing.
C. Resolution No. 2015-005, close public hearing.

That the public hearing to amend Ordinance No. 1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act") be officially closed.

OFFERED BY: Council Member Vogt
SUPPORTED BY: Council Member N. Brown

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

Assistant City Attorney Dan Duchene stated this is a resolution to amend a pilot adopted by Council during the first round of ordinances for the Strong Future housing project. The amendment includes two additional parcels to the pilot.

Mayor Edmonds asked if there is new state legislation that would require pilots obtain approval from the state before receiving funding.

Mr. Duchene responded he will research that further, but the draft of this pilot was based on the form provided by the state. Also, to be considered for exemption under the ordinance it must be exempt from the statute.

Council Member A. Brown asked if the pilot would last for the duration Strong Future Housing Project.

Mr. Duchene responded the pilot lasts as long it is tax exempt under the statute. Mr. Duchene said he believes the duration is 40 to 50 years before the pilot would need to be reapproved.

Mayor Edmonds stated some of Ypsilanti's housing projects are around 40 years old.

Council Member A. Brown stated Town Center is coming up for renewal.

Mr. Duchene replied correct, the Town Center will need approval in the next few years.

Council Member Murdock stated the pilot is based on the structures on the land, not the land. Mr. Murdock asked what the purpose is for including vacant land in the pilot.

Mr. Duchene stated one parcel will include a parking lot and the other will have a building. Mr. Duchene asked Housing Commission Director if housing will be located on those parcels.

Housing Commission Director Fosler responded no, there is no housing planned for those parcels.

Mr. Duchene stated this is all one project and it is the intention of staff to include all the land involved in the pilot.

Council Member Murdock asked if the inclusion of these parcels would impact the formula for the pilot.

Mr. Duchene replied no, the formula would not change.

On a roll call, the vote to approve Resolution No. 2015-004 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

XII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2015-006, approving Amendment #1 to the Ann Arbor/Ypsilanti SmartZone Agreement between Michigan Economic Development Corporation, City of Ann Arbor, City of Ypsilanti and the Local Development Finance Authority of the Cities of Ann Arbor and Ypsilanti.

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

Whereas on November 25, 2002, the Michigan Economic Development Corporation ("MEDC"), the City of Ann Arbor, and the City of Ypsilanti (collectively the "Cities") and the Local Development Finance Authority of the Cities ("LDFA") entered into an agreement to establish the terms and conditions governing the Ann Arbor/Ypsilanti SmartZone ("Agreement"); and

Whereas under the terms of the Agreement, the Cities and the LDFA are required to obtain prior approval of the MEDC to amend the Ann Arbor/Ypsilanti SmartZone LDFA Development and Tax Increment Financing Plan; and

Whereas the Cities and the LDFA have previously approved application to the MEDC to extend the tax capture period of the LDFA by additional fifteen (15) years which required the Cities and the LDFA to enter into an agreement with a Satellite LDFA to designate the Satellite LDFA District as a SmartZone Satellite for the benefit of regional cooperation and collaboration, and to amend Development and Tax Increment Financing Plan for the

LDFA to comply with Public Act 281 of 1986, as amended ("Public Act 281"); and

Whereas the Cities approved and entered into an agreement with Satellite LDFA to designate the Satellite LDFA District as a SmartZone Satellite, which designation has been filed with MEDC; and

Whereas, the Cities and the LDFA now desire to amend the Agreement with the MEDC to incorporate the rights and obligations of the parties in regard to the designation of the Satellite LDFA District as a Satellite SmartZone; and

Whereas, Amendment of the Agreement will:

- **amend Section 3.01 to provide for an additional 15 year period on ratification by State Treasurer and approval of the President of the MEDC of the LDFA amended Development and Tax Increment Financing Plan**
- **amend Section 3.05 of the Agreement to comply with the reporting requirement of Public Act 281**
- **amend Section 5.01 of the Agreement extending its term to May 1, 2032; and**

Whereas it is understood by the Cities and the LDFA that MEDC may revoke its approval of the Cities' amendment to their Development and TIF Plan and the extension of its term from 15 to 30 years if the terms of the Amendment to the Agreement are not satisfied;

NOW THEREFORE BE IT RESOLVED that the City Council for the City of Ypsilanti approve Amendment No. 1 to the Ann Arbor/Ypsilanti SmartZone Agreement between Michigan Economic Development Corporation, City of Ann Arbor, City of Ypsilanti, and the Local Development Finance Authority of the Cities of Ann Arbor and Ypsilanti;

BE IT FURTHER RESOLVED that the Mayor is authorized and directed to execute the Agreement after approval as to form by the City Attorney; and

BE IT FURTHER RESOLVED that the City Clerk is directed to provide a certified copy of this Resolution to the City of Ann Arbor, the Chair of the Ann Arbor/Ypsilanti SmartZone LDFA, and the MEDC.

OFFERED BY: Council Member N. Brown
SUPPORTED BY: Council Member Vogt

City Attorney John Barr stated this is part of a process of resolutions necessary for the LDFA Smartzone to amend their governing documents and extend their life 15 years. Council addressed this a few months ago, and this amendment of the bylaws authorizes the extension. This will change the bylaws allowing taxes to be allocated for projects in the Ypsilanti district even though taxes were not captured in that region of the LDFA.

Mayor Edmonds stated a few years ago a business wanted to move to the Ypsilanti area but were restricted to the Ann Arbor area because of past practices of the LDFA. Mayor Edmonds stated this a positive change for Ypsilanti.

On a roll call, the vote to approve Resolution No. 2015-006 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

2. Resolution No. 2015-007, approving annual compensation for the Mayor and City Council.

Be it resolved that pursuant to Section 2.04 of the City Charter and effective as of January 1, 2015, the annual compensation for the Mayor and City Council shall be set as follows:

Mayor	**$ 9,143.28**
Mayor Pro-Tem	**$ 6,095.52**
City Council Members	**$ 5,254.02**

And be it further resolved that the budget for City Council for FY 2014-15 and FY 2015-16 be adjusted to reflect these changes.

OFFERED BY: Council Member Murdock
SUPPORTED BY: Mayor Pro-Tem Richardson

Council Member Murdock stated before the current charter was adopted in 1994, Council compensation was recommended by a compensation committee. The current charter suggests that Council review compensation periodically since then Council has done nothing with compensation other than in 1996 and the 5% reduction in 2007. Mr. Murdock stated this is something that should be periodically reviewed as the charter states.

City Manager Lange stated there is universal support from staff for this increase.

On a roll call, the vote to approve Resolution No. 2015-007 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	No
Council Member A. Brown	Yes		

VOTE:

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

3. Resolution No. 2015-009 approving Release of Right of First Refusal for Towner House, 303 North Huron, Ypsilanti MI 48197

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

Whereas the City of Ypsilanti has a right of first refusal on the Towner House at 303 North Huron Street, Ypsilanti, Michigan, and

Whereas the Towner House Foundation desires to purchase the Towner House to preserve and maintain it in perpetuity, and

Whereas the City of Ypsilanti has no interest in purchasing the property,

Now Therefore, the City Council approves the release of the Towner House right of first refusal and authorizes the Mayor and City Clerk to execute a release, subject to the approval of the city attorney.

OFFERED BY: Council Member A. Brown
SUPPORTED BY: Mayor Pro-Tem Richardson

City Attorney Barr stated Towner House is one of the oldest structures in the State of Michigan and owned by the Presbyterian Church. The Heritage Foundation was formed to help to preserve the property and has decided to purchase the property. Council had the right of refusal and in 2013 gave up that right. Mr. Barr stated he was asked if the City would close the deal so the foundation could purchase the property.

Mayor Pro-Tem Richardson stated when first on Council this was one of the issues brought forth and thinks it is time to release the property.

On a roll call, the vote to approve Resolution No. 2015-009 was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

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

XIII. LIASON REPORTS –

A. SEMCOG Update – No report
B. Washtenaw Area Transportation Study – Stated the legislature decided to have the voters make the final decision in May on how to address the issue of roads. If the vote passes the sales tax will increase to pay for repairs. Congress has not completed a transportation bill, but there is a temporary measure that expires in May. As a result MDOT has placed a hold on federal funds which could have an impact on the City's designated road projects.
C. Washtenaw Metro Alliance – No report
D. Urban County – Stated priority projects being discussed are; one that most effects Ypsilanti is sidewalk connectivity with the Township and a Habitat program to construct energy retrofits on 50 homes in the Township and there is discussion if this is how CDBG funds should be allocated.
E. Freight House – Stated the DDA approved a contribution which is the final piece in the funds needed to bid for construction.
F. Parks and Recreation – Ypsi trail town meeting is next Friday, January 9 to discuss Trail Town Week which will incorporate kayaking and stopping in towns along the way to patronize local shops and restaurants.

Mayor Edmonds stated there is still a need for Council Liaisons on local committees such as Millennial Mayors and asked Council Member N. Brown if she would like to be that committee's liaison.

Council Member N. Brown accepted the appointment.

Mayor Edmonds asked if Council Member A. Brown would be the liaison for the Eastern Washtenaw County Safety Alliance liaison.

Council Member Murdock stated during Council Proposed Business he will address a solution to resolve a Council member not being able to sit on Boards or Commissions.

Mayor Pro-Tem Richardson stated when the Parks and Recreation Commission was reinstated she was appointed to the Commission, not a liaison.

Council Member Murdock stated that would have been against the charter.

Mayor Edmonds asked City Clerk McMullan to add Millennial Mayors, Eastern Washtenaw County Safety Alliance, and the Downtown Development Authority to Liaison Reports.

XIV. COUNCIL PROPOSED BUSINESS –

Murdock

- Stated there has been an issue with truck traffic causing disruption to citizens along roads.
- Asked if there was any action taken in placing stop for pedestrian signs at the crosswalk at Catherine Street by Chidester and at the Crosswalk on River Street at the Food Coop.
- Stated there is damaged pedestrian railing at the ramp on East Cross at Normal and asked when that would be repaired.
- Asked when the update of Water Street Flats will be provided.
- Asked for more detail regarding the snow removal enforcement.
- Asked for the OHM Michigan Ave. lane reduction report.
- Asked when the Peninsular Paper building will be made secure.
- Stated during the May Special Election he will propose to add two charter amendments; one removing the prohibition of Council members to sit on Boards and Committees and another amending the charter to require a Council Member reside in the Ward they serve until the end of their term. Mr. Murdock stated the filing deadline for any other ballot proposals is February 10th.

Richardson

- Asked that Council submit a resolution honoring Martin Luther King Jr. Day.

A Brown

- Stated there are many new businesses coming to the area and they should be recognized by City Council.
- Asked if there is a communication that could be sent from Council to neighborhood groups to provide information regarding City practices.

- Puffer Red's has never been recognized by the City during its 30 years of operation.

Mayor Pro-Tem Richardson stated it may be useful working with the Convention and Visitors Bureau and creating a packet to send to new businesses.

Council Member Robb stated the Downtown Development Authority should recognize new and long standing businesses and the City should not usurp that task.

Mayor Edmonds responded the DDA should perform that task if said businesses are located in the DDA districts.

Council Member Robb agreed with Mayor Edmonds.

Mayor Pro-Tem Richardson stated Puffer Red's has been looked over, when Jennifer Goulet, the former DDA Director, selected an anchor business in the downtown to Puffer Red's was looked over. Ms. Richardson stated Puffer Red's has clientele coming from all over the Midwest and agreed with Council Member A. Brown that Puffer Red's should be recognized.

Mayor Edmonds stated several years ago she participated in a forum that focused on what residents wanted in a downtown business and a Puffer Red's representative came in to discuss their time in Ypsilanti's Downtown. Mayor Edmonds stated she is developing a business ambassador team that understands City processes that could assist incoming businesses. Mayor Edmonds added a new strategic plan adopted by the DDA will take DDA activities in a new direction.

XV. COMMUNICATIONS FROM THE MAYOR –

- Informed that there is a bidders meeting tomorrow January 7, 2015 for subcontractors for Ypsilanti Housing Commission projects with hopes to hire more locally.

Council Member A. Brown asked if this item will be discussed during goal setting for 2015.

Mayor Edmonds responded that Housing Commission projects are financed by Housing and Urban Development (HUD) funds and bound by those restrictions.

Council Member A. Brown stated the restriction is that they must be Section 3 certified which means hiring locally so Council can create a stipulation that the majority of created jobs must go to Washtenaw County residents.

Mayor Edmonds responded that is an issue that can be discussed with the County's Office of Community and Economic Development as they have become experts on local procurement policies.

Council Member A. Brown stated during the bidding process for the Freight House she hopes that the same stipulation will be applied.

Council Member Murdock stated over the years Council has tried to create a system involving local preference and issues would arise. Mr. Murdock stated he definitely supports further examining this issue.

Mayor Pro-Tem Richardson stated she would like to see the City begin to focus more on community benefits.

Council Member Murdock stated community benefits need to be linked to a specific project and cannot be a broad policy.

- Asked for an update on Barbara Hale's issue brought to Council at the December 16 meeting regarding parking in the alley at Olive and Forest.

- Stated she is interested in hearing an update on the strategy on snow removal enforcement.

- Stated City Hall is going through some cosmetic upgrades including carpeting and refurbishing of the floor in the lobby and Council Chambers. Staff is currently researching artwork to be displayed as a part of 1st Fridays to bring citizens to City Hall.

- Stated at the next meeting several nominations will be brought to Council for Boards and Commissions as well as having a broader call for all areas with opportunity to serve. Mayor Edmonds added the process to apply to serve on a Board or Commission is being updated and will be available on the website.

- Stated she served a proclamation to the Rotary and was asked to become a Rotarian. Mayor Edmonds stated she met the President of Rotary International, Gary Huang, from Taiwan who moved to the US in the 1970's to attend EMU.

- Asked Council to read the Shape Ypsi Master Plan before the goal settings in order to use it for a guide to the meeting on January 8, 2014.

- SEMCOG will be present at both goal setting meeting to assist in the process and will be providing the service pro bono.

- Asked Council to review the budget as there will be a presentation from both City Manager Lange and Fiscal Services Director Uy.

- Departments will be providing an overview of department goals.

- Asked Council to be prepared at the goal settings meeting to ask department heads questions to better understand a topic.

- Asked staff to put a sign on City Halls door stating that the goal setting meeting will be located at SPARK East, 215 E. Michigan Ave.

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

- Stated the Downtown DTE Substation has reliability issues of an urgent nature. City staff has been meeting with DTE to address this issue and the meetings have been positive, but it is very serious. Tomorrow power poles will be strung from the downtown substation across Riverside Park to a transformer at Norris St. which should be completed on Saturday. As a part of that, three trees will be removed. DTE will have a permanent solution complete by May.

  Council Member Murdock stated as a permanent solution DTE should approve Ypsilanti to install a solar array and be removed from the grid.

City Manager Lange responded there is another round of possibilities and the new bridge plays a part in the solution and the City will begin the bidding process for that project. Mr. Lange stated that time and money are two of the biggest issues facing the problem.

Mayor Edmonds asked Mr. Lange if he has discussed the City wide power outage that occurred recently with DTE.

Mr. Lange replied DTE described it as an anomaly and does not think it had anything to do with the issues facing the substation.

- As a part of the transition plan the City is advertising three positions; Planner I, Planner II, and an Economic Developer. In the interim the City has been working with consultants.

  Council Member A. Brown stated the former position held by Teresa Gillotti was Director of Community and Economic Development and asked if the posted position will focus only on economic development.

  Mr. Lange responded yes, the previous position was too large and it was decided to be replaced with an Economic Developer and a Planner. The Economic Developer will head both the Planning and Building Departments and the Planning department will be a full department in order to be more efficient. Mr. Lange added that a consultant will perform the duties of an Economic Developer for the next 13 weeks.

  Council Member A. Brown asked if 13 weeks is the timeline for having the full-time position filled.

  Mr. Lange responded roughly 13 weeks the full-time positions hope to be filled by March.

- City staff is preparing for the goal setting meeting.

- The Water Street Flats/Lofts failed at the 4% and the Urban Core Round. Mr. Lange stated the City is still waiting to see if the 9% round is accepted and if there are other options available. The final decision if Herman Kittles is accepted at the 9% category will occur no later than April 1, 2015. Other possible solutions are quasi private funding in order to examine that possibility Council would need to approve an extension.

  Council Member A. Brown asked if the drop dead date for Herman Kittles is April 1, 2015.

  Mr. Lange responded all materials will need to be submitted by April 1, 2015 and results should be known by April 23, 2015.

  Council Member A. Brown asked if the 9% category is not accepted a quasi-private funding mechanism will be examined.

  Mr. Lange responded they will be occurring simultaneously.

  Council Member A. Brown asked if Herman Kittles has used quasi-private partners in other projects they have completed.

  Mr. Lange replied twice in the history of the company.

Council Member Murdock asked what the contingency plan is.

Mr. Lange responded the quasi-private partnership is the contingency plan.

Council Member Murdock asked if the Herman Kittles project fails what is Plan B.

Mr. Lange responded working with the State Legislature to try to acquire an infrastructure grant for Water Street.

Council Member Murdock stated an infrastructure grant does not pay down the debt.

- Stated he is very proud of the work that City Clerk McMullan and Firefighter Roe did on the renovations of City Hall. Mr. Lange stated that having a City Hall that is aesthetically pleasing assists in Economic Development by presenting a positive image of the City.

  Mayor Edmonds stated the City has almost completed the process to become certified as a Redevelopment Ready Community, a designation from MEDC. A press event is being planned that would coincide with First Fridays in April.

- Family Dollar is almost complete on Water Street.

- Parks and Recreation specific site on Water Street is very instrumental in the rest of the project and that location must be locked down in order to plan further development.

  Mayor Edmonds asked if Council would need to approve a purchase agreement if there is a change.

  Mr. Lange responded yes.

  Council Member Murdock stated the sewer lines have been there for years why is this becoming an issue now after four years of this process.

  Mr. Lange stated he understands, but he is just trying to make this project work because other developers are extremely interested in that area because of the Recreation Center.

- Very pleased that the City is saving over $250,000 in police and fire overtime six months into the year.

- Stated there needs to be a special closed session scheduled for pending litigation.

  City Attorney Barr asked if Council would consider a 7:30 a.m. morning meeting, or would an afternoon meeting be preferred.

- The Running Company, a new business in the downtown, has approached the City about holding a running event.

- Stated he has been in contact with Puffer Red's owner and have resolved several issues that he has had. Mr. Lange stated that the City has not forgotten Puffer Red's and is very appreciative to have them as an Ypsilanti business.

- Regarding the Adams Street construction federal funding is sometime decided on at the last minute so it is important to keep the plan in place to be ready for construction when the funding is approved.

- Stated he has spoken with Chief DeGiusti regarding the truck traffic and is working to resolve the issue.

- Stated he will receive an update on snow removal policy.

  Mayor Edmonds asked for a written update on the plan and the priorities of snow removal enforcement.

- Mr. Lange stated he will provide Council with the OHM report.

- Stated DPS Director Kirton has informed him that staff is working on securing the Peninsular Paper building.

- Stated EMU holds a tremendous event honoring Martin Luther King Jr.

- Stated staff is working to get the Rec Center on track and provide the infrastructure.

- Stated the Economic Development consultant and he are working on developing a second anchor for the Water Street project with hope to prompt more interest in housing development.

XVII. AUDIENCE PARTICIPATION –

XVIII. REMARKS FROM THE MAYOR –

XIX. ADJOURNMENT -

Resolution No. 2015-008, 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 Vogt
SUPPORTED BY: Council Member N. Brown

On a voice vote, the motion was approved and the meeting adjourned at 8:45 p.m.

DRAFT

City of Ypsilanti
City Council Goal Setting Minutes

Thursday, January 8, 2015
6:00 – 9:00 p.m.

Spark East – 215 W. Michigan Avenue
Ypsilanti, Michigan

I. CALL TO ORDER –

The meeting was called to order at 6:08 p.m.

II. ROLL CALL –

Council Member Anne Brown	Present	Council Member Robb	Present
Council Member Nicole Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Mayor Pro-Tem Richardson	Present		

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 –

The Mayor introduced the following individuals; City Planner Bonnie Wessler, Fiscal Services Director Marilou Uy, Fire Chief Max Anthouard, Police Chief Tony DeGiusti, DPS Director Stan Kirton, Non-Motorized Committee Chair Bob Krzewinski, Matt Durr from MLive and Community Advocate Sigrid Melvin.

VI. AUDIENCE PARTICIPATION –

None

VII. REMARKS FROM THE MAYOR –

None

VIII. DISCUSSION ITEMS –

Amanda Edmonds, Mayor
Introduction of Facilitator

Mayor Edmonds introduced Naheed Huq and Trevor Layton from SEMCOG.

A. Goal Setting Overview and Process

1. City Manager Ralph Lange submitted goals and accomplishments on behalf of the building department;

FY 2014-2015 MAJOR ACCOMPLISHMENTS

- New noticing procedures on grass/weed abatements. Changes included a single annual warning and a citation for each abatement. Current policy is a warning for each abatement.

- New noticing procedures for snow removal. Shortened the window for abatement that is currently a minimum 3 days. The ultimate goal is faster compliance window so pedestrian routes are passable during winter.

- Updated Property Maintenance Code from 2006 to 2012. Changes to the code include increased security requirements and clearer definitions on violations.

FY 2015-2016 GOALS

- Focus on smaller dangerous buildings through Property Maintenance Code (garages, sheds & similar out buildings)

- ✓ Implementation of forthcoming disposition policy for city-owned residential properties. There are currently 8 structures and 16 vacant lots, all of which require year round maintenance, (mowing, snow removal & re-securing).

- ✓ Decrease backlog of rental inspections by devoting 2.5 – 3 days per week by Building Department Manager & assistance from contract inspectors. Fees from inspections will fund contracted inspectors.

- Assist in transition of Code Enforcement to Police Department. Includes restructuring of invoice procedures, AHB hearing notice templates, etc.

2. City Attorney John Barr submitted goals and accomplishments on behalf of the City Attorney's Office;

FY 2015-2016 GOALS

- Continue to provide high-quality and efficient legal services to the City at a reasonable cost.
- Modernize office computers and digitize records to move to paperless file system.

3. City Clerk Frances McMullan submitted goals and accomplishments on behalf of the Clerk/Treasury Departments;

FY 2014-15 MAJOR ACCOMPLISHMENTS

- Accurately and professionally administered the May, August and November 2014 Elections.

- Re-organization of voter master card system.
- Clerk/Treasury effectively cross-trained staff and each staff member can satisfactorily complete all department tasks.
- Electronic file retention system continues to be improved, both externally and internally.
- Hiring of Deputy Clerk

FY 2015-2016 GOALS

- ✓ Codification of ordinances.
- Establish relationship with neighboring universities in order to recruit younger technologically savvy election inspectors.
- ✓ Work with involved departments to incorporate software to better streamline AHB processes.
- Continue to cross-train staff until each member of the department has mastered all department tasks.
- Create system that improves file organization to facilitate greater accuracy and efficiency.
- Exploration of parking bureau.

4. Fire Chief Max Anthouard submitted goals and accomplishments on behalf of the Fire Department;

FY 2014-2015 MAJOR ACCOMPLISHMENTS

The Fire Department has continued to progress in a forward direction throughout this current 2014 year. The SAFER grant allowed us to achieve and exceed our main goals. The 2015 goals are based on maintaining and improving the programs we implemented.

- Fire Chief became Fire inspector and plan reviewer.
- Re-establishment of 2008 staffing to six personnel per shift with SAFER Grant.
- Promotion of 2 Captains and 2 lieutenants
- Hiring of seven personnel and a part-time secretary
- Decreased overtime by 60%
- Write grants for one engine and for extrication equipment
- Implementation of MABAS and Automatic Mutual Aid
- Maintaining ISO rating
- Maintain good standing with Michigan Department of Community Health
- Implement fire safety re-inspection fees.

FY 2015-2016 GOALS

Suppression

- ✓ Drafting a contingency plan based on the non-renewal of SAFER. The recent implementation of Automatic Mutual Aid with Superior and Ypsilanti Township Fire Departments and the additional SAFER personnel provides a temporary relief to our personnel, but staffing still remains an issue. Very few Fire Departments obtain back to back SAFER. What will our new staffing be and what will be the impact on overtime without SAFER?
- ✓ Replace our 1996 engine either through the grant we applied for in December or through a direct purchase. An additional front line engine will decrease the use or our aerial platform by 70%, as well as decreasing its maintenance cost and increasing its life span.
- Train one officer to become a certified EMS instructor to provide personnel with mandatory training (not achieved last year).
- Evaluating potential savings by consolidating some Fire Department functions with other fire agencies interested in joint ventures.
- Upgrade our map system to be in sync with mutual aid partners.

Prevention

- Keep a full-time inspector position.
- Send two personnel to fire investigator class.
- Creation and implementation of a strong fire prevention program to reduce fire loss in the community (not achieved last year).

Administration

- Improve cost recovery (in progress).
- Continue to seek and follow up on grant opportunities to fund any project over $25,000.
- Keep overtime cost under $50,000 for the year.
- Keep improving the overall moral of our personnel.
- Intergrade cultural diversity awareness in our training.

Facility

- Finalize the roof and solar panel project.
- Repair the grates on the apparatus floor.

5. Fiscal Services Director Marilou Uy submitted goals and accomplishments on behalf of the Fiscal Services Department;

FY 2014-2015 MAJOR ACCOMPLISHMENTS

- The City of Ypsilanti received the 6th consecutive year GFOA Certificate of Achievement for Excellence in Financial Reporting for its FY 2012-13 Comprehensive Annual Financial Report (CAFR)

- Abraham and Gaffney, P.C. issued an unmodified (clean) opinion of the audit for FYE 2014 with no findings

- Assisted the Administration and Human Resources Departments by providing analysis in the collective bargaining agreement negotiation

- Assisted the Human Services Department in determining the employees health care cost share by providing analysis of health care cost compared with State of Michigan hard cap and 20% of health care costs

- Trained Finance Generalist and Finance Interns on their duties and responsibilities. Cross training of staff resulted in improved efficiency and customer service.

- Implemented the Property Transfer Affidavit penalty fee for late filings, to ensure current and up-to-date information in the assessing database.

FY 2015-2016 GOALS

- ✓ Apply for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association for the City's FY 2013-14 Comprehensive Annual Financial report

- Strive to maintain and achieve the City Council goal of long-term financial viability and sustainability by maintaining unassigned fund balance to equal more than 10% of yearly operating expenditures

- ✓ Continue providing data for updating the 5 year financial projection for Council's tool in their decision making.

- Continue providing reports, trends, and analyses to assist the City Manager in his decision making.

- Ensure fiscal integrity by monitoring revenues and expenditures and administering the budget adopted by the City Council

- Continue assessment of the internal control, improve efficiency and customer service

- Continue cross-training staff to provide assistance and back-up coverage for daily operation

- Continue to implement the Property Transfer Affidavit penalty fee for late filings, to ensure current and up-to-date information in the assessing database.

- Solicit proposal for professional services to conduct Other Post Employment Benefit actuarial valuation (OPEB)

6. Assistant to the City Manager Ericka Savage submitted goals and accomplishments on behalf of the Human Resources Department;

FY 2014-15 MAJOR ACCOMPLISHMENTS

- Enrolled 55 retirees, their spouses and surviving spouses into Blue Cross Blue Shield Medicare Advantage Health Insurance
- POAM & COAM Contracts were settled and posted on the website
- A new performance evaluation for staff was created
- Title VI Plan Training was conducted for all staff and new Contract was renewed
- Part of a team that participated in a Wage Parity Study for the City of Ypsilanti and comparable municipalities

FY 2015-2016 GOALS

- ✓ Recruit and Hire future employees to meet the needs of the Citizens of the City of Ypsilanti
- Present a revised Employee Handbook to all staff
- Continue to enroll retirees who are post 65 years of age and enrolled in both Medicare Parts A & B into the Medicare Advantage
- To continue with the re-organization plan of City Employees
- ✓ Training on Unconscious Bias, Cultural Diversity and Hazardous Communications

7. City Planner Bonnie Wessler submitted goals and accomplishments on behalf on the Planning Department;

FY 2015-2016 GOALS

Processes

- ✓ **Zoning Ordinance Revision** - Zoning Ordinance adopted December 2014. Staff will release updated application forms and factsheets in early January 2015; anticipate revised fee schedule before Council at second January meeting. Continue to track issues and areas of study, such as duplexes/R2, group residences, and other issues as they arise. Plan to revisit this "ongoing" list with Planning Commission in October 2015 and Council in November 2015. (CD/ED)

- **Redevelopment Ready Recertification** – Evaluation completed. Remaining item is Capital Improvements Plan; planned adoption in February 2015. (CD/ED)

- **Non-motorized Master Plan**- Expires at end of 2015. Staff will work with Nonmotorized Transportation Committee to update and present as Master Plan amendment/addition. (CD)

- **Road Diet** next steps (Hamilton/Huron/Washtenaw) – Staff working with MDOT to proceed with as part of upcoming MDOT resurfacing project. (CD)

- ✓ **Development of Capital Improvements Plan** with DPS, engineering, recreation commission and city manager's office – is state requirement. Out of compliance since 2008. Draft produced; anticipate adoption in Feb 2015. (CD)

- **Finalize disposition policy for City-owned real estate** – Disposition policy to be brought to planning commission in December 2014. (CD)

- **Reimage Washtenaw** – in conjunction with County – ongoing. (ED)

- Revise the Alley and Street Vacation and Closure ordinances to conform with State statue. (CD)

- Seek to restore staffing levels to provide an excellent level of service to residents and businesses. (ED/CD)

- Work to create a step by step guide to application processes to ensure transparency and consistency. (ED)

- Work to record institutional memory and develop procedure manuals for internal use. (ED/CD)

Priorities for Projects

- **Analysis/lobbying for Wolverine Stop in addition to Commuter Rail** – Received word that Wolverine stop only possible if number of trains increases to a level where it could potentially be included in a shorter route/non-express service. Work on-going in 2015. (ED)

- **Water Street projects**/marketing efforts/completion of B2B trail projects in collaboration with County parks:

  - Increased marketing efforts, in particular around recruitment of a grocery store. Work to continue in 2015. (ED)
  - Plan to re-bid Border to Border bridge and trail projects in early 2015, construction through the year. (CD)

- **Industrial Corridor project with Angstrom**- Work to continue in 2015. (ED)

- **Promote use of business section of website and permit center** www.cityofypsilanti.com/permits - Staff utilizing quick links in correspondence as well as with incoming calls. Note also the following quicklinks:
  - cityofypsilanti.com/planning
  - cityofypsilanti.com/zoning
  - cityofypsilanti.com/planningcommission
  - cityofypsilanti.com/zba

- **Placemaking projects:**
  - Consideration of food carts/trucks in conjunction with DDA - food carts/trucks on private property permitted as part of approved zoning ordinance revision. (CD)
  - Continue work on Washtenaw/Cross pedestrian crossing issues with partners - MDOT has approved plan for mid-block crossing with HAWK at Washtenaw/Cross; anticipated construction by 2016. (CD)
  - Continue work with Friends of the Freighthouse on efforts to reopen - Continuing; anticipate release of RFP in February 2015. (CD)

8. Police Chief Tony DeGiusti submitted goals and accomplishments for the Police Department;

FY 2014-2015 MAJOR ACCOMPLISHMENTS

Personnel Issues

- Continue to move forward with hiring process to reach full staffing.
  - **Results:** Eight (8) Officers were hired and six (6) have been retained. Currently there are four (4) applicants in the final stages of the process. If these applicants successfully negotiate the FTO program the Department will be at full budgeted staffing of thirty-one (31).

- Select and implement the DDA Officer Position.
  - **Results:** Officer Harrison was selected and has been performing this function since September of 2014.

- Restructure the Department for greater efficiency.
  - **Results:** COAM Contract was negotiated and the Command Restructuring of the Department was accomplished and all promotions have been made. There was a substantial reduction in the wage scales for Sergeants and Lieutenants.

- Reduction of overtime.
  - **Results:** Although there is still improvements to be made in this area that will be achieved when the remainder of the restructuring plan is completed (this will be accomplished when we are at full staffing). There has been an improvement for every pay period in this year so far.

Community Policing

- Rejuvenate participation in COPAC
  - **Results:** The police department attended every COPAC meeting and is working on ideas for greater participation.

- Increase the participation of the VSC
  - **Results:** This goal is still on schedule and will be addressed further later in the year as it is contingent on the participation in the Citizens Police Academy.

- Explore the possibility of a Reserve Police Unit
  - **Results:** This idea was entertained, but tabled by the Chief in lieu of concentrating on hiring employees and VSC participation.

- Re-establish the Citizens Police Academy
  - **Results:** Accomplished. It is scheduled to start in January and applications are currently being accepted.
  - **Other Results in This Area:** The department was able to work with the Ypsilanti Community Schools and an agreement was reached to place a School Resource Officer in the Middle School. Officer Hunt received that assignment and it is going very well.
  - The department is involved in a program at Perry School where officers go to the school monthly and read to the children or participate in some other activity with them.
  - Youth Outreach: The department is currently working with and developing relationships with Ozone House, Dedicated to Making a Change and Mentor 2 Youth.

- Senior Outreach: The department has recently joined a working group that is seeking to resurrect the Triad and S.A.L.T. Council.

Collaboration

- Continue to explore resource sharing with Eastern Michigan University
  - **Results:** This area also included the WCSD and other partners and culminated in the Eastern Washtenaw Safety Alliance. This group formed the YCAT Team and is continuing to work together strategically and practically to enhance policing in the region.

- Maintain participation in countywide initiatives and explore the possibility of participating in a regional Accident Investigation Team and Dive Team.
  - **Results:** We have maintained our relationships in already active countywide initiatives. In addition we have fully integrated into the Countywide Accident Investigation Team and currently Officer Owens is going through the testing and evaluation process for the Dive Team.

Internal Review

- Revision and update of the policy manual and conversion to a Book of General Orders.
  - **Results:** This is a work in progress and will be a continuing goal at least through next year.

- Review and streamlining of Administrative Reports and processes for increased efficiency and removal of duplication of work.
  - **Results:** Accomplished. Duplication of work has been eliminated and there is a clear and concise process in place.

Technology

- Develop an on-line reporting system for certain types of reports.
  - **Results:** This is a project that is in progress. We are currently working with CLEMIS and Washtenaw IT. We expect that this goal will be achieved this year.

- The current in-car camera system and storage/review equipment has reached its end of life and components are no longer available. The system needs to be updated soon in order to keep this important program functional.
  - **Results:** Accomplished. Recently Council approved a project and expenditure that included these items as well as body cameras for the road patrol.

- Explore the options for bar coding evidence.
  - **Results:** This item has been temporarily been tabled until we conduct more research into space saving issues in the property room.

Equipment

- Patrol Rifle Lights need to be replaced.
  - **Results:** Accomplished. Equipment has been purchased and is in service.

- Speed Measuring Devices need to be replaced.
  - **Results:** Accomplished. Three (3) new LIDAR units have been purchased and are in service.

Building Issues

- The property room is overcrowded. A moveable shelving system needs to be installed to maximize space.
  - **Results:** This issue was tabled due to structural issues in the basement of the police department which includes the property room.

- There are multiple areas where structural concerns have become very noticeable these issues need to be studied and possibly repaired.
  - **Results:** A Structural Engineer has been to the department and made recommendations for repairs and monitoring of the structural issues. The repairs and monitoring devices have not been done yet.

- There are doors that need to be replaced and paint is needed throughout the station.
  - **Results:** This work has yet to be performed but is expected to be completed during this year.

Funding/Grants

- Continue to explore grant opportunities and look to other possible sources of funding.
  - **Results:**
    - A grant was submitted to the UDOJ Cops Office to hire a school resource officer. The grant was rejected.
    - The department applied for and received a 2014 Bullet Proof Vest Grant in the amount of $5,327.61.
    - A USDOJ Byrne Memorial Grant for technology was applied for and we were awarded $15,340.00.
    - A USDOJ Grant for LAWNET was received $24,607.00

FY 2015-2016 GOALS

5 Year Strategic Plan

✓ The method for this plan is to look at growing trends regionally and nationally, but the most important component will be the participation of the community. It is our intention to reach out to EMU, the business community, the faith community, the schools, neighborhood organizations and members of the community at large in order to incorporate their concerns in the plan.

Personnel

✓ Stabilize the full-time workforce and hire two part-time officers (one for Property and one for Traffic Services).

✓ Add a 32nd Officer (budgeted for 31 and Ypsilanti Schools are paying 10/12ths of one salary and DDA is paying for ½ of the DDA Officers salary). This position would go into the Detective Bureau.

K-9 Program

- Buky is nearing retirement age and it is unknown how long his health will allow him to work. In addition Officer Schembri is nearing retirement and would not be eligible for another K-9 partner. In order to avoid a gap in K-9 services it is important to select a new handler, purchase a new dog and train that dog to certification level before Buky retires.

Integration of Code Enforcement

- As part of the City restructuring it has been decided that Code Enforcement will be moved to the Police Department. This will require development of procedures and systems of cooperation with the Parking Bureau that will increase effectiveness and efficiency.

Laser Crime Scene Sketching

- There is equipment available that measures crime scenes and scenes of serious accidents with the use of a laser. This increases accuracy and then is transposed into a 3D crime scene sketch. Courts are becoming increasingly dependent on forensic evidence and this is one more step in solidifying cases.

Phone and Computer Forensic Evidence Retrieval

- The advent of Smart Phones and social media has driven police to examine them in search of key pieces of evidence that they contain. This type of skill and equipment are extremely complicated and user unfriendly. However, there is a high demand for this type of forensic review in most all of our most serious cases. It is our intention to enroll an officer in a training course that is sponsored by the Secret Service and obtain the hardware and software required to recover this type of evidence.

In-Service Training Consortium

- Some of the local departments have talked about collaborative training, especially in areas that are repetitive and policy is shared across the county (ALICE, Active Shooter etc.). Recently Washtenaw Community College has expressed an interest in being a partner in this venture. We are actively involved in this initiative.

Completion of whatever goals may be held over from the previous year.

9. DPS Director Stan Kirton submitted goals and accomplishments on behalf of the Department of Public Services;

FY 2014-2015 MAJOR ACCOMPLISHMENTS

- Work with Washtenaw County to Have Windows 7 Installed
- Plant Approximately 21 Trees thru DTE Grant
- Continue Working on CDBG Ramp Renovations
- Safety Improvement to the Charles, Mattingly and Hefley Playgrounds
- Complete Conversion of T12 Light Fixtures to LED in City Buildings
- Address the Solid Waste Deficit
- Sell Surplus DPS Vehicles & Equipment
- Tree Stump Removal
- Continue with Tree Removal

- Install Two Traffic Signal Controllers
- Prospect Bridge Rehabilitation Completed
- Urgent Road Repairs Completed
- S. Prospect resurfaced (Phase I) of the PRIP completed
- DPS Truck Port, YPD Car Port in Progress

FY 2015-2016 GOALS

- ✓ Complete Phase II of the PRIP, Reconstruction of N. Prospect St.
- Complete Signal Improvement Safety Project Prospect @ Michigan Avenue
- Continue to evaluate and remove priority 1 trees and others as needed
- Finish cleaning storm drains in Area 1 and clean storm drains in Area 2
- ✓ Continue Pavement Maintenance Program throughout the City

10. City Manager Ralph Lange submitted goals and accomplishment on behalf of the City Manager's Office;

FY 2014-15 MAJOR ACCOMPLISHMENTS

- **Investing in stabilizing the City's financial future**

    1. ***Energy efficiency***
        - Conversion of all City streetlights to LED technology; LED lights enhance safety and energy efficiency; cost savings are approximately $120,000 year
        - Conversion of hundreds of city facility light fixtures to LED technology; cost savings TBD

    2. ***Motor Pool***
        - Updated fleets with new vehicles, saving operating and maintenance cost
        - Building a truck and car port to protect the two largest fleets

    3. ***Work force-*** hiring more police and fire officers in order to reduce excessive amounts of over time

- **Fund Management-** effectively managing the city's major funds to return the city to a balanced budget

    1. ***General Fund-*** Most items listed in this report interconnect to manage the general fund (e.g. renegotiating all City labor contracts and services contracts). While continuing to operate in a deficit, however the General fund is operating with a significantly lower deficit than the projected deficits.
        - Deficit for FY 2012-2013- approximately $120,000
        - Deficit for FY 2013-2014- approximately $550,000
        - Spending increased due to hiring more police and fire personnel to bring operations to a sustainable level and reduce overtime; the City's debt services payments also increased.

2. ***Garbage Fund-*** when I started with the City, the garbage fund was out of balance by approximately $333,000 a year. Significant strides have been made to balance the garbage fund and operate within millage limitation.
    - This year my office spent several months analyzing solid waste collections prior to issuing a RFP for two new trash haulers. The new contracts saved the city approximately $230,000 per year with no reduction in services, when compared to the last year of the Waste Management's contract
    - The garbage fund deficit has been closed by approximately 75% and we are working to close the last 25%

- **Bond Rating-** the City secured a modest improvement in its bond rating by working to eliminate our negative outlook with Moody's

- **Capital improvements**

1. **Prospect Road Repairs-** joined State Rep. David Rutledge in lobbying and obtaining a $1.9 million in funding for comprehensive repairs of Prospect Road between Holmes and the I-94 bridge
    - Working with staff and consultants to maximize value of $1.9 million state grant

2. **Urgent Road Repairs-** Proposed the implementation of the Urgent Road Repair program, including a $16,300 contributions from EMU and AAATA for Adams Street

3. **Road Millage-** supporting efforts by the Washtenaw County Commission to levy a county-wide .5 mile road millage; value to the City would be approximately $145,000 per year.

- **Labor Contracts/Negotiations/Enhancing Public Safety**

1. **Eastern Washtenaw Safety Alliance (EWSA)**- Coordinated the City's participation in EWSA
    - The benefit to the city and the region has been a more effective use of scarce police resources, better response times and service addressing major crimes events and many other benefits. It also made the City's middle school resource officer contract possible. It has also greatly strengthened the City's cooperation and relationship with EMU and the Sheriff's office.

2. **Mil Reduction-** Administered policies and programs that lead to a .6 mil reduction of police and fire pension millage in FY 2013-2014, for the first time in over ten years

- **Switching from Community Blue to Medicare Advantage**- my office and Human Resources thoroughly researched the risks of switching, in addition to holding forums with retirees and Blue Cross representations. Since switching in December 2013, the City has significantly reduced costs of health insurance for retirees *[Estimated savings for 2014 is $250,000].*

FY 2015-2016 GOALS

- ✓ Spend more time for Economic Development efforts; sell City owned land
- ✓ Stabilize and hire staff needed to meet the City's priorities
- ✓ Continue to find new revenue sources and find ways to reduce expenses without cutting essential personnel and staff
- ✓ Work to balance the motor pool fund
- □ Keep the general fund deficit for FY 2014-2015 budget under $900,000

City Manager Ralph Lange provided a presentation regarding the financial report.

(See Website)

Mayor Edmonds asked for a few different scenarios, regarding Water Street, and their effect on projections.

Council Member Robb asked what the City would do with that information.

Mayor Edmonds replied it is a helpful assessment tool.

Council Member Vogt responded that it would help to describe the probability of success for certain strategies and to clarify them.

Council Member Robb stated his problem is that this is the City's plan and the City should follow through with the plan rather than spend time creating another plan.

Council Member Vogt replied the attempt is to understand the likelihood that the plan would be successful.

Council Member Robb stated this is the plan that Council has adopted and the plan that the City is striving for.

Council Member Murdock stated the survival of the City is based on the success of Water Street and the elimination of that debt. Mr. Murdock stated 2016 is in five months meaning the City is close to needing to implement the plan.

City Manager Lange stated the last scheduled payment is in May 2016 and the revenue developed must be received no later than the third quarter of 2016.

Council Member Murdock stated if there is an interested party in purchasing land in Water Street they will want a 12 to 18 month period to close before payment is made to the City.

Mr. Lange responded the City can use the fund balance to help pay down the Water Street debt.

Council Member Murdock stated the City could do what it is currently doing and use the fund balance to make the payments.

Mr. Lange responded that would not be sustainable.

Mayor Edmonds stated that she would like to know what the best, worst, and intermediate scenarios are for Water Street.

Council Member Vogt stated the Motor Pool fund drops after 2018 and the report shows increasing expenditures in FY2019-20 and asked why this is projected.

Mr. Lange responded the reason for that projection is the purchasing of equipment.

Council Member Murdock asked when will the City reestablish rates for vehicles and asked what the $100,000 line item signified.

Mr. Lange responded the Police was $100,000 a year and the Fire Department was $250,000.

Council Member Robb stated the question was what the cost is for each individual vehicle, including maintenance.

Council Member Murdock asked if the departments are being charged by the Motor Pool.

Mr. Lange responded when the final fleet is solidified those numbers will be provided. Mr. Lange added that staff will focus on what the revenues are and what the available cash is and if able to those purchases will be made in cash.

SEMCOG Facilitator Naheed Huq asked for each Council Member to list their three main goals for the next year.

N. Brown
- Fund balances involving Water Streets debt.
- Some type of youth involvement in the decision making process concerning Boards and Commissions.

Vogt
- Improve streets and roads.
- Continue to improve safety.
- Economic development.
- Overall fiscal stability/ Revenue enhancement, being more explicit of what the plan is and more specific on what the City will do if goals are not met.

Richardson
- Sale of Water Street property.
- Economic development throughout the City.
- Continue enhancement/expansion of community policing.

Robb
Stated this is one of the only times Council has all the department heads together and it defeats the purpose if the only information provided could be given in a short memo. Mr. Robb added he would have preferred to ask each individual department head questions on how to improve situations in their perspective departments.

Mayor Edmonds stated the goal of this meeting was to gather information of what each Council Member would like to get from each department head.

- What data is collected in each department and what is done with that data. Mr. Robb alluded to license plate scanners purchased by the Police Department.

  Chief DeGiusti responded the scanners have not been as effective as previously hoped.

- Council Member Robb asked if it is known how many parking enforcement tickets have been written and if they have been paid and if that information can be distinguished from year to year.

  Chief DeGiusti responded there are a limited number of years that can be collected.

  Council Member Robb stated there is no way to know how many outstanding tickets there are since the City switched vendors.

  Chief DeGiusti stated that the data Mr. Robb is referring was not provided by the previous vendor.

- Stated the City has an on-line "Action Ticket Center" which is useful, but does have one failing, it does not provide information on why items have been closed. Mr. Robb added that the City should investigate a better alternative.

- Would appreciate a list of consultants used by the City and the cost associated with the consultation.

- Would like to have the TASER reports reinstated.

Edmonds
- Market and sell Water Street.
- Engage citizens as leaders in marketing, recruiting, and supporting businesses.
- Position and market Ypsilanti as a place for sustainable green and creative businesses.
- Implement a strategy for park and recreation based economic and community development.
- Establish a sustainability commission and a youth commission.
- Prioritize physical components for community image.
- Increase employee satisfaction, health, and support.

A. Brown
- Improve perception of the City regarding public safety.
- Economic Development.
- Improve City Assets.
- Improve communication line from Council to residents.
- Water Street Development.
- Remove the recycling center and rail system.

SEMCOG Facilitator Naheed Huq stated the purpose of this exercise was to understand what the goals of leadership are in order to develop plans for implementation.

Council Member A. Brown asked if a suggestion of how to streamline the Council packet were presented how would that fit as a goal as it is more operational in nature.

Ms. Huq responded there will be two lists one for operational and one for aspirational. Ms. Huq added that the City does not have a mission statement. Ms. Huq presented an exercise in which each Council Member presented values associated with the City.

Mayor Edmonds replied diversity.

Council Member A. Brown replied Uniqueness, small enough to be a small city but diverse and broad enough that it could expand in many possible ways. Ms. A. Brown asked what Council's position is on shared services and that she is interested in looking at that possibility.

Council Member Vogt answered Perseverance and Determination of City leadership and citizens

Mayor Pro-Tem Richardson replied the citizens.

Council Member Robb stated there is a primary goal developed as a result of these meetings and does not understand why that is not seen as the City's Mission Statement.

Ms. Huq asked what that goal is.

Council Member Robb responded "to ensure Ypsilanti's long term financial viability and sustainability over the next 5 to 20 years, coupled with this goal, the City will provide its citizens with an appropriate level of services that allow the City to be perceived as a desirable place to live, work, and invest." Council Member Robb added from that statement his goal would be the ability to provide services.

Ms. Huq asked Council what they think the residents of Ypsilanti value most about the City.

Council Member A. Brown replied the people/neighbors.

Council Member Murdock answered the affordability.

Council Member Vogt stated the affordability and people.

Mayor Pro-Tem Richardson responded enjoyment of the small community feel.

Council Member Robb replied affordability.

Mayor Edmonds responded sense of community.

Ms. Huq asked what Council wants the City to be known for.

Council Member Vogt responded economic activity/development, financial stability, and public safety, the three major challenges currently facing the City.

Mayor Pro-Tem Richardson stated healthy economic activity/development and see the image of the City change positively, especially regarding safety.

Council Member Robb replied safety.

Mayor Edmonds replied safety, healthy, accessible/inclusive, and sustainable.

Council Member A. Brown responded as a City that was able to turn it around and become vibrant, especially in the downtown, and a perception of safety.

Council Member Murdock responded "to ensure Ypsilanti's long term financial viability and sustainability over the next 5 to 20 years, coupled with this goal, the City will provide its citizens with an appropriate level of services that allow the City to be perceived as a desirable place to live, work, and invest."

Council Member N. Brown stated that Ypsilanti be a safe, youth friendly, a more positive image seen by all, economic development, and a greater sense of equality in the city.

Mayor Edmonds added that the Ypsilanti be known for its strong schools and family oriented.

City Attorney John Barr added that citizens absolutely love the snow removal, Fire and Police Departments, the closeness to the university, recreational activities, cultural, friendliness, volunteerism, and location.

Council Member N. Brown added that Ypsilanti be known for innovation.

Mayor Pro-Tem Richardson stated that Ypsilanti has been on the cutting edge on certain issues including such items as law enforcement and revenue sharing.

Ms. Huq stated "to ensure Ypsilanti's long term financial viability and sustainability over the next 5 to 20 years, coupled with this goal, the City will provide its citizens with an appropriate level of services that allow the City to be perceived as a desirable place to live, work, and invest." Ms. Huq asked if this is an adopted goal of Council.

Council Member Vogt replied it was adopted as a goal around three years ago.

Ms. Huq asked if that statement still reflects individual Council Members goals and values, and does this reflect the City's current mission.

Council Member Murdock responded a mission statement should be broad and he doesn't think there was anything said that would not be covered in that statement.

Council Member A. Brown asked what an "appropriate level" of City services is.

Council Member Robb responded that is for Council to decide, it is based on what the City needs and how much funding is available.

Mayor Edmonds stated "appropriate levels" could be removed from the sentence and still conveys the same meaning. Mayor Edmonds added it is the City's responsibility to provide services but there are things that go beyond service such as leadership and marketing.

Ms. Huq stated normally a mission statement is more bold and asked if there are words, or principles that could be added to the mission statement. Ms. Huq asked if there are any other words that could be added to convey a mission that Council feels is appropriate.

Mayor Edmonds stated sustainable.

Council Member A. Brown stated viable and excellent.

Council Member N. Brown suggested diverse and inclusive.

Council Member Vogt stated to enhance the economic, social, and cultural well-being of the citizens.

Mayor Pro-Tem Richardson suggested the mission should suggest "place/destination".

Council Member Robb read Googles mission statement "to organize the world's information and make it universally accessible and useful". Mr. Robb added his suggested mission statement for

the City is to provide services that make Ypsilanti a place where individuals want to live, work, and play. Mr. Robb added that Google's mission statement is very simple and is one of the most powerful companies in the world.

Mr. Lange suggested that the mission statement include the word university.

Mr. Barr suggested the mission statement state "Ypsilanti is a great place to live".

Mayor Pro-Tem Richardson suggested "Ypsilanti is the best kept secret in Southeast Michigan". Mayor Pro-Tem Richardson also suggested that during the next goal settings meeting the department heads sit at the table with Council as their input is incredibly useful in setting goals for the City.

Council Member Murdock stated that during this brainstorming session there was a great deal of talk regarding economic development and not one suggestion of jobs, or job creation. Mr. Murdock added that 24% of Ypsilanti's population is below the poverty line and 60% of the County's citizens below the poverty line live in Ypsilanti. Mr. Murdock concluded that it may not be the function of city government to create jobs but City leadership should encourage job development.

Mayor Edmonds stated jobs should be a caveat of economic development.

Mr. Lange stated that is more of a function of the County but can be included in collaborative efforts with the City.

City Clerk McMullan suggested that perception of safety should be under the umbrella of marketing.

IX. AUDIENCE PARTICIPATION –

1. D'Real Graham, Ypsilanti Township, stated that the City of Ypsilanti is a vibrant setting for rigorous educational and professional activities and leisure. The goal setting session should focus on public understanding as well as equity and sustainability to bridge that disconnect, especially with youth.

X. REMARKS FROM THE MAYOR –

None

XI. ADJOURNMENT –

The meeting adjourned at 9:04 p.m.

DRAFT

City of Ypsilanti
City Council Goal Setting Minutes

Thursday, January 13, 2015
6:00 – 9:00 p.m.

Spark East – 215 W. Michigan Avenue
Ypsilanti, Michigan

I. CALL TO ORDER –

The meeting was called to order at 6:14 p.m.

II. ROLL CALL –

Council Member Anne Brown	Present	Council Member Robb	Present
Council Member Nicole Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Mayor Pro-Tem Richardson	Present		

III. INVOCATION –

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

IV. PLEDGE OF ALLEGIANCE –

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

V. INTRODUCTIONS –

None

VI. AUDIENCE PARTICIPATION –

1. Sigrid Melvin, 41 W. Michigan Ave., stated the Town Center has a serious issue with bed bugs and little is being done to rectify the problem. There are other issues such as leaking ceilings that have not been repaired for months. Ms. Melvin stated management rarely meets with tenants to address these problems and the building is not assigned a social worker.

VII. REMARKS FROM THE MAYOR –

- Stated many years ago the EMU Social Work program developed the residence councils and there are efforts to reengage those councils, specifically on how to handle tenant advocacy.

Mayor Pro-Tem Richardson stated there have been city inspections that have found evidence of what Ms. Melvin was referencing. Mayor Pro-Tem Richardson stated she has been in contact with MSHDA regarding that issue and will follow up with her source.

Council Member A. Brown stated Congressman Rutledge has been working with the residents of Chidester to ensure that their issues will be addressed.

VIII. <u>DISCUSSION ITEMS</u> –

Amanda Edmonds, Mayor
Facilitators Naheed Huq and Trevor Layton, SEMCOG

Goal Setting Overview and Process

City Manager Lange provided a presentation on possible budget scenarios to regain budgetary sustainability for the City of Ypsilanti.

Mayor Edmonds asked if all three scenarios are assuming a 3% interest rate.

Mr. Lange responded yes.

Mayor Edmonds asked if the second scenario assumes $1 million in sales between now and 2016.

Mr. Lange responded yes, after the $245,000 of revenue developed from the Herman Kittle and Family Dollar leaving $13 million remaining. This scenario separates the cost between the fund balance and $2 million in the sale of property.

Council Member Murdock asked for the amount the City accumulated in the sale of property.

Mr. Lange responded around $185,000 from the Family Dollar.

Mayor Edmonds asked how Mr. Lange came about the $250,000 amount.

Mr. Lange replied the sale of Herman Kittle property.

Council Member Murdock stated the Herman Kittle deal has not yet been completed.

Mr. Lange responded correct, and added the City would have to sell about $1.1 million worth of property to achieve this scenario.

Council Member Murdock stated in terms of tax increment financing (TIF) after Family Dollar how much will the City be in the hole regarding taxable value.

Mr. Lange stated around $1 million state equalized value, but after Family Dollar the City will still be in the hole around $2.2 million. Mr. Lange said the Herman Kittle project is a $10 million project and the City would receive around $2.2 million in tax revenue. Mr. Lange stated he did not include TIF in any of the scenarios, so if there is tax captured the projection would increase.

Council Member Murdock asked at what date the City will be able to deal with the debt.

Mr. Lange responded May 2016 is the first time to refinance without penalty.
Council Member Murdock asked if there is a window that this can be completed.

Mr. Lange responded before the May 2016 date the City would be assessed a penalty, but it should be done as quickly as possible, however the City can pay the debt down at the same time as it goes through refinancing. Mr. Lange added refinancing can cost $100,000's, so the best strategy would be to refinance only one time.

Mayor Edmonds asked if the funds needed to refinance are reflected in the budget scenarios.

Mr. Lange responded they are not.

Council Member Robb stated that he thought 2006 refinancing was less than $100,000.

Mr. Lange stated he is not positive on the actual amount, just that it is expensive.

Council Member Murdock stated on May 2016 the bond can be refinanced.

Mr. Lange responded yes.

Council Member Murdock asked what would be the lifespan of the new bond.

Mr. Lange responded the limit would be 25 years for the total, or 15 years at 3%.

Mayor Pro-Tem Richardson asked if that would take the City to 2031.

Mr. Lange responded yes.

Council Member Murdock stated currently the City has reserved three years of payments, and it is possible to follow that same process till 2019. Mr. Murdock added the three years could provide the City with some time to spur development on Water Street.

Mayor Edmonds asked Council Member Murdock if it would be helpful to look at the restricted and unrestricted parts of the fund balance. Mayor Edmonds asked to see some of the assumptions of possible sales being developed by the Economic Development consultant.

Council Member Murdock asked how many acres on Water Street are actually sellable.

Mr. Lange responded about 13 acres.

Council Member Robb asked if the City needs $2 million worth of taxable value an acre to make the debt payment.

Mr. Lange stated he is looking at the sale price of the land.

Council Member Murdock stated the whole purpose of the tax increment finance plan for the development is to create enough taxable revenue to pay the debt.

Mr. Lange stated first the property must be sold. The TIF capture will do little to help pay the debt, at least in this decade.

Council Member Murdock stated the sale of the property isn't going to make the payments.

Mr. Lange stated it will help to lower the debt.

Council Member Murdock stated the reason the City holds three years of payments in the reserve is if an interested party built anything it would take three years to develop any revenue.

Mayor Edmonds asked for more in depth scenarios to help Council better understand the situation.

Council Member Robb asked what the Mayor plans on doing with that data, staff time is finite and before we dedicate staff time to creating these scenarios it should be known what will be done with the data.

Mayor Edmonds responded it helps Council look at proposed projects and what the return will be on those projects in order to allocate resources effectively.

SEMCOG Facilitator Naheed Huq provided an overview of what the function of SEMCOG is.

1. Debrief of Goal Setting meeting of January 8, 2015 – Layton
2. Outstanding Questions

Council Member A. Brown asked that the City Manager and the DPS Director include the park system in their goals for next year.

DPS Director Kirton asked for more specific parameters regarding the park system.

Council Member A. Brown responded increase the maintenance and make necessary repairs to avoid safety hazards. If the City plans on using the parks as a component of economic development that aspect needs to be part of the plan.

Mr. Kirton stated those goals can be accomplished but it takes funding and personnel to complete. Mr. Kirton added years ago the recreations department was reduced due to budget constraints.

Council Member A. Brown stated park maintenance needs to be a goal, or they will continue to become dilapidated.

Mr. Kirton stated at the moment the City employs one person that maintains 91 acres.

Mayor Pro-Tem Richardson asked if this employee only mows lawns for eight hours a day.

Mr. Kirton replied yes, during the summer months unless it rains.

Council Member Murdock stated there is no doubt that there have been issues with the parks due to lack of staff. Mr. Murdock stated the park system is a valuable asset to the City and should be properly maintained.

Mayor Edmonds asked Council Member A. Brown which category would parks be placed.

Council Member A. Brown responded either under economic development, or citizen engagement.

Council Member Murdock stated it could also fall under the umbrella of asset management.

Mayor Edmonds asked how Council Member Murdock would articulate that goal.

Council Member Murdock responded the City should be ready to take advantage of opportunities to address certain plans.

Mayor Edmonds stated priorities should be addressed so that the City can allocate funds effectively.

Mayor Pro-Tem Richardson asked Chief DeGiusti what is involved in the Police Department's five year strategic plan.

Chief DeGiusti responded the plan is not yet complete it is a goal of the department this year.

Mayor Edmonds asked Council Member Robb if there is a goal statement to recognize the City's effectiveness and efficiency of using data.

Council Member Robb stated if he were running this session he would ask each Council Member what their goals are for this year and they can be formed into policy that the City Manager can accomplish.

Council Member A. Brown asked if there was anything listed under economic development other than jobs.

Ms. Huq responded at the time this was finalized the Water Street issue was kept separate and much of the economic development goals were focused on that specific area of the City.

3. Ex 1: Review and Approve Mission Statement

Ms. Huq stated SEMCOG drafted a mission statement for Ypsilanti based on discussion from the January 8, 2015 meeting and it is as follows; "creating a community of excellence through investment in sustainable services, financial stability, citizen engagement, and inclusive policies that enhance the economic, cultural, and social wellbeing of all citizens". Ms. Huq asked if the mission statement reflected the views of the Council.

Council Member Vogt stated he found the statement surprisingly good.

Council Member N. Brown echoed Mr. Vogt's statement.

DPS Director Kirton stated the word "creating" makes Ypsilanti sound like a new city.

Ms. Huq asked for a word that would better suit Ypsilanti.

Council Member Vogt suggested established.

Mayor Edmonds suggested ensure.

Council Member A. Brown suggested the mission statement begin "Ypsilanti will be a community…"

City Clerk McMullan suggested the statement begin "Ypsilanti is a diverse community focusing on excellence…"

Mayor Edmonds stated "Ypsilanti is a diverse and sustainable focusing on…" and finish with live, work, or visit, instead of citizens.

Council Member Robb stated a mission statement suggests what Ypsilanti wants to be, the proposed mission statement describes what we are.

Council Member Vogt stated the mission statement should begin "Ypsilanti will be a…" and saying Ypsilanti "is" suggests that Ypsilanti has already reached its goals.

Mayor Edmonds raised an issue regarding "will be" as opposed to "is" stating it does not show value in what is already present in Ypsilanti.

Council Member Robb stated the function of city government is to provide services and would prefer this mission statement be simple, unless it is a goal of the city as a whole.

Council Member A. Brown stated the mission statement can be simple and this statement can act more of an operating statement so staff can understand the City's focus.

Mayor Edmonds stated whether the length is short or long this statement should broadly encompass what Ypsilanti is working to become.

Council Member Robb stated he agrees and that is why it should primarily focus on services as Council does not hold events that teach diversity or inclusiveness.

Mayor Edmonds stated Council creates policy that impacts those issues.

Council Member Robb stated he agrees, but the proposed statement does not focus on services, or policy it says the community as a whole is diverse.

Mr. Lange stated when he mentions Ypsilanti to individuals outside of the state it is equated to Eastern Michigan University and the mission statement should reflect that.

Mayor Edmonds stated that she has not heard a consensus from Council that Ypsilanti should be branded as a College Town and she does not feel that should be Ypsilanti's main branding.

Council Member N. Brown stated that the mission statement should not be too wordy, but the word dedicated may be useful in the mission statement.

Assistant City Manager Ericka Savage stated a mission statement is different than marketing as are tag line. Ms. Savage stated the goals should be separate and the mission statement should focus on what the City wants to do.

City Attorney John Barr asked what the purpose of a City is and he agrees with Council Member Robb and that should be reflected in the mission statement. Mr. Barr added there is a difference between a purpose and a method.

Ms. Huq stated she can rework the mission statement and can send it to Council for review and suggestions.

Mayor Edmonds stated mission statements can change by the type of organizations that develop them.

4. Ex 2: Approval of 2015 Priority Goals/Focus areas
   Should any of the master Plan guiding values be added to priority goals?

Mayor Edmonds asked City Attorney Barr how goals of department heads and goals of Council Members interact with one another.

Mr. Barr replied the city employees are hardworking and dedicated and have the best interests of the city in mind. Mr. Barr stated he would keep things simple and decide on three things that Council wants to focus staff time.

City Manager Lange stated three priorities are economic development, safety including police, fire, and code enforcement, and Water Street.

Council Member A. Brown asked if employee health and satisfaction could be moved under the Human Resources umbrella.

Council Member Robb stated not necessarily, he would like to overhaul the City's healthcare system stating the City's premiums are 20% higher than those at his employment.

Council Member A. Brown asked if Mr. Robb's policy is managed by Human Resources.

Council Member Robb replied yes, but in regards to Ypsilanti it is a goal of fiscal stability.

Ms. Huq asked if employee health and satisfaction be moved under the "balanced budget" category.

Council Member Robb stated it would be helpful to review last year's goals to see what was accomplished and decide if those that weren't accomplished should still be pursued.

Mayor Edmonds stated that was a part of the January 8, 2015 presentation.

Council Member Robb stated he would like to get certain things done such as switching healthcare plans. If Council Member A. Brown wants to work on parks then it can be suggested as a priority and open for debate. Mr. Robb added there has been discussion on how to improve the image of the City and the way to do that is to improve the public safety. What Council decides on as a priority will be reflected in the budget when it's prepared in May.

Mayor Edmonds stated the next exercise narrows the goals down to a more manageable directive for staff.

Council Member Robb stated much of what has been discussed so far does not mean anything and he wants to discuss things that can be accomplished.

Ms. Huq asked if it Water Street should fall under the Economic Development category.

Council Member Murdock stated Water Street should fall under the budget category as it is much more crucial to the financial stability of the City.

Should any of the goals be merged?

5. Ex 3: Development of actions for each priority goal
   Actions
   Champion
   Measures/Data Needs

Fiscal Stability/Budget – Council Member Robb, Council Member Vogt, Fiscal Service Director Marilou Uy, Council Member Murdock, and Council Member A. Brown

Council Member Robb stated the champion of this issue is City Manager Lange. The actions are as follows;

- Present a detailed plan on the restructuring of the debt/ how to achieve all goals.
- Manage ongoing debt.
  - Reduce pension cost and millage.
  - Continuing healthcare reduction.
- Healthcare; investigate a wellness plan to reduce rates.
  - Hold Special Session to formulate plan.
- Energy Efficiency.
  - Continue to examine opportunities of solar on buildings and other City owned properties.
  - Staff complete Return on Investment of energy efficiency conversions.
  - Pen Dam report/ investigate how to generate power from that structure.
- Storm water management plan.
  - Apply for grant to complete that plan.
- Capital improvement plan.
  - Adopt that plan and prioritize what can be accomplished.
- Surplus properties/ are they sellable?
- Park Plan
  - Prioritize what can be done in that plan.
- Local Street Millage.
  - Are there mechanisms to continue street improvements?
- Streetlight assessment.
  - At what point does this become a serious option.

6. Break
7. Ex 4: presentation of priority actions

Mayor Edmonds asked if the drain commission office could assist in drafting a storm water management plan.

Economic Development – Mayor Edmonds and City Manager Lange

- Sell City Owned Property, throughout the City.
    - Create marketing strategy.
    - Measure: Income from property sold.
- Ensure anchor developments move forward.
    - Make sure the Rec Center continues to move forward.
    - Find a second anchor.
    - Measure: Development deals being secured.
- Move occupancy of Angstrom facility moving forward.
    - Recruit and assemble clusters of users to create jobs and other economic activity.
    - Measure: At least one company secured.
- Proactively support retention and growth of businesses, especially locally owned businesses.
    - Develop outreach strategy.
    - Assist business gain financing and other resources.
    - Measure: Number of new jobs created.
- Attract startups.
    - Partner with universities.
    - Support incubators as appropriate.
- Bring more dollars to town.
    - Actively leverage relationships with financial institutions and investors.
    - Further collaborate with existing businesses.
    - Measure: Dollars brought to businesses.
- Support "palcemaking".
    - Multimodal transit.

Council Member Robb stated there is a marketing strategy that is now seven years old, should the City develop a new plan.

Mr. Lange responded that can be done privately by Herman Kittles as they won't invest without performing their own studies.

City Planner Bonnie Wessler stated the City is working with other communities in the County to perform a target market analysis for housing on the Water Street.

Mayor Edmonds stated as a "redevelopment ready city" Ypsilanti can investigate what services the MEDC would provide.

Council Member Robb asked when we approach possible investors and provide demographic analysis that information would come from the last plan, developed in 2008.

Mayor Edmonds stated the Water Street packet includes much of that information and it is fairly current.

Safety – Council Member Robb, Chief Anthouard, and Chief DeGiusti.

- Continue to fully staff the Police and Fire Departments in accordance with the budget.

- 32nd Officer.
- Part-time officers.
- SAFER Grant.
- Continue to peruse the replacement of the fire engine.
- Mutual aid agreement
- Continue vigorous code enforcement.
- Broken windows theory – beatification of all City property and encourage the improvement of private property.
    - Working with the Sheriff's Department to leverage extra assets.

Chief DeGiusti stated that he and Fire Chief Anthouard working toward more public programs and there was not much public involvement.

Council Member A. Brown asked how the Eastern Washtenaw County Safety Alliance effecting policing of Ypsilanti.

Chief DeGiusti responded it has been a great benefit.

Marketing – Mayor Pro-Tem Richardson and Assistant to the City Manager Savage

- Product: a great place to live, work, and play.
- Price: Affordable
- Place: Ypsilanti is filled with destinations (EMU, Museums, the river, events).
- Promotion: Press releases, restaurants, safe measures, social media exposure.
    - Tag lines: Best kept secret in Southeastern Michigan and the Home of Eastern Michigan University.
- Measures: Budget – funds for marketing, hire a professional marketing person to
    - Pick a feature a month on social media.
    - Tap into EMU students to help perform marketing strategies.
    - Advertising
    - Tap into SEMCOG, EMU, DDA, CVB, MML, and Suburb alliance.

Mayor Pro-Tem Richardson asked why the DDA was not represented at the goal meeting session. One report stated the DDA Board does not want the DDA director to try and pull interest into Ypsilanti. Mayor Pro-Tem Richardson stated the DDA board should be examined and changed if they are deemed ineffective.

Mayor Edmonds stated when she joined the DDA Board four years ago that was the feeling and now the board composition reflects the opposite. The new DDA strategic plan focuses both on business retention and development.

City Attorney Barr asked what the percentage of the budget spent on marketing is.

Council Member Robb stated about the percentage devoted to maintaining the City's website.

Mr. Barr asked what the percentage that Ford Motor Company spends is.

Council Member Robb stated the difference is that Ford is selling a product.

Mr. Barr stated that Ypsilanti is also selling a product.

Mayor Pro-Tem Richardson stated the City is selling Ypsilanti as a place to live, work, and play.

Citizen Engagement – Council Member N. Brown and City Clerk Frances McMullan

- Developing communication method in which Council communicates with the community routinely.
    - Through newsletters, social media, town hall meetings.
    - Establishing a youth commission.
    - Appealing to the "friends" groups.
    - Promoting the "Adopt a Park" initiative.
    - Develop partnerships with local businesses.
    - Collaborating with Public Safety.

Mayor Edmonds stated the DDA just created an Adopt a Block program for urban clean-up.

Council Member A. Brown stated the Adopt a Park, in regards to the Park Commission is interested in placing the application on-line. She asked if Council meetings must be held at City Hall, or can the move around.

Council Member Robb stated certain Americans with Disability Act (ADA) requirements must be adhered to as well as microphones present at the facility.

Mayor Pro-Tem Richardson stated meetings have been held at other locations.

Employee Wellness – Mayor Edmonds

- Support City employee success in carrying out work of city government.
- Initiatives that retain a strong and satisfied workforce.
    - Professional growth/development.
    - Reasonable clear codes.
    - Opportunities for recognition.

Sustainability – City Planner Bonnie Wessler

- Reduce overall energy costs.
- Explore alternative energy sources in city facilities.
- Motor Pool.
- Encourage developers to follow green sustainable best practices
- Pursue storm water management plan
- Pursue grants to leverage these programs.

Council Member Robb asked when Council will see this list of goals and if this current list is chosen he will vote against it.

Ms. Huq stated the plan is to move through a prioritization process however the amount of information given to the facilitators would make it difficult to vote. This document can be refined via email and then, as a group, it can be decided how Council wishes to move forward.

Ex 5: Prioritization exercise

City Attorney Barr reminded Council of January 15, 2015 Special Meeting at 7:30 a.m.

IX. AUDIENCE PARTICIPATION –

None

X. REMARKS FROM THE MAYOR –

- Informed Council that the Freight House crowdfunding campaign will be going live.

XI. ADJOURNMENT –

The meeting was adjourned at 9:23 p.m.

Resolution No. 2015 – 012
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the following items be approved:

1. Resolution No. 2015-013, approving Ordinance No. 1239, an ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act"). ***(Second Reading)***

2. Resolution No. 2015-014, to amend the City Charter to provide that the Mayor and Council Members are to maintain their qualifications for office continuously throughout their term.

3. Resolution No. 2015-015, to amend the City Charter to allow members of City Council to serve on City boards and commissions when permitted by law.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

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

REQUEST FOR LEGISLATION

DATE: December 23, 2014

FROM: John M. Barr

SUBJECT: Ordinance to Amend Strong Future PILOT to Include Additional Parcels

SUMMARY/BACKGROUND

On February 4, 2014, City Council adopted Ordinance No. 2014-1210, which authorized the Mayor and City Clerk to enter into an Option to Purchase Land Agreement with Strong Future LDHA Limited Partnership for the sale of the remaining city-owned low income housing, excepting Parkridge (which was dealt with by Ordinance 2014-1209). The purpose of this agreement was to show site control by the limited partnership in order that their application for tax credits from the Michigan State Housing Development Authority be approved.

This application was so approved and the parties are moving forward to complete the sale of those sites. The limited partnership has submitted site plans for the anticipated redevelopment and rehabilitation of the properties. As part of this plan, the limited partnership anticipates constructing a new building at both the Paradise Manor and Hollow Creek sites. These buildings will house management and social service operations and will be used for other purposes as well. In order to construct these buildings, the City would need to sell the parcels it owns that are adjacent to these sites. To this accomplish this, City Council adopted Ordinance 2014-1236 on December 16, 2014, which approved this conveyance by quitclaim deed to the limited partnership.

Now that such a conveyance has been approved, the two parcels are part of the overall project and the ordinance approving the payment in lieu of taxes for the project needs to be amended. This proposed amended amends Ordinance No. 2014-1212 to include these two parcels with the remaining project PILOT.

ATTACHMENTS: Proposed Ordinance

RECOMMENDED ACTION: Review and adoption

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

City of Ypsilanti
Ordinance No. 1239

An Ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act").

WHEREAS on February 4, 2014, City Council for the City of Ypsilanti adopted Ordinance No. 2014-1212, "City of Ypsilanti Tax Exemption Ordinance-Scattered Site"; and

WHEREAS this ordinance established a Payment in Lieu of Taxes (PILOT) for several parcels to serve as housing for low income persons and families owned and operated by Strong Future LDHA Limited Partnership; and

WHEREAS since adopting this PILOT, two additional parcels have been added to the project; and

WHEREAS the PILOT needs to be amended to incorporate these additional parcels; and

NOW THEREFORE:

1. THE CITY OF YPSILANTI ORDAINS that Section 2 of Ordinance No. 2014-1212, "City of Ypsilanti Tax Exemption Ordinance-Scattered Site" be amended to read as follows:

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City of Ypsilanti (the "City") is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from ad valorem taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City acknowledges that the Sponsor (as defined below) has offered, subject to the approval of an application to the U.S. Department of Housing and Urban Development's

Rental Assistance Demonstration Program and subject to receipt of an allocation under the LIHTC Program by the Michigan State Housing Development Authority, to acquire, rehabilitate, own, and operate a housing project identified as Scattered Site Housing Project on certain property located at parcels 11-11-09-170-023, 11-11-39-145-029, 11-11-10-267-003, 11-11-39-414-005, 11-11-37-100-001, 11-11-37-202-001, 11-11-37-152-010, 11-11-10-355-037, 11-11-37-153-007, 11-11-37-201-001, 11-11-39-481-010, 11-11-39-145-030, 11-11-09-170-024 and 11-11-39-484-001 in the City to serve low income persons and families (the "Project"), and that the Sponsor has offered to pay the City on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

2. 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.

3. 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 Ypsilanti Courier. 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 _____, 2015.

_____
Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. _____ was published in Washtenaw Now on the _____ day of _____, 2015.

_____
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 _____, 2015.

_____
Frances McMullan, City Clerk

Notice Published: ___December 25, 2014_____

First Reading: ___January 6, 2015_____

Second Reading: __January 20, 2015_____

Published: _____

Effective Date: _____

Resolution No. 2015—013
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "An Ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act")" be approved on Second and Final Reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

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Daniel J. DuChene

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

REQUEST FOR LEGISLATION

DATE: January 16, 2015

FROM: John M. Barr

SUBJECT: Proposed Charter Amendments

SUMMARY/BACKGROUND

On August 7 last year, City Council considered 11 amendments to the City Charter that stemmed largely from the previous Charter revision question that had previously been rejected by the voters. City Council approved 10 of those 11 amendments, which were put before the voters the following November. Nine of those 10 amendments were adopted.

On May 5, there will be a state-wide election to consider the proposed tax changes related to transportation and road funding. Councilmember Murdock has proposed that the amendment that failed to pass City Council in August be adopted and put before the voters at this election. The amendment would allow Councilmembers to serve on City boards and commissions when permitted by law. The second amendment requires that councilmembers and the mayor maintain their qualifications under the Charter, be a qualified elector in the City or respective ward, throughout their term of office.

Each proposal will require a separate resolution and will have a separate RFL explaining the rationale. In order to pass City Council, each resolution will need to be approved by 3/5 vote of Council. If so adopted, the amendment will be put before the voters of the City on the May 5 ballot. This will be a special City election, but will on the same ballot as the state-wide proposal.

ATTACHMENTS: RFL for each proposal and resolution

RECOMMENDED ACTION: Consider each proposal separately

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

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

REQUEST FOR LEGISLATION

DATE: January 16, 2015

FROM: John M. Barr

SUBJECT: Amendment to require that the Mayor and Councilmembers are to maintain their qualifications for office continuously throughout their term

SUMMARY/BACKGROUND

The Charter currently provides that the mayor and members of council must be "qualified electors in the City and ward from which they seek to be elected at least 30 days prior to the filing deadline for the office." There is concern that this provision of the Charter does not require office holders to maintain such qualifications throughout their term and that after election the mayor or a councilmember could move anywhere and still maintain his or her seat. This proposed amendment would specifically require that these holders of office maintain these qualifications throughout his or her term.

ATTACHMENTS: Proposed Charter Amendment

RECOMMENDED ACTION: Review and Consideration

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

Resolution No. 2015-014
January 20, 2015

Resolution to Amend the City Charter to provide that the Mayor and Councilmembers are to maintain their qualifications for office continuously throughout their term

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

WHEREAS, Section 21(1) of the Home Rule City Act (HRCA), MCL 117.21(1), authorizes a city council to adopt a resolution proposing to amend the city charter by a three-fifths vote of its members-elect, and the resolution proposing to amend the city charter must set forth the exact wording of the proposed amendment to be submitted to the city voters for approval at a regular or special election, and;

WHEREAS, The resolution must set forth the ballot language for the proposed charter amendment—with each proposal being limited to a single subject, and if the subject of a proposal includes more than one related proposition, each proposition shall be separately stated as a ballot proposal to afford an opportunity for a separate vote of the city voters for or against each proposition, and

WHEREAS, Section 21(2) of the HRCA, MCL 117.21(2), requires that the ballot language for the submission to the city voters of each proposed amendment shall be limited to 100 words, exclusive of caption, shall be a true and impartial statement of the purpose of the amendment, and shall not create prejudice for or against the proposed amendment,

NOW THEREFORE BE IT RESOLVED that Article II, Section 2.02(c) of the Ypsilanti City Charter shall be amended as follows:

> *Qualifications*. The Mayor and Council Members must be qualified electors in the City and the ward from which they seek to be elected at least 30 days prior to the filing deadline for the office and must maintain such status continuously throughout the term of office.

The current charter section(s) being altered by this amendment provides as follows:

> *Qualifications*. The Mayor and Council Members shall be qualified electors in the City and the ward from which they seek to be elected at least 30 days prior to the filing deadline for the office.

BE IT FURTHER RESOLVED that the ballot language for the proposed amendment shall be as follows:

Shall Article II, Section 2.02(c) of the Ypsilanti City Charter be amended to provide that the Mayor and Councilmembers are to maintain their status as qualified electors continuously through their term of office?

Yes ____ No ____

BE IT FURTHER RESOLVED that the City Clerk shall transmit a certified copy of this resolution to the Governor of the State of Michigan for approval of the proposed amendment (MCL 117.22) and transmit a certified copy of this resolution to the Attorney General of the State of Michigan for approval of the proposed ballot language for the proposed amendment (MCL 117.21).

BE IT FURTHER RESOLVED that the proposed amendment shall be submitted to the qualified electors of the City of Ypsilanti at a special election to be held in the City on May 5, 2015, and the City Clerk is directed to give notice of the election and notice of registration in a manner prescribed by law and to do all things and to provide all supplies necessary to submit the Charter amendment to a vote of the electors as required by law.

BE IT FURTHER RESOLVED that the proposed charter amendment shall be published in full, together with the existing charter provision amended as required by law.

BE IT FURTHER RESOLVED that this proposed charter amendment must be posted, in full, in a conspicuous place in each polling location.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

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William F. Anhut ~ Of Counsel – Retired
Jennifer A. Healy ~ Legal Assistant

REQUEST FOR LEGISLATION

DATE: January 16, 2015

FROM: John M. Barr

SUBJECT: Amendment to allow Councilmembers to serve on City boards and commissions

SUMMARY/BACKGROUND

This is currently only permitted if required by law. The Planning Commission unsuccessfully recommended to the Charter Commission that the Charter be changed to allow for a councilmember to serve on the Planning Commission thinking that this would provide some avenue of communication and coordination between the two bodies. There are also times that an elected member may be desirable to serve on other commissions, especially with intergovernmental organizations, such as YCUA or AAATA. The appointment process would remain the same with the Mayor recommending and Council approving. Other communities such as the City of Ann Arbor and Ypsilanti Township have elected officials serving on their boards and commissions.

ATTACHMENTS: Proposed Charter Amendment

RECOMMENDED ACTION: Review and Consideration

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:

Resolution No. 2015-015
January 20, 2015

Resolution to Amend the City Charter to allow members of City Council to serve on City boards and commissions when permitted by law

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

WHEREAS, Section 21(1) of the Home Rule City Act (HRCA), MCL 117.21(1), authorizes a city council to adopt a resolution proposing to amend the city charter by a three-fifths vote of its members-elect, and the resolution proposing to amend the city charter must set forth the exact wording of the proposed amendment to be submitted to the city voters for approval at a regular or special election, and;

WHEREAS, The resolution must set forth the ballot language for the proposed charter amendment—with each proposal being limited to a single subject, and if the subject of a proposal includes more than one related proposition, each proposition shall be separately stated as a ballot proposal to afford an opportunity for a separate vote of the city voters for or against each proposition, and

WHEREAS, Section 21(2) of the HRCA, MCL 117.21(2), requires that the ballot language for the submission to the city voters of each proposed amendment shall be limited to 100 words, exclusive of caption, shall be a true and impartial statement of the purpose of the amendment, and shall not create prejudice for or against the proposed amendment,

NOW THEREFORE BE IT RESOLVED that the second paragraph of Article IX, Section 9.03 of the Ypsilanti City Charter shall be amended as follows:

> All members of the City boards and commissions established under this Charter, by statute or otherwise, shall be appointed by the Mayor, subject to the approval and confirmation by a majority vote of the City Council. Council Members may be appointed to serve on a board or commission when permitted by law. Whenever any statute or law requires that the appointment of members of a board or a commission established under this Charter, by statute or otherwise, be by the chief executive or administrative officer of the City, such chief executive or administrative officer, for the purposes of such appointment, shall be deemed to be the Mayor, and an appointment in such cases shall be subject to the approval and confirmation by a majority vote of the City Council.

The current charter section(s) being altered by this amendment provides as follows:

> All members of the City boards and commissions established under this Charter, by statute or otherwise, shall be appointed by the Mayor, subject to the approval and confirmation by a majority vote of the City Council. Council Members may be appointed by the Council to serve on a board or commission only when the service is required by State law. Whenever any statute or law requires that the appointment of members of a board or a commission established under this Charter, by statute or otherwise, be by the chief executive or administrative officer of the City, such chief executive or administrative officer, for the purposes of such appointment, shall be deemed to be the Mayor, and an appointment in such cases shall be subject to the approval and confirmation by a majority vote of the City Council.

BE IT FURTHER RESOLVED that the ballot language for the proposed amendment shall be as follows:

> Shall the second paragraph of Article IX, Section 9.03 of the Ypsilanti City Charter be amended to allow members of City Council to serve on City boards and commissions when permitted by law?
>
> Yes ____ No ____

BE IT FURTHER RESOLVED that the City Clerk shall transmit a certified copy of this resolution to the Governor of the State of Michigan for approval of the proposed amendment (MCL 117.22) and transmit a certified copy of this resolution to the Attorney General of the State of Michigan for approval of the proposed ballot language for the proposed amendment (MCL 117.21).

BE IT FURTHER RESOLVED that the proposed amendment shall be submitted to the qualified electors of the City of Ypsilanti at a special election to be held in the City on May 5, 2015, and the City Clerk is directed to give notice of the election and notice of registration in a manner prescribed by law and to do all things and to provide all supplies necessary to submit the Charter amendment to a vote of the electors as required by law.

BE IT FURTHER RESOLVED that the proposed charter amendment shall be published in full, together with the existing charter provision amended as required by law.

BE IT FURTHER RESOLVED that this proposed charter amendment must be posted, in full, in a conspicuous place in each polling location.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

REQUEST FOR LEGISLATION
January 20, 2015

To: Mayor and Council

From: Judi Smith, Human Resources

Subject: Adoption of Basic as the City's Flexible Spending Account (FSA) Provider

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City staff is requesting the adoption of Basic as its Flexible Spending Account (Cafeteria Plan under Section 125 of the Internal Revenue Code of 1986) provider beginning January 1, 2015, and ending December 31, 2015. This FSA is funded solely by the employee's salary payroll contribution.

In the past, participation in the program was approved administratively by the City Manager. City Staff is bringing this to Council because Basic has requested an approved resolution from City Council to continue to offer this program to city employees.

The City believes it is in the best interest of its employees to continue to offer a Flexible Spending Account and is requesting City Council approve the attached resolution to retain Basic as its FSA provider.

RECOMMENDED ACTION: Approval

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: 01/20/2015

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2015-016
January 20, 2015

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 its employees to continue to offer its Cafeteria Plan under Section 125 of the Internal Revenue Code of 1986, as amended, and

WHEREAS, the City Council acknowledges and does hereby declare the intention of Basic to continue the Flexible Spending Account, but reserves the right to terminate or amend the Plan at any time with Basic; and

RESOLVED, that the Human Resources Department of the City of Ypsilanti will make this benefit known to all City employees and provide them with contact information to enroll in this supplemental benefit.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council authorizes the Human Resources Department to retain Basic to provide the Flexible Spending Account to City employees for the calendar year of January 1, 2015 through December 31, 2015.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

THE CITY OF YPSILANTI FBP CAFETERIA PLAN

ARTICLE I. Introductory Provisions

CITY OF YPSILANTI FBP ("the Employer") hereby establishes the CITY OF YPSILANTI FBP Cafeteria Plan ("the Plan") effective January 01 2015 ("the Effective Date"). Capitalized terms used in this Plan that are not otherwise defined shall have the meanings set forth in Article II.

This Plan is designed to allow an Eligible Employee to pay for his or her share of Contributions under one or more Insurance Plans on a pre-tax Salary Reduction basis.

This Plan is intended to qualify as a "cafeteria plan" under Code § 125 and the regulations issued thereunder. The terms of this document shall be interpreted to accomplish that objective.

Although reprinted within this document, the different components of this Plan shall be deemed separate plans for purposes of administration and all reporting and nondiscrimination requirements imposed on such components by the Code.

ARTICLE II. Definitions

"Benefits" means the Premium Payment Benefits.

"Benefit Package Option" means a qualified benefit under Code § 125(f) that is offered under a cafeteria plan, or an option for coverage under an underlying accident or health plan (such as an indemnity option, an HMO option, or a PPO option under an accident or health plan).

"Change in Status" has the meaning described in Section 4.6.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contributions" means the amount contributed to pay for the cost of Benefits (including self-funded Benefits as well as those that are insured), as calculated under Section 6.2 for Premium Payment Benefits.

"Committee" means the Benefits Committee (or the equivalent thereof) of CITY OF YPSILANTI FBP

"Compensation" means the wages or salary paid to an Employee by the Employer, determined prior to (a) any Salary Reduction election under this Plan; (b) any salary reduction election under any other cafeteria plan; and (c) any compensation reduction under any Code § 132(f)(4) plan; but determined after (d) any salary deferral elections under any Code § 401(k), 403(b), 408(k), or 457(b) plan or arrangement. Thus, "Compensation" generally means wages or salary paid to an Employee by the Employer, as reported in Box 1 of Form W-2, but adding back any wages or salary forgone by virtue of any election described in (a), (b), or (c) of the preceding sentence.

"Dependent" means any individual who is a tax dependent of the Participant as defined in Code § 152, with the following exceptions: (a) for purposes of accident or health coverage (to the extent funded under the Premium Payment Component, and for purposes of the Health FSA Component), (1) a dependent is defined as in Code § 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof; and (2) any child to whom IRS Rev. Proc. 2-008-48 applies. Furthermore, notwithstanding anything in the foregoing that may be to the contrary, a "Dependent" shall also include for purposes of any accident or health coverage provided under this plan a child of a Participant who has not attained age 27 by the end of any given taxable year.

"Earned Income" means all income derived from wages, salaries, tips, self-employment, and other Compensation

(such as disability or wage continuation benefits), but only if such amounts are includible in gross income for the taxable year. Earned income does not include any other amounts excluded from earned income under Code § 32(c)(2), such as amounts received under a pension or annuity or pursuant to workers' compensation.

"Effective Date" of this Plan has the meaning described in Article 1.

"Election Form/Salary Reduction Agreement" means the form provided by the Administrator for the purpose of allowing an Eligible Employee to participate in this Plan by electing Salary Reductions to pay for Premium Payment Benefits. This form may be in either paper or electronic form at the Employer's discretion in accordance with the procedures detailed in Article IV.

"Eligible Employee" means an Employee eligible to participate in this Plan, as provided in Section 3.1.

"Employee" means an individual that the Employer classifies as a common-law employee and who is on the Employer's W-2 payroll, but does not include the following: (a) any leased employee (including but not limited to those individuals defined as leased employees in Code § 414(n)) or an individual classified by the Employer as a contract worker, independent contractor, temporary employee, or casual employee for the period during which such individual is so classified, whether or not any such individual is on the Employer's W-2 payroll or is determined by the IRS or others to be a common-law employee of the Employer; (b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency, whether or not such individual is determined by the IRS or others to be a common-law employee of the Employer; (c) any employee covered under a collective bargaining agreement; (d) any self-employed individual; (e) any partner in a partnership; (f) any more-than-2% shareholder in a Subchapter S corporation. The term "Employee" does include "former Employees" for the limited purpose of allowing continued eligibility for benefits under the Plan for the remainder of the Plan Year in which an Employee ceases to be employed by the Employer, but only to the extent specifically provided elsewhere under this Plan.

"Employer" means CITY OF YPSILANTI FBP, and any Related Employer that adopts this Plan with the approval of CITY OF YPSILANTI FBP. Related Employers that have adopted this Plan, if any, are listed in Appendix A of this Plan. However, for purposes of Articles XI and XIV and Section 15.3, "Employer" means only CITY OF YPSILANTI FBP.

"Employment Commencement Date" means the first regularly scheduled working day on which the Employee first performs an hour of service for the Employer for Compensation.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"FMLA" means the Family and Medical Leave Act of 1993, as amended.

"Health Insurance Benefits" means any insurance benefits providing medical or other health insurance coverage through a group insurance policy or policies.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.

"HMO" means the health maintenance organization Benefit Package Option under the Medical Insurance Plan.

"HRA" means a health reimbursement arrangement as defined in IRS Notice 2002-45.

"Insurance Benefits" means benefits offered through the Insurance Plans.

"Insurance Plan(s)" means a plan or plans offering benefits through a group insurance policy or policies.

"Medical Insurance Benefits" means the Employee's Medical Insurance Plan coverage for purposes of this Plan.

“Medical Insurance Plan(s)” means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan), providing major medical type benefits through a group insurance policy or policies (with HMO and PPO options). The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

“Open Enrollment Period” with respect to a Plan Year means any period before the beginning of the Plan Year that may be prescribed by the Administrator as the period of time in which Employees who will be Eligible Employees at the beginning of the Plan Year may elect benefits.

“Participant” means a person who is an Eligible Employee and who is participating in this Plan in accordance with the provisions of Article III. Participants include (a) those who elect one or more of the Medical Insurance Benefits and (b) those who elect instead to receive their full salary in cash and to pay for their share of their Contributions under the Medical Insurance Plan.

“Period of Coverage” means the Plan Year, with the following exceptions: (a) for Employees who first become eligible to participate, it shall mean the portion of the Plan Year following the date on which participation commences, as described in Section 3.1; and (b) for Employees who terminate participation, it shall mean the portion of the Plan Year prior to the date on which participation terminates, as described in Section 3.2.

“Plan” means the CITY OF YPSILANTI FBP Cafeteria Plan as set forth herein and as amended from time to time.

“Plan Administrator” means the CITY OF YPSILANTI FBP Human Resources Manager or the equivalent thereof for CITY OF YPSILANTI FBP, who has the full authority to act on behalf of the Plan Administrator, except with respect to appeals, for which the Committee has the full authority to act on behalf of the Plan Administrator, as described in Section 13.1.

“Plan Year” means the 12-month period commencing January 01 2015 and ending on December 31 2015, except in the case of a short plan year representing the initial Plan Year or where the Plan Year is being changed, in which case the Plan Year shall be the entire short plan year.

“PPO” means the preferred provider organization Benefit Package Option under the Medical Insurance Plan.

“Premium Payment Benefits” means the Premium Payment Benefits that are paid for on a pre-tax Salary Reduction basis as described in Section 6.1.

“Premium Payment Component” means the Component of this Plan described in Article VI.

“QMCSO” means a qualified medical child support order, as defined in ERISA § 609(a).

“Related Employer” means any employer affiliated with CITY OF YPSILANTI FBP that, under Code § 414(b), § 414(c), or § 414(m), is treated as a single employer with CITY OF YPSILANTI FBP for purposes of Code § 125(g)(4).

“Salary Reduction” means the amount by which the Participant’s Compensation is reduced and applied by the Employer under this Plan to pay for one or more of the Benefits, as permitted for the applicable Component, before any applicable state and/or federal taxes have been deducted from the Participant’s Compensation (i.e., on a pre-tax basis).

“Spouse” means an individual who is legally married to a Participant as determined under applicable state law (and who is treated as a spouse under the Code).

ARTICLE III. Eligibility and Participation

3.1 Eligibility to Participate

An individual is eligible to participate in this Plan if the individual: (a) is an Employee; (b) is working 32 hours or more per week; and (c) has been employed by the Employer for a consecutive period of 0 Months, counting his or her Employment Commencement Date as the first such day. Eligibility for Premium Payment Benefits may also be subject to the additional requirements, if any, specified in the Medical Insurance Plan. Once an Employee has met the Plan's eligibility requirements, the Employee may elect coverage effective the first day of the next calendar month, in accordance with the procedures described in Article IV.

3.2 Termination of Participation

A Participant will cease to be a Participant in this Plan upon the earlier of:

• the termination of this Plan; or
• the date on which the Employee ceases (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) to be an Eligible Employee. Notwithstanding the foregoing, for purposes of pre-taxing COBRA coverage certain Employees may continue eligibility for certain periods on the terms and subject to the restrictions described in Section 6.4 for Insurance Benefits.

Termination of participation in this Plan will automatically revoke the Participant's elections. The Medical Insurance Benefits will terminate as of the date specified in the Medical Insurance Plan.

3.3 Participation Following Termination of Employment or Loss of Eligibility

If a Participant terminates his or her employment for any reason, including (but not limited to) disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of a termination of employment, then the Employee will be reinstated with the same elections that such individual had before termination. If a former Participant is rehired more than 30 days following termination of employment and is otherwise eligible to participate in the Plan, then the individual may make new elections as a new hire as described in Section 3.1. Notwithstanding the above, an election to participate in the Premium Payment Component will be reinstated only to the extent that coverage under the Medical Insurance Plan (here, major medical insurance) is reinstated. If an Employee (whether or not a Participant) ceases to be an Eligible Employee for any reason (other than for termination of employment), including (but not limited to) a reduction of hours, and then becomes an Eligible Employee again, the Employee must complete the waiting period described in Section 3.1 before again becoming eligible to participate in the Plan.

3.4 FMLA Leaves of Absence

(a) Health Benefits. Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying leave under the FMLA, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's Health Insurance Benefits on the same terms and conditions as if the Participant were still an active Employee. That is, if the Participant elects to continue his or her coverage while on leave, the Employer will continue to pay its share of the Contributions.

An Employer may require participants to continue all Health Insurance Benefits coverage for Participants while they are on paid leave (provided that Participants on non-FMLA paid leave are required to continue coverage). If so, the Participant's share of the Contributions shall be paid by the method normally used during any paid leave (for instance, on a pre-tax Salary Reduction basis).

In the event of unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued), a Participant may elect to continue his or her Health Insurance Benefits during the leave. If the Participant elects to continue coverage

while on FMLA leave, then the Participant may pay his or her share of the Contributions in one of the following ways:

• with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
• with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation (if any), including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax Salary Reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year); or
• under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If the Employer requires all Participants to continue Health Insurance Benefits during an unpaid FMLA leave, then the Participant may elect to discontinue payment of the Participant's required Contributions until the Participant returns from leave. Upon returning from leave, the Participant will be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and the Participant.

If a Participant's Health Insurance Benefits coverage ceases while on FMLA leave (e.g., for non-payment of required contributions), then the Participant is permitted to re-enter the Medical Insurance Benefits upon return from such leave on the same basis as when the Participant was participating in the Plan prior to the leave, or as otherwise required by the FMLA. In addition, the Plan may require Participants whose Health Insurance Benefits coverage terminated during the leave to be reinstated in such coverage upon return from a period of unpaid leave, provided that Participants who return from a period of unpaid, non-FMLA leave are required to be reinstated in such coverage.

(b) Non-Health Benefits. If a Participant goes on a qualifying leave under the FMLA, then entitlement to non-health benefits is to be determined by the Employer's policy for providing such Benefits when the Participant is on non-FMLA leave, as described in Section 3.5. If such policy permits a Participant to discontinue contributions while on leave, then the Participant will, upon returning from leave, be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as may be agreed upon by the Plan Administrator and the Participant or as the Plan Administrator otherwise deems appropriate.

3.5 Non-FMLA Leaves of Absence If a Participant goes on an unpaid leave of absence that does not affect eligibility, then the Participant will continue to participate and the Contributions due for the Participant will be paid by pre-payment before going on leave, by after-tax contributions while on leave, or with catch-up contributions after the leave ends, as may be determined by the Plan Administrator. If a Participant goes on an unpaid leave that affects eligibility, then the election change rules detailed in Article IV will apply.

ARTICLE IV. Method and Timing of Elections; Irrevocability of Elections

4.1 Elections When First Eligible

An Employee who first becomes eligible to participate in the Plan mid-year may elect to commence participation in one or more Benefits on the first day of the month after the eligibility requirements have been satisfied, provided that an Election Form/Salary Reduction Agreement is submitted to the Plan Administrator before the first day of the month in which participation will commence. An Employee who does not elect benefits when first eligible may not enroll until the next Open Enrollment Period, unless an event occurs that would justify a mid-year election change, as described in Article IV.

The Employer reserves the right, within its discretion, to allow or require any or all of the election procedures detailed in

this Article 4.1 to be performed electronically.

Benefits shall be subject to the additional requirements, if any, specified in the Medical Insurance Plan. The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified in any Insurance Plans.

4.2 Elections During Open Enrollment Period

During each Open Enrollment Period with respect to a Plan Year, the Plan Administrator shall provide an Election Form/Salary Reduction Agreement to each Employee who is eligible to participate in this Plan. The Election Form/Salary Reduction Agreement shall enable the Employee to elect to participate in the various Components of this Plan for the next Plan Year and to authorize the necessary Salary Reductions to pay for the Benefits elected. The Election Form/Salary Reduction Agreement must be returned to the Plan Administrator on or before the last day of the Open Enrollment Period, and it shall become effective on the first day of the next Plan Year. If an Eligible Employee fails to return the Election Form/Salary Reduction Agreement during the Open Enrollment Period, then the Employee may not elect any Benefits under this Plan until the next Open Enrollment Period, unless an event occurs that would justify a mid-year election change, as described in Article IV.

The Employer reserves the right, within its discretion, to allow or require any or all of the election procedures detailed in this Article 4.2 to be performed electronically.

4.3 Failure of Eligible Employee to File an Election Form/Salary Reduction Agreement

If an Eligible Employee fails to file an Election Form/Salary Reduction Agreement within the time period described in Sections 4.1 and 4.2, then the Employee may not elect any Benefits under the Plan (a) until the next Open Enrollment Period; or (b) until an event occurs that would justify a mid-year election change, as described in Article IV. If an Employee who fails to file an Election Form/Salary Reduction Agreement is eligible for Medical Insurance Benefits and has made an effective election for such Benefits, then the Employee's share of the Contributions for such Benefits will be paid with after-tax dollars outside of this Plan until such time as the Employee files, during a subsequent Open Enrollment Period (or after an event occurs that would justify a mid-year election change as described in Article IV), a timely Election Form/Salary Reduction Agreement to elect Premium Payment Benefits. Until the Employee files such an election, the Employer's portion of the Contribution will also be paid outside of this Plan.

4.4 Irrevocability of Elections

Unless an exception applies (as described in this Article IV), a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates.

Unless otherwise noted in this section, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates. In other words, unless an exception applies, the Participant may not change any elections for the duration of the Period of Coverage regarding:

- Participation in this Plan;
- Salary Reduction amounts; or
- election of particular Benefit Package Options.

4.5 Procedure for Making New Election If Exception to Irrevocability Applies

(a) Timeframe for Making New Election. A Participant (or an Eligible Employee who, when first eligible under Section 3.1 or during the Open Enrollment Period, declined to be a Participant) may make a new election within 30 days of the

occurrence of an event described in Section 4.6 or 4.7, as applicable, but only if the election under the new Election Form/Salary Reduction Agreement is made on account of and is consistent with the event and if the election is made within any specified time period (e.g., for Sections 4.7(d) through 4.7(j), within 30 days after the events described in such Sections unless otherwise required by law). Notwithstanding the foregoing, a Change in Status (e.g., a divorce or a dependent's losing dependent status) that results in a beneficiary becoming ineligible for coverage under the Medical Insurance Plan shall automatically result in a corresponding election change, whether or not requested by the Participant within the normal 30-day period.

(b) Effective Date of New Election. Elections made pursuant to this Section 4.5 shall be effective for the balance of the Period of Coverage following the change of election unless a subsequent event allows for a further election change. Except as provided in Section 4.7(e) for HIPAA special enrollment rights in the event of birth, adoption, or placement for adoption, all election changes shall be effective on a prospective basis only (i.e., election changes will become effective no earlier than the first day of the next calendar month following the date that the election change was filed, but, as determined by the Plan Administrator, election changes may become effective later to the extent that the coverage in the applicable Benefit Package Option commences later).

4.6 Change in Status Defined

Participant may make a new election upon the occurrence of certain events as described in Section 4.7, including a Change in Status, for the applicable Component. "Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code § 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan:

(a) Legal Marital Status. A change in a Participant's legal marital status, including marriage, death of a Spouse, divorce, legal separation, or annulment;

(b) Number of Dependents. Events that change a Participant's number of Dependents, including birth, death, adoption, and placement for adoption;

(c) Employment Status. Any of the following events that change the employment status of the Participant or his or her Spouse or Dependents: (1) a termination or commencement of employment; (2) a strike or lockout; (3) a commencement of or return from an unpaid leave of absence; (4) a change in worksite; and (5) if the eligibility conditions of this Plan or other employee benefits plan of the Participant or his or her Spouse or Dependents depend on the employment status of that individual and there is a change in that individual's status with the consequence that the individual becomes (or ceases to be) eligible under this Plan or other employee benefits plan, such as if a plan only applies to salaried employees and an employee switches from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa), with the consequence that the employee ceases to be eligible for the Plan;

(d) Dependent Eligibility Requirements. An event that causes a Dependent to satisfy or cease to satisfy the Dependent eligibility requirements for a particular benefit, such as attaining a specified age, or any similar circumstance; and

(e) Change in Residence. A change in the place of residence of the Participant or his or her Spouse or Dependents.

4.7 Events Permitting Exception to Irrevocability Rule

A Participant may change an election as described below upon the occurrence of the stated events for the applicable Component of this Plan:

(a) Open Enrollment Period. A Participant may change an election during the Open Enrollment Period.

(b) Termination of Employment. A Participant's election will terminate under the Plan upon termination of employment in accordance with Sections 3.2 and 3.3, as applicable.

(c) Leaves of Absence. A Participant may change an election under the Plan upon FMLA leave in accordance with Section 3.4 and upon non-FMLA leave in accordance with Section 3.5.

(d) Change in Status. A Participant may change his or her actual or deemed election under the Plan upon the occurrence of a Change in Status (as defined in Section 4.6), but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

(1) Loss of Spouse or Dependent Eligibility; Special COBRA Rules. For a Change in Status involving a Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or a Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, a Participant may only elect to cancel accident or health insurance coverage for (a) the Spouse involved in the divorce, annulment, or legal separation; (b) the deceased Spouse or Dependent; or (c) the Dependent that ceased to satisfy the eligibility requirements. Canceling coverage for any other individual under these circumstances would fail to correspond with that Change in Status. Notwithstanding the foregoing, if the Participant or his or her Spouse or Dependent becomes eligible for COBRA (or similar health plan continuation coverage under state law) under the Employer's plan (and the Participant remains a Participant under this Plan in accordance with Section 3.2), then the Participant may increase his or her election to pay for such coverage (this rule does not apply to a Participant's Spouse who becomes eligible for COBRA or similar coverage as a result of divorce, annulment, or legal separation).

(2) Gain of Coverage Eligibility Under Another Employer's Plan. For a Change in Status in which a Participant or his or her Spouse or Dependent gains eligibility for coverage under a cafeteria plan or qualified benefit plan of the employer of the Participant's Spouse or Dependent as a result of a change in marital status or a change in employment status, a Participant may elect to cease or decrease coverage for that individual only if coverage for that individual becomes effective or is increased under the Spouse's or Dependent's employer's plan. The Plan Administrator may rely on a Participant's certification that the Participant has obtained or will obtain coverage under the Spouse's or Dependent's employer's plan, unless the Plan Administrator has reason to believe that the Participant's certification is incorrect.

(e) HIPAA Special Enrollment Rights. If a Participant or his or her Spouse or Dependent is entitled to special enrollment rights under a group health plan (other than an excepted benefit), as required by HIPAA under Code § 9801(f), then a Participant may revoke a prior election for group health plan coverage and make a new election (including, when required by HIPAA, an election to enroll in another benefit package under a group health plan), provided that the election change corresponds with such HIPAA special enrollment right. As required by HIPAA, a special enrollment right will arise in the following circumstances:

• a Participant or his or her Spouse or Dependent declined to enroll in group health plan coverage because he or she had coverage, and eligibility for such coverage is subsequently lost because: (1) the coverage was provided under COBRA and the COBRA coverage was exhausted; or (2) the coverage was non-COBRA coverage and the coverage terminated due to loss of eligibility for coverage or the employer contributions for the coverage were terminated; or

• a new Dependent is acquired as a result of marriage, birth, adoption, or placement for adoption.

An election to add previously eligible Dependents as a result of the acquisition of a new Spouse or Dependent child shall be considered to be consistent with the special enrollment right. An election change on account of a HIPAA special enrollment attributable to the birth, adoption, or placement for adoption of a new Dependent child may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 30 days).

For purposes of this Section 4.7(e), the term "loss of eligibility" includes (but is not limited to) loss of eligibility due to legal separation, divorce, cessation of dependent status, death of an employee, termination of employment, reduction of

hours, or any loss of eligibility for coverage that is measured with reference to any of the foregoing; loss of coverage offered through an HMO that does not provide benefits to individuals who do not reside, live, or work in the service area because an individual no longer resides, lives, or works in the service area (whether or not within the choice of the individual), and in the case of HMO coverage in the group market, no other benefit package is available to the individual; a situation in which an individual incurs a claim that would meet or exceed a lifetime limit on all benefits; and a situation in which a plan no longer offers any benefits to the class of similarly situated individuals that includes the individual.

(f) Certain Judgments, Decrees and Orders. If a judgment, decree, or order (collectively, an "Order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a QMCSO) requires accident or health coverage (including an election for Health FSA Benefits) for a Participant's child (including a foster child who is a Dependent of the Participant), then a Participant may (1) change his or her election to provide coverage for the child (provided that the Order requires the Participant to provide coverage); or (2) change his or her election to revoke coverage for the child if the Order requires that another individual (including the Participant's Spouse or former Spouse) provide coverage under that individual's plan and such coverage is actually provided.

(g) Medicare and Medicaid. If a Participant or his or her Spouse or Dependent who is enrolled in a health or accident plan under this Plan becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), then the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to Medicare or Medicaid. Furthermore, if a Participant or his or her Spouse or Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then the Participant may prospectively elect to commence or increase the accident or health coverage of the individual who loses Medicare or Medicaid eligibility.

(h) Change in Cost. For purposes of this Section 4.7(h), "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage.

(1) Increase or Decrease for Insignificant Cost Changes. Participants are required to increase their elective contributions (by increasing Salary Reductions) to reflect insignificant increases in their required contribution for their Benefit Package Option(s), and to decrease their elective contributions to reflect insignificant decreases in their required contribution.The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will determine whether an increase or decrease is insignificant based upon all the surrounding facts and circumstances, including but not limited to the dollar amount or percentage of the cost change. The Plan Administrator, on a reasonable and consistent basis, will automatically effectuate this increase or decrease in affected employees' elective contributions on a prospective basis.

(2) Significant Cost Increases. If the Plan Administrator determines that the cost charged to an Employee of a Participant's Benefit Package Option(s) significantly increases during a Period of Coverage, then the Participant may (a) make a corresponding prospective increase in his or her elective contributions (by increasing Salary Reductions); (b) revoke his or her election for that coverage, and in lieu thereof, receive on a prospective basis coverage under another Benefit Package Option that provides similar coverage; or (c) drop coverage prospectively if there is no other Benefit Package Option available that provides similar coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost increase is significant in accordance with prevailing IRS guidance.

(3) Significant Cost Decreases. If the Plan Administrator determines that the cost of any Benefit Package Option significantly decreases during a Period of Coverage, then the Plan Administrator may permit the following election changes: (a) Participants enrolled in that Benefit Package Option may make a corresponding prospective decrease in their elective contributions (by decreasing Salary Reductions); (b) Participants who are enrolled in another Benefit Package Option may change their election on a prospective basis to elect the Benefit Package Option that has decreased in cost Medical Insurance Plan); or (c) Employees who are otherwise eligible under Section 3.1 may elect the Benefit Package Option that has decreased in cost on a prospective basis, subject to the terms and limitations of the Benefit Package Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost decrease is significant in accordance with prevailing IRS guidance.

(i) Change in Coverage. The definition of “similar coverage” under Section 12.4(h) applies also to this Section 12.4(i).

(1) Significant Curtailment. If coverage is “significantly curtailed” (as defined below), Participants may elect coverage under another Benefit Package Option that provides similar coverage. In addition, as set forth below, if the coverage curtailment results in a “Loss of Coverage” (as defined below), then Participants may drop coverage if no similar coverage is offered by the Employer. The Plan Administrator in its sole discretion, on a uniform and consistent basis, will decide, in accordance with prevailing IRS guidance, whether a curtailment is “significant,” and whether a Loss of Coverage has occurred.

(a) Significant Curtailment Without Loss of Coverage. If the Plan Administrator determines that a Participant’s coverage under a Benefit Package Option under this Plan (or the Participant’s Spouse’s or Dependent’s coverage under his or her employer’s plan) is significantly curtailed without a Loss of Coverage (for example, when there is a significant increase in the deductible, the co-pay, or the out-of-pocket cost-sharing limit under an accident or health plan during a Period of Coverage, the Participant may revoke his or her election for the affected coverage, and in lieu thereof, prospectively elect coverage under another Benefit Package Option that provides similar coverage. Coverage under a plan is deemed to be “significantly curtailed” only if there is an overall reduction in coverage provided under the plan so as to constitute reduced coverage generally.

(b) Significant Curtailment With a Loss of Coverage. If the Plan Administrator determines that a Participant’s Benefit Package Option coverage under this Plan (or the Participant’s Spouse’s or Dependent’s coverage under his or her employer’s plan) is significantly curtailed, and if such curtailment results in a Loss of Coverage during a Period of Coverage, then the Participant may revoke his or her election for the affected coverage and may either prospectively elect coverage under another Benefit Package Option that provides similar coverage or drop coverage if no other Benefit Package Option providing similar coverage is offered by the Employer.

(c) Definition of Loss of Coverage. For purposes of this Section 4.7(i)(1), a “Loss of Coverage” means a complete loss of coverage (including the elimination of a Benefit Package Option, an HMO ceasing to be available where the Participant or his or her Spouse or Dependent resides, or a Participant or his or her Spouse or Dependent losing all coverage under the Benefit Package Option by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator, in its sole discretion, on a uniform and consistent basis, may treat the following as a Loss of Coverage:

• a substantial decrease in the medical care providers available under the Benefit Package Option (such as a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the number of physicians participating in the PPO for the Medical Insurance Plan or in an HMO);

• a reduction in benefits for a specific type of medical condition or treatment with respect to which the Participant or his or her Spouse or Dependent is currently in a course of treatment; or

• any other similar fundamental loss of coverage.

(2) Addition or Significant Improvement of a Benefit Package Option. If during a Period of Coverage the Plan adds a new Benefit Package Option or significantly improves an existing Benefit Package Option, the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the newly added or significantly improved Benefit Package Option may change their elections on a prospective basis to elect the newly added or significantly improved Benefit Package Option; and (b) Employees who are otherwise eligible under Section 3.1 may elect the newly added or significantly improved Benefit Package Option on a prospective basis, subject to the terms and limitations of the Benefit Package Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether there has been an addition of, or a significant improvement in, a Benefit Package Option in accordance with prevailing IRS guidance.

(3) Loss of Coverage Under Other Group Health Coverage. A Participant may prospectively change his or her election to add group health coverage for the Participant or his or her Spouse or Dependent, if such individual(s) loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to)

the following: a state children's health insurance program (SCHIP) under Title XXI of the Social Security Act; a medical care program of an Indian Tribal government (as defined in Code § 7701(a)(40)), the Indian Health Service, or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s).

(4) Change in Coverage Under Another Employer Plan. A Participant may make a prospective election change that is on account of and corresponds with a change made under an employer plan (including a plan of the Employer or a plan of the Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change that would be permitted under applicable IRS regulations; or (b) the Plan permits Participants to make an election for a Period of Coverage that is different from the plan year under the other cafeteria plan or qualified benefits plan. For example, if an election is made by the Participant's Spouse during his or her employer's open enrollment to drop coverage, the Participant may add coverage to replace the dropped coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a requested change is on account of and corresponds with a change made under the other employer plan, in accordance with prevailing IRS guidance. A Participant entitled to change an election as described in this Section 4.7 must do so in accordance with the procedures described in Section 4.5.

(j) Revocation Due to Reduction in Hours

A Participant may revoke his or her Major Medical coverage, along with that of any related individuals, if the Participant experiences a reduction of hours such that he or she will be reasonably expected to work fewer than 30 hours a week on a regular basis and the Participant intends to enroll, along with any such related individuals, in another plan no later than the first day of the second full month following the revocation.

(k) Revocation of Coverage for Purposes of Enrolling in Marketplace Coverage

A Participant may revoke his or her Major Medical coverage if he or she is seeking to enroll, along with any related individuals who cease coverage due to such revocation, in Marketplace coverage (either during the Marketplace's annual open enrollment period or during a special enrollment period) immediately after the revoked coverage ends.

(l) CHIP Special Enrollment Rights

Notwithstanding anything else in this document to the contrary, special enrollment rights shall be made available as a result of a loss of eligibility for Medicaid or for coverage under a state children's health insurance program (SCHIP) or as a result of eligibility for a state premium assistance subsidy under the plan from Medicaid or SCHIP.

4.8 ***Reserved***

4.9 Election Modifications Required by Plan Administrator

The Plan Administrator may, at any time, require any Participant or class of Participants to amend the amount of their Salary Reductions for a Period of Coverage if the Plan Administrator determines that such action is necessary or advisable in order to (a) satisfy any of the Code's nondiscrimination requirements applicable to this Plan or other cafeteria plan; (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; (c) maintain the qualified status of benefits received under this Plan; or (d) satisfy Code nondiscrimination requirements or other limitations applicable to the Employer's qualified plans. In the event that contributions need to be reduced for a class of Participants, the Plan Administrator will reduce the Salary Reduction amounts for each affected Participant, beginning with the Participant in the class who had elected the highest Salary Reduction amount and continuing with the Participant in the class who had elected the next-highest Salary Reduction amount, and so forth, until the defect is corrected.

ARTICLE V. Benefits Offered and Method of Funding

5.1 Benefits Offered

When first eligible or during the Open Enrollment Period as described under Article IV, Participants will be given the opportunity to elect Premium Payment Benefits, as described in Article VI.

5.2 Employer and Participant Contributions

(a) Employer Contributions. For Participants who elect Insurance Benefits described in Article VI, the Employer may contribute a portion of the Contributions as provided in the open enrollment materials furnished to Employees and/or on the Election Form/Salary Reduction Agreement.

(b) Participant Contributions. Participants who elect any of the Medical Insurance Benefits described in Article VI may pay for the cost of that coverage on a pre-tax Salary Reduction basis, or with after-tax deductions, by completing an Election Form/Salary Reduction Agreement.

5.3 Using Salary Reductions to Make Contributions

(a) Salary Reductions per Pay Period. The Salary Reduction for a pay period for a Participant is, for the Benefits elected, (1) an amount equal to the annual Contributions for such Benefits (as described in Section 6.2 for Premium Payment Benefits; (2) an amount otherwise agreed upon between the Employer and the Participant; or (3) an amount deemed appropriate by the Plan Administrator (i.e., in the event of shortage in reducible Compensation, amounts withheld and the Benefits to which Salary Reductions are applied may fluctuate).

(b) Considered Employer Contributions for Certain Purposes. Salary Reductions are applied by the Employer to pay for the Participant's share of the Contributions for the Premium Payment Benefits are considered to be Employer contributions.

(c) Salary Reduction Balance Upon Termination of Coverage. If, as of the date that any elected coverage under this Plan terminates, a Participant's year-to-date Salary Reductions exceed or are less than the Participant's required Contributions for the coverage, then the Employer will, as applicable, either return the excess to the Participant as additional taxable wages or recoup the due Salary Reduction amounts from any remaining Compensation.

(d) After-Tax Contributions for Premium Payment Benefits. For those Participants who elect to pay their share of the Contributions for any of the Medical Insurance Benefits with after-tax deductions, both the Employee and Employer portions of such Contributions will be paid outside of this Plan.

5.4 Funding This Plan

All of the amounts payable under this Plan shall be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf. The maximum contribution that may be made under this Plan for a Participant is the total of the maximums that may be elected as Employer and Participant Contributions for Premium Payment Benefits, as described in Section 6.2.

ARTICLE VI. Premium Payment Component

6.1 Benefits

The only Insurance Benefits that are offered under the Premium Payment Component are benefits under the Medical Insurance Plan(s). Notwithstanding any other provision in these Plan(s), these benefits are subject to the terms and conditions of the Insurance Plan(s), and no changes can be made with respect to such Insurance Benefits under this Plan (such as mid-year changes in election) if such changes are not permitted under the applicable Insurance Plan. An Eligible Employee can (a) elect benefits under the Premium Payment Component by electing to pay for his or her share of the Contributions for Medical Insurance Benefits on a pretax Salary Reduction basis (Premium Payment Benefits); or (b) elect no benefits under the Premium Payment Component and to pay for his or her share of the Contributions, if any, for Medical Insurance Benefits with after-tax deductions outside of this Plan. Unless an exception applies (as described in Article IV), such election is irrevocable for the duration of the Period of Coverage to which it relates.

The Employer may at its discretion offer cash in lieu of benefits for Participants who do not choose Insurance Benefits.

6.2 Contributions for Cost of Coverage

The annual Contribution for a Participant's Premium Payment Benefits is equal to the amount as set by the Employer, which may or may not be the same amount charged by the insurance carrier.

6.3 Insurance Benefits Provided Under Insurance Plans

Insurance Benefits will be provided by the Insurance Plans, not this Plan. The types and amounts of Insurance Benefits, the requirements for participating in the Insurance Plans, and the other terms and conditions of coverage and benefits of the Insurance Plans are set forth in the Insurance Plans. All claims to receive benefits under the Insurance Plans shall be subject to and governed by the terms and conditions of the Insurance Plans and the rules, regulations, policies, and procedures adopted in accordance therewith, as may be amended from time to time.

6.4 Health Insurance Benefits; COBRA

Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents,as applicable, whose coverage terminates under the Health Insurance Benefits because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), shall be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the Health Insurance Plan(s) the day before the qualifying event for the periods prescribed by COBRA.

Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for Health Insurance Benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for Health Insurance Benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

ARTICLES VII. – XII. ***RESERVED***

ARTICLE XIII. Appeals Procedure

13.1 Procedure If Benefits Are Denied Under This Plan

If a claim for reimbursement under this Plan is wholly or partially denied, then claims shall be administered in accordance with the claims procedure set forth in the summary plan description for this Plan. The Committee acts on behalf of the Plan Administrator with respect to appeals.

13.2 Claims Procedures for Insurance Benefits

Claims and reimbursement for Insurance Benefits shall be administered in accordance with the claims procedures for the Insurance Benefits, as set forth in the plan documents and/or summary plan description(s) for the Insurance Plan(s).

ARTICLE XIV. Recordkeeping and Administration

14.1 Plan Administrator

The administration of this Plan shall be under the supervision of the Plan Administrator. It is the principal duty of the Plan Administrator to see that this Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in this Plan without discrimination among them.

14.2 Powers of the Plan Administrator

The Plan Administrator shall have such duties and powers as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

(a) to construe and interpret this Plan, including all possible ambiguities, inconsistencies, and omissions in the Plan and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of benefits under this Plan (provided that, notwithstanding the first paragraph in this Section 14.2, the Committee shall exercise such exclusive power with respect to an appeal of a claim under Section 13.1);

(b) to prescribe procedures to be followed and the forms to be used by Employees and Participants to make elections pursuant to this Plan;

(c) to prepare and distribute information explaining this Plan and the benefits under this Plan in such manner as the Plan Administrator determines to be appropriate;

(d) to request and receive from all Employees and Participants such information as the Plan Administrator shall from time to time determine to be necessary for the proper administration of this Plan;

(e) to furnish each Employee and Participant with such reports with respect to the administration of this Plan as the Plan Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant’s Compensation has been reduced in order to provide benefits under this Plan;

(f) to receive, review, and keep on file such reports and information regarding the benefits covered by this Plan as the Plan Administrator determines from time to time to be necessary and proper;

(g) to appoint and employ such individuals or entities to assist in the administration of this Plan as it determines to be necessary or advisable, including legal counsel and benefit consultants;

(h) to sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;

(i) to secure independent medical or other advice and require such evidence as it deems necessary to decide any claim or appeal; and

(j) to maintain the books of accounts, records, and other data in the manner necessary for proper administration of this Plan and to meet any applicable disclosure and reporting requirements.

14.3 Reliance on Participant, Tables, etc.

The Plan Administrator may rely upon the direction, information, or election of a Participant as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

14.4 ***Reserved***

14.5 Fiduciary Liability

To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

14.6 Compensation of Plan Administrator

Unless otherwise determined by the Employer and permitted by law, any Plan Administrator that is also an Employee of the Employer shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Employer.

14.7 Bonding

The Plan Administrator shall be bonded to the extent required by ERISA.

14.8 Insurance Contracts

The Employer shall have the right (a) to enter into a contract with one or more insurance companies for the purposes of providing any benefits under the Plan; and (b) to replace any of such insurance companies or contracts at its discretion. Any dividends, retroactive rate adjustments, or other refunds of any type that may become payable under any such insurance contract shall not be assets of the Plan but shall be the property of and be retained by the Employer, to the extent that such amounts are less than aggregate Employer contributions toward such insurance.

14.9 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under

the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.

14.10 Effect of Mistake

In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the account of any Participant, or the amount of benefits paid or to be paid to a Participant or other person, the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under Code § 125 or the regulations issued thereunder, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to such Participant or other person the credits to the account or distributions to which he or she is properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due to the Plan or the Employer from Compensation paid by the Employer.

ARTICLE XV. General Provisions

15.1 ***Reserved***

15.2 No Contract of Employment

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between any Employee and the Employer to the effect that such Employee will be employed for any specific period of time. All Employees are considered to be employed at the will of the Employer.

15.3 Amendment and Termination

This Plan has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Employer may amend or terminate all or any part of this Plan at any time for any reason and any such amendment or termination will automatically apply to the Related Employers that are participating in this Plan.

15.4 Governing Law

This Plan shall be construed, administered, and enforced according to the laws of the State of Michigan, to the extent not superseded by the Code, ERISA, or any other federal law.

15.5 Code and ERISA Compliance

It is intended that this Plan meet all applicable requirements of the Code , ERISA (if ERISA is applicable) and of all regulations issued thereunder. This Plan shall be construed, operated, and administered accordingly, and in the event of any conflict between any part, clause, or provision of this Plan and the Code and/or ERISA (if ERISA is applicable), the provisions of the Code and ERISA (if ERISA is applicable) shall be deemed controlling, and any conflicting part, clause, or provision of this Plan shall be deemed superseded to the extent of the conflict.

15.6 No Guarantee of Tax Consequences

Neither the Plan Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant’s gross income for federal, state, or local income tax purposes. It shall be the obligation of each Participant to determine whether each payment under this Plan is excludable from the Participant’s gross income for federal, state, and local income tax purposes and to notify the

Plan Administrator if the Participant has any reason to believe that such payment is not so excludable.

15.7 Indemnification of Employer

If any Participant receives one or more payments or reimbursements under this Plan on a tax-free basis and if such payments do not qualify for such treatment under the Code, then such Participant shall indemnify and reimburse the Employer for any liability that it may incur for failure to withhold federal income taxes, Social Security taxes, or other taxes from such payments or reimbursements.

15.8 Non-Assignability of Rights

The right of any Participant to receive any reimbursement under this Plan shall not be alienable by the Participant by assignment or any other method and shall not be subject to claims by the Participant's creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to the extent required by law.

15.9 Headings

The headings of the various Articles and Sections are inserted for convenience of reference and are not to be regarded as part of this Plan or as indicating or controlling the meaning or construction of any provision.

15.10 Plan Provisions Controlling

In the event that the terms or provisions of any summary or description of this Plan are in any construction interpreted as being in conflict with the provisions of this Plan as set forth in this document, the provisions of this Plan shall be controlling.

15.11 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder of the Plan shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising the CITY OF YPSILANTI FBP Salary Reduction Plan, CITY OF YPSILANTI FBP has caused this Plan to be executed in its name and on its behalf, on this ____ day of _____, 20___.

By: _____

Its: _____

REQUEST FOR LEGISLATION
January 20, 2015

FROM: Stan Kirton, Director of Public Services

SUBJECT: Approval of Contract with DTS Contracting , Inc. for Community Development Block Grant Program (CDBG) Ypsilanti Senior Center Public Facility Improvement Project

BACKGROUND:

Washtenaw County administers CDBG funds received through the United States Department of Housing and Urban Development's (HUD) Community Development Block Grant Entitlement Communities Grant (CDBG). The City of Ypsilanti is a member of the Washtenaw County, Urban County Program. The Urban County Program disperses Community Development Block Grant (CDBG) funds to participating members. The 2010, 2011 and 2012 Urban County CDBG Funding includes funds for Public Facility Improvement Projects, including funds for the Ypsilanti Senior Center Kitchen Renovation and Electrical Upgrade Project in the amount of $42,518.86.

Bids were solicited for this project and three bids were received. DMC Consultants, Inc., Detroit, MI 48227 for the amount of $44,820.00; Cross Renovation, Inc., Garden City, MI 48135 for the amount of $39,956.03; and DTS Contracting, Inc., Farmington Hills, MI 48335 for the amount of $38,677.00. The scope of work includes: removal and replacement of existing kitchen cabinets, minor plumbing and electrical upgrades.

Staff recommends accepting the proposal submitted by DTS Contracting, Inc. for the amount $38,677.

Attachments: Resolution, Contract Documents

Recommended Action: Approval

Date Received: _____ Agenda Item No.: 2015-017

City Manager Comments: _____

Finance Director Approval _____

For Agenda of January 20 , 2015

Council Action Taken: _____

Resolution No. 2015-017
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, Washtenaw County administers CDBG funds received through the United States Department of Housing and Urban Development's (HUD) Community Development Block Grant Entitlement Communities Grant (CDBG) and

WHEREAS, the City of Ypsilanti is a member of the Washtenaw County, Urban County Program and;

WHEREAS, the Urban County Program disperses Community Development Block Grant (CDBG) funding to participating members; and

WHEREAS, the 2010, 2011 and 2012 Urban County CDBG Funding includes funds for Public Facility Improvement Projects, including funds for Ypsilanti Senior Center Kitchen Renovation and Electrical Improvement Project; and

WHEREAS, a RFP (Request for Proposal) was issued on MITN (Michigan Inter-Governmental Trade Network) for this project and three bids were received; and

WHEREAS, DMC Consultants, Inc., Detroit, MI, submitted a bid in the amount of $44,820.00; Cross Renovation, Inc., Garden City, MI submitted a bid of $39,956.03; and DTS Contracting, Inc., Farmington Hills, MI submitted a bid in the amount of $38,677.00; and

WHEREAS, staff recommends accepting the bid proposal submitted by DTS Contracting, Inc. for the amount of $38,677.00

NOW, THEREFORE, BE IT RESOLVED THAT the City Council approves the proposal submitted by DTS Contracting in the amount of $38,677.00; and

FURTHER, that the Mayor and City Clerk are authorized to sign this agreement, subject to approval by the City Attorney.

OFFERED BY:_____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

Memorandum

To: John Barr, City Attorney

From: Stan Kirton, Director of Public Services

Date: 1/13/2015

Re: Contract for CDBG Facilities Improvement Project

Please approve as to form the attached the contract with DTS Contracting, Inc. for the CDBG Senior Center Kitchen Renovation and Electrical Upgrade Project. You will notice a section of federally required documents included at the end of the contract. If you need more information please let me know. Thanks for your help with this matter.

Approved as to form
John M Barr
Ops. Contracts Attorney
01 - 14 - 15

REQUEST FOR PROPOSALS FOR THE 2010, 2011, 2012 CITY OF YPSILANTI PUBLIC FACILIITY IMPROVEMENT PROJECTS

FY 2010, 2011, 2012 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Project: 2011-12 City of Ypsilanti Public Facility Improvement Projects
City of Ypsilanti
1 S. Huron St.
Ypsilanti, Michigan

BIDS MUST BE RECEIVED AT: THE OFFICE OF THE CITY CLERK, 1 SOUTH HURON STREET, YPSILANTI, MI 48197, BY 10:00 A.M. TUESDAY, December 16, 2014.

I. PURPOSE OF THE REQUEST FOR PROPOSAL

The City of Ypsilanti is issuing a Request for Proposals (RFP) to solicit proposals for construction services related to the completion of Public Facility/Infrastructure Improvement Project at the Ypsilanti Senior Center funded through the 2011-12 Community Development (CDBG) Block Grant program. The scope of this project will be to provide all stamped project plans, drawings and specifications included in this RFP. The CDBG program, funded by the U.S. Department of Housing and Urban Development (HUD) provides annual grants on a formula basis to entitlement cities and communities to fund projects which aid in the development of viable urban communities and which meet one of two broad national objectives. *These objectives are:*

(1) To benefit low and moderate-income persons; or

(2) To aid in the prevention and elimination of slums and blighted areas.

The national objectives of the CDBG program are to develop viable urban communities by providing decent, safe, and affordable housing and a suitable living environment, and by expanding economic opportunities, principally for low and moderate-income residents. Federal regulations require that CDBG funds be used for projects that qualify as meeting one of the National Objectives of the program and the eligible activity criteria. The 2008-2013 Washtenaw Urban County Five-Year Consolidated Plan provides an analysis of the need for non-housing community development projects within the boundaries of the following jurisdictions: City of Ann Arbor, Ypsilanti Township, City of Ypsilanti, Pittsfield Township, Superior Township, Northfield Township, Salem Township, Scio Township, York Township, Bridgewater Township, and Ann Arbor Township. In this plan, the Washtenaw Urban County jurisdictions (listed above) have expressed a plan to make improvements to qualified neighborhood facilities that address the safety and security needs of residents. **All proposals submitted in response to this RFP must address the CDBG Public Facility project at the Ypsilanti Senior Center.**

II. PROJECT DESCRIPTION

This project includes the renovation of the existing kitchen space to make it more compatible for commercial kitchen use.

Ypsilanti Senior Center, 1015 Congress Street, Ypsilanti, MI 48197

City Contact: Stan Kirton, Public Services Director, phone: (734) 483-1421, email: skirton@cityofypsilanti.org.

Base Bid:

A. Demolition of existing per drawings
B. Construction services per plans
C. Electrical upgrades per plan

Alternates:

D. Replace counter tops with Corian or equivalent.

Detailed Specs/Drawings: Please see instructions about how to obtain project manual

Deadline for Completion of Construction Work: 120 days from the start work date on the Notice to Proceed

Special Considerations:

1. The construction work must meet all the requirements of the "The Americans with Disabilities Act of 1990" and the "The Rehabilitation Act of 1973" and must meet the requirements of all local codes and ordinances for the City of Ypsilanti, and Washtenaw County.
2. All work must also meet local, state, and federal codes pertaining to construction activities.
3. The senior center may remain open during the course of the project.
4. Contractor will obtain all necessary permits from the City of Ypsilanti for construction and include permit costs in bid proposal.

PROJECT MANUAL

2010, 2011, 2012 CITY OF YPSILANTI PUBLIC FACILITY IMPROVEMENT PROJECTS

OWNER:

City of Ypsilanti
Department of Public Services
14 West Forest Ave.
Ypsilanti, MI 48197
Telephone: (734) 483-1421
Fax: (734) 483-1018

NOVEMBER 26, 2014

INVITATION TO BID

Project: 2010, 2011, 2012 City of Ypsilanti Facility Improvement Projects

Federal Funding Reference: This is a federally funded project. The contractor and subcontractors must comply with HUD procurement provisions in CFR 24 Part 85.36, Equal Employment Opportunity requirements, the Copeland "Anti-Kickback" Act, the Davis-Bacon Act, Contract Work Hours and Safety Standards Act, Section 3 of the Housing and Urban Development Act and other requirements as set forth in the bid documents. Minority and Women Owned Business Enterprises and Section 3 Business Concerns seeking bid opportunities under this project are encouraged to respond.

Proposal: Combined Bids, a single Proposal, to include work of all trades.

Due Date: ***Bids must be received at: The Office of the City Clerk, 1 South Huron Street, Ypsilanti, MI 48197, by 10:00 a.m. on Tuesday, December 16, 2014.***

Right to Reject: The City is not responsible for expenses incurred prior to award by City Council. The City of Ypsilanti reserves the right to reject any and all responses and to waive any irregularities, informalities, or technicality deemed in the best interest of the City.

Withdrawal: No proposal may be withdrawn within sixty days (60) following the opening of bids.

Bidding information On file at:

City of Ypsilanti DPS
14 W. Forest Ave.
Ypsilanti, Michigan 48197
(734) 483-1421

City of Ypsilanti, Clerks Office
One South Huron Street
Ypsilanti, MI 48197
(734) 483-1100

III. SUBMISSION INFORMATION

A. BID SUBMITTAL

- ✓ Sign and return the Proposal Response Cover Sheet (ATTACHMENT I). The form must be signed by a company representative authorized to bind the proposer contractually.
- ✓ Submit the original bid proposal and five (5) copies in a sealed envelope.
- ✓ The envelope should also bear on the outside the name of the bidder and the company address.

The original and **five (5) copies** of the sealed proposal must be submitted to:

City of Ypsilanti
City Clerk's Office
1 South Huron Drive
Ypsilanti, MI 48197
Attention: Stan Kirton, Public Services Director

HAND DELIVERY REQUIRED. NO FAX OR MAIL DELIVERIES WILL BE ACCEPTED.

SUBMISSION DEADLINE IS
TUESDAY, DECEMBER 16, 2014, 10:00 A.M.

- ✓ Proposals received after the 10:00 AM deadline will be placed in the file unopened and will not be considered.
- ✓ Proposals will be opened and the names of the bidders responding to the RFP will be released immediately thereafter. Proposals will then be sent to the *City of Ypsilanti Evaluation Team* for review.
- ✓ Bids must be submitted on the forms provided by the City and signed by an authorized representative of the company. The signature is interpreted to signify the bidder's intent to comply with all terms, conditions and specifications set forth in the contract documents.
- ✓ All prices and notations shall be printed in ink or type-written. No erasures will be permitted. Errors may be crossed out and corrections printed in ink or typewritten adjacent to the original figure and shall be initialed in ink by the person signing the bid.

B. PRE-BID CONFERENCE

A Mandatory Pre-Bid Conference is scheduled for **Monday, December 8, 2014 at 9:00 a.m.** at the Ypsilanti Senior Center, 1015 Congress Street, Ypsilanti, MI 48197. At this conference, all questions pertaining to the bid will be answered, and a walk-through tour of the job sites will be conducted.

If reasonable accommodations are needed for you to participate in this meeting, please call the *Clerk's Office at (734) 483-1100*, 48 hours in advance so arrangements can be made. Any questions relative to any items(s) or portion of this Request for Proposal should be directed to *Stan Kirton, Public Services Director, skirton@cityofypsilanti.com or by phone at (734) 483-1421.*

IV. GENERAL REQUIREMENTS OF THE RFP

General Conditions:

- The bidders hereby declare they have carefully read this RFP, construction drawings and its provisions, terms and conditions covering the equipment, materials, supplies or services as called for, and fully understand the requirements and conditions. The bidders agree to be bound by all of the terms and conditions of this Request for Proposal and certify that we are authorized to sign this bid for the bidder.

- It is the bidder's responsibility to assure that your bid is delivered at the proper time to the Clerk's Office or specified location. Bids which for any reason are not so delivered will not be considered. Any/All bids received after the date and time specified will not be accepted.

- The City of Ypsilanti is not responsible for U.S. Mail or private couriers in regards to mail being delivered by the specified time so that a proposal can be considered.

- All costs of proposal preparation are the responsibility of the applicant. The City of Ypsilanti shall not, in any event, be liable for pre-contractual expenses incurred by the bidder in the preparation and/or submission of the proposal. The bidder shall not include any such expense as part of the budget in the proposal.

- The City of Ypsilanti reserves the right in its sole discretion to waive informalities in a proposal, but is not required to do so.

- The proposal must include the bidder's best terms at representing the greatest benefit to the City's eligible low and moderate income residents.

- The proposal must set forth full, accurate, and complete information as required by the RFP. No changes or additions are allowed after the proposal deadline.

- Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions contained in this RFP.

Sealed Bids:

- All bid proposals must be submitted in a sealed envelope. Bids not submitted on the attached *Bid Response Form may be rejected.*
- All bids must contain a manual signature of the authorized representative of the bidder in the space provided on the Bid Response Form. All bids must be typed or printed in ink. The bidder should not use erasable ink. All corrections made by the bidder must be initiated.

No Bid:

A respondent who is on the bid mailing list, but who decides not to submit a bid, must still respond by returning only the Bid Response Ford, marking it "NO BID" and explaining the reason in the space provided. NOTE: To qualify as a response, the form must have a manual signature and company name, and must be received by the bid opening date.

Addition/Deletion:

The City of Ypsilanti reserves the right to add to or delete any item from this RFP or resulting award when deemed to be in the best interest of the City. In the event it becomes necessary to revise any part of the RFP, an addendum will be provided. Deadlines for submission of the RFPs may be adjusted to allow for revisions.

Debarred Contractors:

Developers and contractors are not eligible if they are presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation in federal programs or have had a professional license suspended or revoked which is required to provide services for a project under this RFP.

Pre-Bid Conference:

A ***Mandatory Pre-Bid Conference is scheduled for December 8, 2014 at 9:00 a.m. at the Ypsilanti Senior Center, 1015 Congress Street, Ypsilanti, MI 48197.*** Access to the site will not be permitted after this meeting. If a vendor fails to attend this meeting, that vendor will not be permitted to bid on the project.

Authority Requirements:

The contract shall comply with the project agreement entered into by the City of Ypsilanti Department of Public Services, and shall be in compliance with all applicable State and Federal Laws and Rules.

Section 3:

Section 3 of the Housing Development Act of 1968, will apply as amended (12 U.S.C. 1701U) relative to the hiring and training of low and moderate-income persons and the use of local business. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low and very-low income persons, particularly persons who are recipients of HUD assistance for housing. If you have questions about the Section 3 requirements, contact Stephen Wade at (734) 222-9598 or wades@ewashtenaw.org

Davis Bacon Labor Standards:

The Davis Bacon Act is a regulatory requirement that applies to all projects using $2,000 or more in federal funds for public facility and improvement activities. The act requires all contractors and subcontractors to pay employees working on the project the prevailing wages and fringe benefits which are determined by the U.S. Department of Labor. The Davis-Bacon requirements apply to the entire project. To obtain a sample wage determination or if you have questions about how Davis Bacon Labor Standards will affect your project, contact Stephen Wade at (734) 222-9598 or wades@ewashtenaw.org

Living Wage Ordinance:

Effective June 24, 1999, the City of Ypsilanti (under local ordinance 892) requires that persons receiving financial benefit from the City of Ypsilanti pay their employees a living wage. Financial benefit shall mean (1) any contract to primarily furnish services in the amount of $20,000, or more, in any 12 month period, or (2) the receipt of grant money, financial assistance, or tax abatement in the amount of $20,000, or more, in any 12 month period. Financial benefit does not include maintenance services purchased at the time of the purchase of equipment.

There are compliance mechanisms included in the ordinance, as well as exemptions for certain persons. A complete copy of the ordinance is available upon request.

Lead-Based Paint Regulations:

HUD has issued final regulations on notification, evaluation and reduction of lead-based paint hazards in some facilities receiving federal assistance. Rehabilitation of facilities where children are served may be affected by this new regulation resulting in the testing of painted surfaces that will be disturbed to determine the presence of lead-based paint. If paint surfaces are not lead-free, safe work practices will be required along with acceptable methods of removal.

Environmental Clearance:

Projects funded with CDBG and HOME funds are subject to environmental review under federal regulation, and no funds can be committed and expended until the activity has received an environmental clearance. No exceptions can be made. Project work must not commence, if the project was already under construction at the time of application for federal funds, construction must cease immediately until a U.S. HUD Release of Grant Conditions or a confirmation of exempt status has been issued for the Project.

Accessibility to Persons with Disabilities:

Programs, projects, information, participation, communications and services must be accessible to persons with disabilities to comply with the Americans with Disabilities Act (ADA).

Conflict of Interest:

Conflicts of interest (or the appearance thereof) can plague activities supported with federal funds. The general rule is that no employee, board member, officer, agent, consultant, elected official, or appointed official of the recipients or sub-recipients that are receiving funds under a CDBG-assisted project who have responsibilities with respect to the CDBG activities or are in a position to participate in decision making processes or have access to inside information with regard to the activities can obtain a financial interest or benefit from a CDBG-assisted activity during their tenure or for one year thereafter (Federal Regulation 24 CFR 570.611).

Agencies should maintain a written code of standards of conduct governing the purchase of materials, products, supplies, services, and awarding and administering sub-recipient contracts. Personnel involved in the procurement process must be trained to recognize situations that create conflicts of interest, or the appearance of a conflict of interest. The agency personnel should be familiar with the agency's code of ethics and potential conflict of interest issues and not take gifts or gratuities from persons or organizations associated with the procurement process.

Pricing:

- All prices, costs, and conditions outlined in the RFP shall remain fixed and valid for acceptance for *90 calendar days* starting on the due date of the bid.
- Prices will remain firm for the duration of the Contract.
- The price quoted shall include all labor, materials, equipment, and other costs necessary to fully complete the services in accordance with the specifications of this RFP.

Rejection:

The City of Ypsilanti reserves the right to reject any and all submittals or parts thereof and to reissue the RFP. The City of Ypsilanti is under no obligation to award and/or enter into a contract as a result of this RFP and the project selection schedule may be revised at the City's discretion.

Bid Opening:

Bid opening shall be public, on the date and at the time specified in this RFP. It is the bidder's responsibility to assure that his/her bid is delivered at the proper time to the Clerk's Office or specified location. Bids, which for any reason are not so delivered, will not be considered. Offers by telegram, fax, email, or telephone is not acceptable. NOTE: Bid tabulations will be furnished upon written request with an enclosed, self-addressed, stamped envelope. Bid files may be examined during normal working hours by appointment.

Required Bonds:

A performance and payment bond, each in the amount of 100 percent of the contract price, with a corporate surety approved by the City, will be required to ensure faithful performance of the contract. The duration of the performance and payment bond shall be one year after the anticipated completion date of the project.

Attorneys-in-fact who sign bid, payment and performance bonds must file with each bond a certified and effective dated copy of their power of attorney signed with original signatures or facsimile.

The party to who the contract is awarded will be required to provide the performance, payment and all other required bonds (including certificates of insurance), within ten calendar days when the Notice of Award is delivered to the bidder.

The party to who the contract is awarded will be required to execute the agreement within ten calendar days from the date when the contracts are delivered to the bidder. If bidder fails to execute the contract, the owner may consider the bidder in default, in which case the bid bond accompanying the bid shall become property of the City.

Insurance Requirements:

The City of Ypsilanti insurance requirements for this project have been included in Appendix A of the RFP. The contractor shall not commence work under this contract until he has obtained the insurance required within this contract. All insurance papers should be provided at time of award of bid.

Subcontractors:

All bidders shall submit to the City a list of sub-contractors to be used on the project. This list shall be binding upon the contractor, however; the City of Ypsilanti has the right to reject any or all sub-contractors listed which the City feels is unqualified to do the work.

Contract Award:

It is the intent of the City of Ypsilanti to award the contract based upon the reasonable and most responsible bidder provided that the bid has been submitted in accordance with the requirements stated in the RFP. The experience and responsibility of the Contractor will ultimately be a determining factor in the contract award. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the Applicant's qualifications and capabilities to provide the specified service, and other factors, which the City may consider. The City does not intend to award a bid fully on the basis of any response made to a proposal.

Termination of Contract:

A contract will be awarded, if at all, within ninety (90) days after the opening of the bids. The City of Ypsilanti may terminate the Contract without cause at any time at its sole discretion by delivering a thirty (30) day written notice to the General Contractor.

Award to the Next Rated Bidder:

In the event of default by the awarded vendor, the City of Ypsilanti reserves the right to utilize the next rated bidder meeting specifications as the new vendor. In the event of this occurrence, the next rated bidder meeting specifications shall be required to provide the bid items at the prices as contained on their proposal or bid for this specification.

Notification:

After formal award of the project, verification of the bonds, and execution of the contractual agreement, the contractor will receive the Notice to Proceed, which will establish the date work will begin under the contract. The work on this Project shall commence within 14 days of receipt of the Notice to Proceed which will be issued at the Pre-Construction Conference and shall be completed within 120 calendar days of the commencement of the work. All work stoppages due to inclement weather conditions and other factors must be verified by Community Development staff. Work stoppages due to equipment failure will not be the responsibility of the City of Ypsilanti. Failure to comply with the project schedule will result in liquidated damages as specified in the contractual agreement.

Work Hours:

Hours of work are Monday – Friday from 8:00 a.m. to 6:00 p.m. No holiday work as observed by the City will be permitted.

Service and Warranty:

Unless otherwise specified, the bidder shall define all warranty service and replacements that will be provided during and subsequent to the award of the contract.

Safety Standards:

Unless otherwise stipulated in the RFP, all work shall comply with applicable requirements of the Federal Occupational Safety and Health Act (OSHA) and any Michigan standards hereafter.

Sources of Information:
For information concerning the RFP procedures and regulations (i.e., submission deadlines, forms required, etc.), or Americans with Disabilities (ADA) accommodations, interested parties may contact Stan Kirton: (734) 483-1421; email: skirton@cityofypsilanti.org.

V. STANDARD PROVISION FOR CITY CONTRACTS

ADDENDUM TO AGREEMENT FOR 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 "CITY", and DTS Contracting, of Farmington Hills, Michigan, referred to as "CONTRACTOR", a corporation. (sole proprietor, corporation, partnership, etc.).

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.

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.

The parties understand and agree that the CITY may terminate this Contract at any time with or without notice. In such event the CONTRACTOR will be compensated for work already completed

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

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

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.

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

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.

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.

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.

The following Indemnification Agreement shall be, and is hereby, a provision of the Contract and shall be endorsed on the reverse sides of all certificates of insurance:

"The CONTRACTOR agrees to protect, defend, indemnity and hold the CITY and its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings or causes of action of every kind and character in connection with or arising directly or indirectly out of this Agreement and/or the performance hereof. Without limiting the generality of the foregoing, any and all such claims, etc., relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged infringement of any patent, trademark, copy right (or application for any thereof) or any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation, or decree of any court, shall be included in the indemnity hereunder. The CONTRACTOR further agrees to investigate, handle, respond to, provide defense for and defend any such claims, etc., at his sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent."

Insurance.

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.

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.

All property losses shall be made payable to and adjusted with the CITY.

In order to determine financial strength and reputation of insurance carriers, all companies providing the coverage's 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 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 ratings lower than B+ will be acceptable only upon written consent of the CITY.

All policies and certificates of insurance of the CONTRACTOR shall contain the following clauses:

The clause "other insurance provision" in a policy in which the CITY is named as an insured, shall not apply to the CITY.

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 for assessments under any form of policy.

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.

The CITY (at its option) shall be listed as an Additional Named Insured on the following insurance coverage's provided by the CONTRACTOR.

YES ____	NO ____	1)	Comprehensive General Liability
YES ____	NO ____	2)	Automobile Liability
YES ____	NO ____	3)	Owners Contractors Protective Liability

The CONTRACTOR shall maintain at its own expense during the term of this Contract the following insurance:

Worker's Compensation insurance with Michigan statutory limits and employers' liability insurance with minimum limits of $500,000 each accident.

General Liability insurance with a minimum limit of liability per occurrence of $1 Million Combined Single Limit (Bodily Injury/Property Damage), with no aggregate.

This insurance shall indicate on the Certificate of Insurance the following coverage's:

(a) Premises - Operations
(b) Independent Contractor and Subcontractors
(c) Products and Completed Operations
(d) Broad Form Contractual
(e) Broad Form Liability Endorsement

Automobile Liability insurance with minimum limits of liability, per occurrence, of $1 Million 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 coverage's:

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

Protective Liability Insurance: Owners and Contractors. The CONTRACTOR shall provide the original and duplicate policy of insurance to the City Manager. This insurance contract shall name the CITY as the insured and remain in effect until the contract is accepted by the CITY.

The insurance shall provide minimum limits of liability per occurrence of $500,000. Combined Single Limit. Said insurance shall provide that the term "Owner" or CITY shall be deemed to include all authorities, boards, bureaus, commissions, divisions, departments, districts and offices of the CITY and the individual members, employees and agents thereof in their official capacities.

Construction Insurance: The CONTRACTOR at his own cost and expense shall provide and maintain the applicable construction insurance until the Contract is accepted by the CITY and/or its designee. This coverage shall be written for 100% of the completed value covering the CITY as the insured, with a deductible of not more than $1,000. The CONTRACTOR shall provide the original and duplicate policy to the CITY (unless the CITY shall accept, in lieu thereof, all contained endorsements including all applicable provisions and coverage's).

Professional Services. CONTRACTOR shall provide professional liabilities (errors and omissions) insurance, with minimum limits of $1 Million each occurrence.

Disability Benefits: The CONTRACTOR shall provide proof of compliance with the Disability Benefits Law. (If applicable).

Additional insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific contract, that requirement will be described in the "Special Conditions" of the contract specifications.

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.

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.

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.

Conflict of Interest. The CONTRACTOR covenants that the CONTRACTOR (individually, or if a corporation, trust, limited liability company or partnership, "the entity") nor any officer, principal, partner, agent or employee of the entity 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. Further that if any such conflict of interest develops and exists during the term of the contract that the CONTRACTOR shall, within 7 days of the existence of such conflict of interest, notify the CITY in writing of the existence and nature of the said conflict of interest.

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.

The CONTRACTOR further agrees to perform this Contract in accord with all federal, state and local laws and will not discriminate against, or give preferential treatment to, any person on the basis of race, sex, sexual orientation, color, national origin, religion, handicap status, heights, weight, marital status, or other criteria which is not relevant to the particular job.

The CONTRACTOR further agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, national origin, disability as set forth in the American's With Disability Act, Michigan PWDA, age, height, weight, or marital status (except insofar as it relates to a bonafide or occupational qualification reasonably necessary to the normal operation of the business). Breach of this provision may be regarded as material breach of the Agreement.

Permits. The CONTRACTOR shall secure and bear the cost of any permits or licenses of a temporary nature necessary for the prosecution of the work. In particular, he shall secure and bear the cost of shutting off and turning on public services of every nature which may be required by his operations. Where such discontinuance of service affects consumers, due and sufficient notice shall be served upon those so affected.

Davis-Bacon Act. Pursuant to the Davis-Bacon Act (Title 29, 40 UCS Section 276A-276A-5), the rates of wages paid to employees of the CONTRACTOR on this work shall be no less than the prevailing wages for this locality to all class of workers employed by the CONTRACTOR on this improvement, as set forth in the Code and Act.

Improvement of Real Property or Performing Management Construction Services. In the event the contract provides for improvement of real property or performing management construction services as provided in MCLA 125.1591, the following provisions apply:

(A) A contract between CONTRACTOR and the CITY for an improvement as provided above shall contain the following provisions:

(a) That if a CONTRACTOR discovers one or both of the following physical conditions of the surface or subsurface at the improvement site, before disturbing the physical condition, the contractor shall promptly notify the CITY of the physical condition in writing:

(i) A subsurface or a latent physical condition at the site is differing materially from those indicated in the improvement contract.

(ii) An unknown physical condition at the site is of an unusual nature differing materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the improvement contract.

(b) That if the CITY receives a notice under subdivision (A), the CITY shall promptly investigate the physical condition.

(c) That if the CITY determines that the physical conditions do materially differ and will cause an increase or decrease in costs or additional time needed to perform the contract, the CITY's determination shall be made in writing and an equitable adjustment shall be made and the contract modified in writing accordingly.

(d) That the CONTRACTOR cannot make a claim for additional costs or time because of a physical condition unless the CONTRACTOR has complied with the notice requirements of subdivision (A). The CITY may extend the time required for notice under subdivision (A).

(e) The CONTRACTOR cannot make a claim for an adjustment under the contract after the CONTRACTOR has received the final payment under the contract.

(B) If the CONTRACTOR does not agree with the CITY's determination, with the CITY's consent the CONTRACTOR may complete performance on the contract.

(C) At the option of the CITY, the CONTRACTOR and the CITY shall arbitrate the CONTRACTOR's entitlement to recover the actual increase in contract time and costs incurred because of the physical condition of the improvement site. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association and judgment rendered may be entered in any court having jurisdiction.

Living Wage.

A. (1) If this contract involves $25,000, or more, Living Wages shall be paid according to the Ypsilanti Living Wage Ordinance No. 892 (The Ordinance) and City Code Section 2-298(8); and

(2) Suitable notices shall be posted in the work place; and

(3) Evidence of compliance including payroll records shall be provided to the Ypsilanti Personnel Department within 10 days of written request from the Ypsilanti Personnel Department.

B. 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.

C. 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.

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

21. Not in Default to City. The CONTRACTOR hereby certifies that the CONTRACTOR is not in default to the CITY, and that there are no unpaid taxes, real or personal, owed to the CITY by the CONTRACTOR, and

the CONTRACTOR has no other unfulfilled obligations to the CITY and is compliance with all Ypsilanti City codes and ordinances. The parties understand that a breach of this provision is a material breach of the contract.

22. American's With Disabilities Act Compliance. If this contract alters or resurfaces any streets, intersections, sidewalks, or curb ramps, CONTRACTOR shall ensure that each portion of the project, to the maximum extent feasible, shall be altered in such manner that the altered portion of the facility is readily accessible to and usable by individuals with disabilities. Each project shall comply with the American's With Disabilities Act requirements, including 28 C.F.R. §§ 35.151(b), (c), (e) (1) and (e) (2) and 28 C.F.R. Part 36, App. A, the ADAAG.

Note: The City of Ypsilanti has chosen to follow the ADAAG standards rather than the UFAS standards. See United States Department of Justice ADA Title II Technical Assistance Manual, Section II-6.2100)

As used in this Section, the term "resurface" shall have the definition given by the United States Department of Justice Title II Technical Assistance Manual § II-6.6000 "Resurfacing beyond normal maintenance is an alteration. Merely filling potholes is considered to be normal maintenance."

As used in this Section, the term "to the maximum extent feasible" shall have the meaning set forth at 28 C.F.R. § 36.402(c).

As used in this Section, the term "readily accessible to and usable by persons with disabilities" shall have the meaning set forth at Section II-6.1000 of the US Department of Justice ADA Title II Technical Assistance Manual, and set forth at 28 CFR Appendix B Section 36.401.

23. The Contract and its attachments, and this Addendum, 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 _____, 2014.

In the presence of:

_____ _____
CONTRACTOR

_____

CITY OF YPSILANTI, a Michigan
Municipal Home-rule City

_____ BY: _____
~~Paul Schreiber~~, Mayor
AMANDA EDMONDS

_____ BY: _____
Frances McMullen, City Clerk

APPROVED AS TO FORM:

[redacted]
Ypsilanti City Attorney

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 01/12/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Primary Insurance Agency Group, LLC 2071 E. 15 Mile Road Sterling Heights MI 48310	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:
INSURED DTS CONTRACTING LLC 21365 GOLDSMITH ST FARMINGTON HILLS MI 48335	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Merchants Ins Group INSURER B: Merchants Ins Group INSURER C: Merchants Ins Group INSURER D: First Comp INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC			BOPI063928	02/17/2014	02/17/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 500,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [X] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS			CAPI057534	02/17/2014	02/17/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			CUP9145775	05/07/2014	05/07/2015	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ 2,000,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [Y] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		MWC0025619	02/17/2014	02/12/2015	WC STATU-TORY LIMITS [X] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

City of Ypsilanti

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

[redacted]

The ACORD name and logo a[redacted]ghts reserved.

VI. SECTION 3 CLAUSE OF THE URBAN DEVELOPMENT ACT OF 1968

All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic development opportunities generated by HUD assistance or HUD–assisted projects covered by Section 3, shall to the greatest extent feasible, be directed at low and very low-income persons, particularly persons who are eligible to receive HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications of each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contactor is selected but before the contact is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

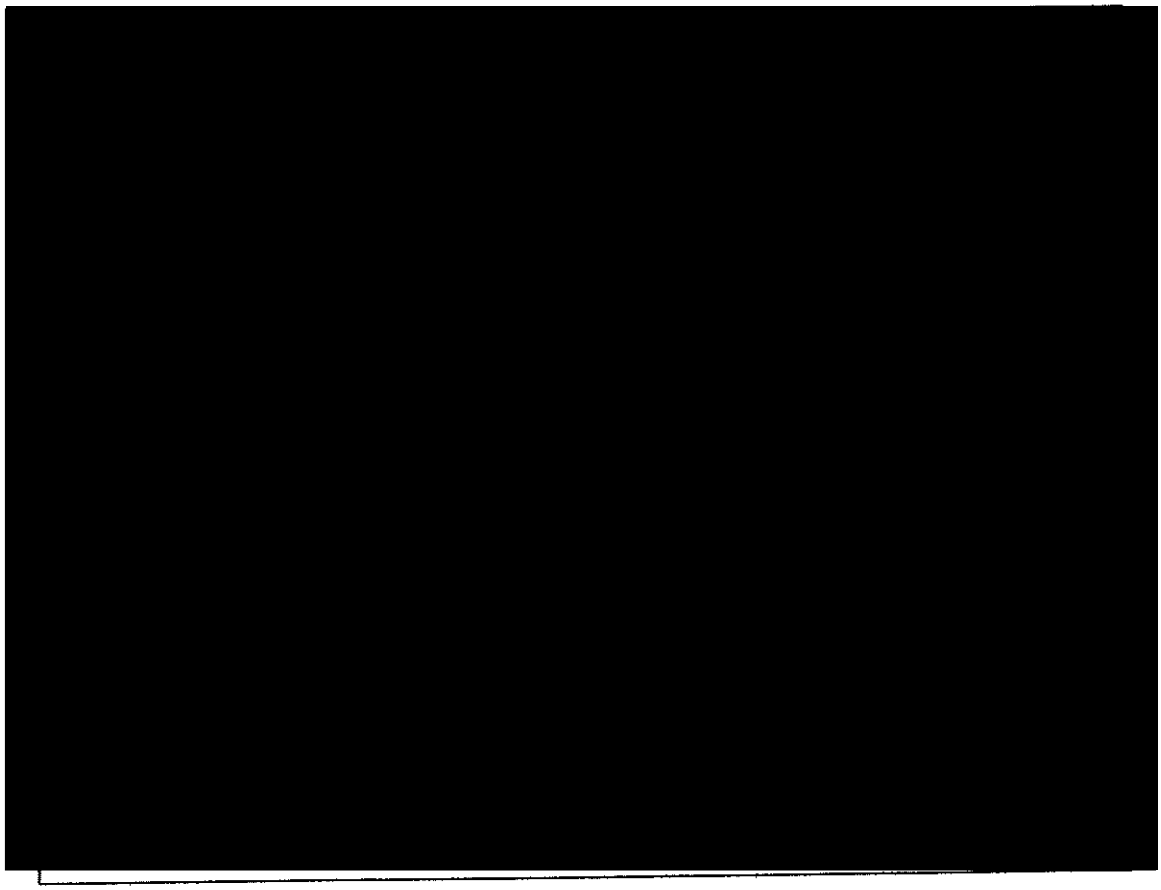
F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

VII. SUBMISSION REQUIREMENTS CHECKLIST

*PROPOSAL – SUBMIT ONE (1) ORIGINAL AND FIVE (5) COPIES OF EACH

- [x] Signature Page
- [x] Bid Proposal Sheet
- [x] Bid Schedules
- [x] Schedule of Price
- [x] Minority and Female Status Report
- [x] List of References and Subcontractors

SIGNATURE PAGE



The above individual is authorized to sign on behalf of the company submitting the proposal.

Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days.

BID PROPOSAL SHEET

Name of Bidder: DTS Contracting, Inc.

1. The undersigned Bidder proposes and agree, if this bid is accepted, to enter an Agreement with Owner in the form included in the Contract Documents to complete all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the Contract Documents.

2. Bidder accepts all of the terms and conditions of the Bidder Information.

   Bidder accepts responsibility for all control, testing and acceptance of materials as per the City of Ypsilanti RFP Specifications.

   Bidder accepts the provisions of the Agreement as to liquidate damages in the event of failure to complete the work on time.

3. The terms used in this RFP which are defined in the provisions of the Construction Agreement or General Conditions included as part of the Contract Documents have the meanings assigned to them in the Construction Agreement or General Conditions.

Include in lump sum or unit price all labor, materials, tools, equipment, and required testing for the work described in the plans and specifications. Bids shall include sales tax and all other applicable taxes and fees. All work shall conform to the City of Ypsilanti Standard Specifications and Details for Municipal Construction, latest edition.

GENERAL REQUIREMENTS

Owner's Finish Selections

The owner shall select finish, colors, styles & types of materials from pre-mixed, in stock options. The contractor & property owner shall submit to the Agency, a copy of the agreed upon colors, styles and types of materials prior to job start.

Manufacturer's Specs Prevail

All materials shall be installed in full accordance with the manufacturer's specifications for working conditions, surface preparation, methods, protection and testing.

Substitution Approval Process

Any requests for substitutions of specified proprietary items must accompany the initial proposal and shall include: the manufacturer's specifications; full installation instructions and warranties. The agency and owner will notify the contractor of decision at contract award.

Field Verify Quantities, Dimensions, and Measurements

All measurements, quantities, and dimensions included in the Construction Work Order are for the contractor's general reference prior to a mandatory site inspection to field verify measurements, quantities and dimensions.

All measurements, quantities, dimensions are approximates.
No claim for additional funds due to discrepancies in measurements or quantities shall be honored if not submitted at the time of the initial bid proposal.

All Permits Required
The contractor shall supply (2) copies of the Rehabilitation Specification Work Order to the local Building Department, apply for, pay for, obtain and forward copies of the following indicated permits to the Community Development Department: _____ Plumbing; _____ Electric; _____ HVAC; _____ Building; _____ Zoning; _____ Lead Abatement; _____ Asbestos Abatement.

**** Contractor is also responsible for preparing and submitting all plans and drawings when required by the local building department.**

Contractor Pre-bid Site Visit
The contractor must inspect the interior and exterior of the property. Submission of a bid is presumptive evidence that the bidder has thoroughly examined the site and is conversant with the requirements of the Community Development Department's Construction Work Order.

Davis-Bacon Act Requirements
The Davis-Bacon Act requires the payment of prevailing wage rates (determined by the U.S. Department of Labor) to all laborers and mechanics on federally funded construction projects.

Job Behavior
The following behaviors in any worker shall not be permitted and may result in the owner terminating the contract for cause: swearing, drinking alcoholic beverages on site and racist remarks.

Workmanship Standards
All work shall be performed by mechanics both certified, licensed and or skilled in their particular trade as well as the tasks assigned to them. Workers shall protect all surfaces as long as required to eliminate damage.

1 Year General Warranty
Contractor shall remedy any defect due to faulty material or workmanship and pay for all damage to other work resulting there from, which appear within one year from final payment. Further, contractor shall furnish owner with all manufacturers' and suppliers' written warranties covering items furnished under this contract prior to release of the final payment.

100% Payment & Performance Bond
Prior to commencing work, contractor shall provide owner with a bond written on the AIA form for 100% of the contract, callable in the event of either non- performance or non-payment.

GENERAL SPECIFICATIONS

Ypsilanti Senior Center

Scope of Work

Demolition: Remove Existing Pantry Wall, remove wall with existing wash sink, remove half wall west of sink area, remove existing cabinets/shelving, remove floor finish and wall base, remove all ceiling tiles, remove pantry door and frame, remove existing 3 compartment sink, remove existing north sink to be reinstalled, remove existing 240V-1PH 30A receptacle and wiring back to source, remove, replace existing 30A-2P BRKR, Remove existing wall switch and wiring to existing lights per plans sheet E-3.

Plumbing: Existing sink reinstalled, install ¾ " Hot Water to U/C Dishwasher, install 1" Discharge Spill to Floor Drain-1, Relocate existing toe kick grille, install 2" Waste from Floor Drain-1, install 2" waste from 3 compartment sink, Connect new 2" waste to existing 2" waste, Connect Rinse and sanitize bowls to 2" waste from Grease Interceptor-1 below floor, Rework existing Sanitary and Domestic water from existing location, reconnect vent to existing, install ½ " Cold water to ice maker, connect new ¾" Hot and Cold Water to existing, install new hand wash sink on south wall west of sink area, install new 3 compartment sink, reinstall sink with garbage disposal, install ice maker

Electrical: Install 2 120V, 20A receptacle in former panty area to relocate existing freezer and refrigerator, install 1 duplex receptacle GFI , 120V, 20A Grounding type on north wall east of former pantry area, install 1 Duplex receptacle 120 V, 20 A on north wall for new ice maker, install two Duplex receptacle GFI,120V 20A on short wall west of sink area, install 2 Duplex receptacles GFI 120V 20A on east wall, install 1 Duplex receptacle on north wall for disposal, install 60A Disconnect switch for new dishwasher, install 1 Duplex receptacle 120 V 20A on south wall, install 2 Double Duplex 120V 20A on south wall 9" above counter, install 2 Double Duplex receptacles on west wall 9" above counter, install 1 Duplex receptacle 9" above counter on west wall, install Utility Meter and 200A Service Disconnect on south west exterior wall, install lighting panel on north wall west of former pantry area, connect existing lighting fixtures to be switched together with above ceiling conduit to new switch on wall east of entry door.

Carpentry/Millwork: Install new solid core wood entry door, extend ceiling grid into area above former pantry area, install scrubbable vinyl ceiling tile on entire ceiling grid, install new VCT Stand Excellon floor tiles, repair wall surfaces at removes partitions/doors to match adjacent construction, patch/repair wall surface after removal of shelves or apply new 5/8 gypsum board, install new cabinets on walls per drawings, install FRP backsplash on eat wall above the sinks, paint wall finish with semi-gloss sheen, install new counter tops with 1.5 thick particle board with plastic laminate or corian counter tops.

Concrete: Concrete patch approximately 16 sq. ft. of flooring under the sink area and underneath the new wash sink area.

The Bid Schedule contains the schedule of prices that will be incorporated into the Agreement by reference.

BIDDER agrees to perform all the work described in the CONTRACT DOCUMENTS for the following unit prices or lump sum prices.

Schedule A. Ypsilanti Senior Center

#	Spec. Ref.	Description	QTY	Unit	Unit Price	AMOUNT
1	A-1-3	*Demolition Floor Plan Interior Elevation*		AL		26,650
2	P- 1-5	*Plumbing Notes Plumbing Demolition Plumbing New Works Plumbing Schedules Mechanical Specs.*		SF		6,645
3	E-1-5	*Electrical Notes Electrical Demolition New Electrical Plan Electrical Riser Diagram*		EA		5,382
4	ALT.	*Corian Counter Tops or Equiv.*		SF		3,900

TOTAL SCHEDULE "A" BID $38,677

TOTAL SCHEDULE "A" BID (writing) Thirty Eight Thousand Six Hundred Seventy Seven

TOTAL SCHEDULE Alternate BID $3,900

TOTAL SCHEDULE Alternate BID (writing) Three Thousand Nine Hundred

SCHEDULE OF PRICES

Summary: The following summarizes the totals of the bid schedules on the previous pages.

Schedule	Total ($)
Senior Center Kitchen	
Base Bid:	
Schedule A – Demolition, Millwork, Carpentry	26,650.00
Schedule B – Plumbing Improvements	6,645.00
Schedule C – Electrical Upgrades	5,382.00
Alternates:	
Schedule D – Corian or equivalent counter tops	3,900.00
GRAND TOTAL	38,677.00

(Alternate NOT included in Grand Total)

Grand Total in Words:
Thirty Eight Thousand Six Hundred Seventy Seven 00/100

Respectfully Submitted:

DTS Contracting, Inc
Company Name

21365 Goldsmith St., Farmington Hills,
Address MI 48335

248-478-3142
Phone Number

[redacted]
Signature

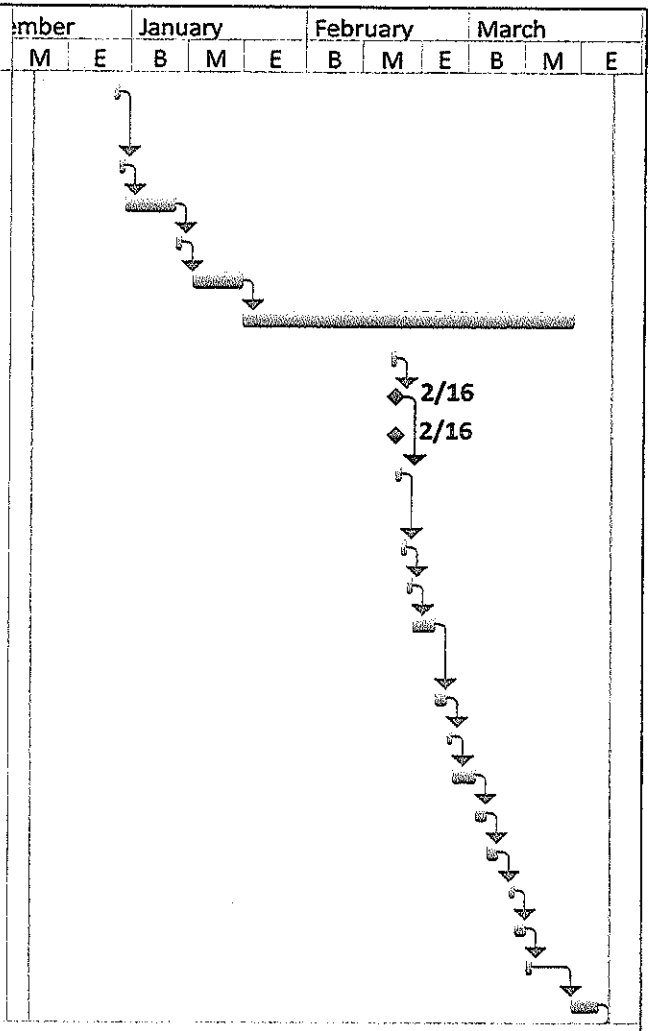
Owner
Title

License Number

(Seal if Bid is by Corp)

Atte[redacted]

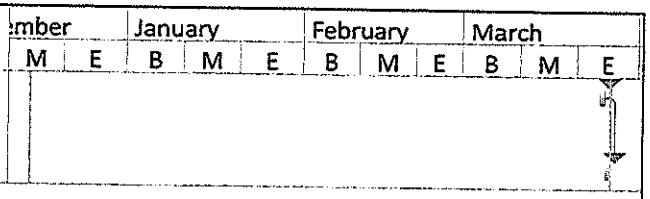
ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
1		Ypsilanti Kitchen Renovation	1 day?	Mon 12/29/14	Mon 12/29/14	
2		Sign Contract	1 day	Tue 12/30/14	Tue 12/30/14	1
3		Submittals	7 days	Wed 12/31/14	Thu 1/8/15	2
4		Apply Building Permits	1 day	Fri 1/9/15	Fri 1/9/15	3
5		Submittals Approval	7 days	Mon 1/12/15	Tue 1/20/15	4
6		Order Cabinets	42 days	Wed 1/21/15	Thu 3/19/15	5
7		Mobilization	1 day	Mon 2/16/15	Mon 2/16/15	
8		**<New Summary Task>**	**0 days**	**Mon 2/16/15**	**Mon 2/16/15**	**7**
9		Start Interior Demo	0 days	Mon 2/16/15	Mon 2/16/15	
10		Disconnec Plumbing Fixtures	1 day?	Tue 2/17/15	Tue 2/17/15	8
11		Remove Fixtures	1 day	Wed 2/18/15	Wed 2/18/15	10
12		Disconnect electrical	1 day	Thu 2/19/15	Thu 2/19/15	11
13		Remove walls,ceiling, floor tile and cabinets	2 days	Fri 2/20/15	Mon 2/23/15	12
14		Prep walls	2 days	Tue 2/24/15	Wed 2/25/15	13
15		Paint ceiling grid	1 day	Thu 2/26/15	Thu 2/26/15	14
16		Rough in electric	2 days	Fri 2/27/15	Mon 3/2/15	15
17		Rough in plumbing	2 days	Tue 3/3/15	Wed 3/4/15	16
18		Install flooring	2 days	Thu 3/5/15	Fri 3/6/15	17
19		Finish electric	1 day	Mon 3/9/15	Mon 3/9/15	18
20		Fininsh Pluming	2 days	Tue 3/10/15	Wed 3/11/15	19
21		Install ceiling tile	1 day	Thu 3/12/15	Thu 3/12/15	20
22		Install Cabinets	3 days	Fri 3/20/15	Tue 3/24/15	21



Project: Ypsilanti Kitchen Renovat
Date: Mon 12/15/14

Task	External Milestone	Manual Summary Rollup
Split	Inactive Task	Manual Summary
Milestone	Inactive Milestone	Start-only
Summary	Inactive Summary	Finish-only
Project Summary	Manual Task	Deadline
External Tasks	Duration-only	Progress

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors
23			Install door and hardwae	1 day	Wed 3/25/15	Wed 3/25/15	22
24			Final Clean up	1 day?	Thu 3/26/15	Thu 3/26/15	23



Project: Ypsilanti Kitchen Renovat
Date: Mon 12/15/14

Task	External Milestone	Manual Summary Rollup	
Split	Inactive Task	Manual Summary	
Milestone	Inactive Milestone	Start-only	
Summary	Inactive Summary	Finish-only	
Project Summary	Manual Task	Deadline	
External Tasks	Duration-only	Progress	

LIST OF REFERENCES AND SUBCONTRACTORS

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Customer References

(List four jobs currently underway or most recently completed)

Include complete addresses for all references

Type of Work	Interior Renovation	Type of Work	Carpentry
Contract Amount	120,000	Contract Amount	330,000
Project Address	Bates Elementary	Project Address	Cornerstone Health & Technology
Owner's Name	Woodhaven-Brownstown School District	Owner's Name	New School Foundation
Owner's Address		Owner's Address	
Owner's Phone#		Owner's Phone#	

Type of Work		Type of Work	
Contract Amount		Contract Amount	
Project Address		Project Address	
Owner's Name		Owner's Name	
Owner's Address		Owner's Address	
Owner's Phone#		Owner's Phone#	

Supplier/Subcontractor References

(List four highest dollar volume suppliers or subcontractors)

Name	Norman's Plumbing	Name	Bridge Electric
Address		Address	
Phone Number	313-506-9634	Phone Number	248-561-2249
Contract Person	Dwight Norman	Contract Person	
Dollar Volume Last Year		Dollar Volume Last Year	

Name	Tom Peggie (Lumber)	Name	
Address		Address	
Phone Number		Phone Number	
Contract Person		Contract Person	
Dollar Volume Last Year		Dollar Volume Last Year	

DTS Contracting, Inc.

Letter Head

DATE: 1/7/2015

TO: City of Ypsilanti
ATTN: Stan Kirton

References

1. Haandi Restaurant Renovations – Livonia, MI
   Private Owner
   Rakesh, Owner
   734-904-8210
2. Bates Elementary Renovations – Woodhaven, MI
   McCarthy & Smith, Inc.
   Brian Gesaman, Project Manager
   248-427-8400
3. Cornerstone Health & Technology High School Build-out – Detroit, MI
   Jenkins Construction
   Calvin Williams, Senior Project Manager
   313-670-6400
4. Coleman A Young Municipal Center Office Renovations – Detroit, MI
   W3 Construction Co.
   Darryl Johnson, Project Manager
   313-875-8000
5. The Beer Grotto Remodel – Dexter, MI & Ann Arbor, MI
   Kincaid Henry Building Group, Inc.
   Chris Rau, Project Manager
   517-332-8210

References Checked

21365 Goldsmith St, Farmington Hills, MI 48335 P: 248-478-3142 F: 248-478-0638 E: dtsonline@hotmail.com

Federal Funding Reference:

This is a Federally funded project. The contractor and subcontractors must comply with HUD procurement provisions in CFR 24 Part 85.36, Equal Employment Opportunity requirements, the Copeland "Anti-Kickback" Act, the Davis-Bacon Act, Contract Work Hours and Safety Standards Act, Section 3 of the Housing and Urban Development Act and other requirements as set forth in the bid documents. Minority and Women Owned Business Enterprises and Section 3 Business Concerns seeking bid opportunities under this project are encouraged to respond.

Required Bid and Contract Documents
Washtenaw County Community Development Block Grant (CDBG) Program
Public Infrastructure and Facilities Improvement Projects

This is a Federally funded project. The contractor and subcontractors must comply with HUD procurement provisions in CFR 24 Part 85.36, Equal Employment Opportunity requirements, the Copeland "Anti-Kickback" Act, the Davis-Bacon Act, Contract Work Hours and Safety Standards Act, Section 3 of the Housing and Urban Development Act and other requirements as set forth in the bid documents. Minority and Women Owned Business Enterprises and Section 3 Business Concerns seeking bid opportunities under this project are encouraged to respond.

Enclosed is a set of documents related to compliance with Federal and local requirements concerning public infrastructure and facilities improvement projects under Washtenaw County's Community Development Block Grant (CDBG) program:

1. Federal Contract Provisions

2. Federal Labor Standards Provisions

3. Equal Opportunity
    a. Equal Opportunity Clause
    b. Standard Federal Equal Employment Opportunity Construction Contract Specifications
    c. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity

4. Section 3
    a. Section 3 Clause
    b. Washtenaw County Section 3 Contractor List
    c. Section 3 Definitions
    d. Washtenaw County Section 3 Fact Sheet, Business Certification & Reporting Instructions

5. Required Contractor Documents
    a. Section 3 Plan Information Sheet
    b. Sub-Contractor Information Sheet
    c. Project Wage Rate Sheet
    d. Equal Employment Opportunity Poster
    e. Employee Rights Under the Davis-Bacon Act Poster
    f. Certified Payroll
    g. Payroll Deduction Authorization for "Other Deductions" on Certified Payroll
    h. Waiver of Lien
    i. Full Unconditional Waiver
    j. Sworn Statement
    k. Section 3 Summary Report

6. Project Wage Decision

Federal Contract Provisions

Federal Contract Provisions

1. Contracts other than small purchases shall contain administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.

2. All contracts in excess of $10,000 shall contain suitable provision for termination for cause and for convenience by the grantee, including the manner by which it will be effected and the basis for settlement.

3. All contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

4. All contracts and subgrants for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3).

5. All construction contracts in excess of $2,000 must include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by Department of Labor regulations (29 CFR, Part 5).

6. Where applicable, all contracts awarded by grantees and subgrantees in excess of $2,000 for construction contracts and in excess of $2,500 for other contracts which involve the employment of mechanics or laborers shall include a provision for compliance with Section 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by the Department of Labor regulations (29 CFR, Part 5).

7. The contract shall include notice of requirements and regulations pertaining to reporting and patent rights respect to any discovery or invention which arises or is developed in the course of or under such contract, and of grantor agency requirements and regulations pertaining to copyrights and rights in data.

8. All negotiated contracts awarded by grantees shall include a provision to the effect the grantee, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions.

9. Grantees shall require contractors to maintain all required records for three years after grantees make final payments and all other pending matters are closed.

10. Contracts, subcontracts, and subgrants of amounts in excess of $100,000 shall contain a provision which requires compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR, Part 15), which prohibit the use of non-exempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities. The provision shall require reporting of violations to the grant agency and to the USEPA Assistance Administrator for Enforcement (EN-329).

11. Contracts shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

Federal Labor Standards Provisions

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section l(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) **(a)** Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part

of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section l(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section l(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5 (a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant ',to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by

the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than $5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable where the amount of the prime contract exceeds $100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable where the amount of the prime contract exceeds $100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Equal Opportunity

EQUAL OPPORTUNITY CLAUSE
Executive Order 11246, as amended: 41 CFR Part 60-1.4(b)

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contrator will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:*Provided, however,* That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided,* That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT SPECIFICATIONS
(Executive Order 11246: 41 CFR Part 60.4.3)

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7 a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has

employees in the covered area. Covered Construction contractors performing construction work in geographical areas where they do not have a Federal or federally assisted constuction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the FEDERAL REGISTER in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newpaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(b) The notice set forth in 41 CFR 60-4.2 and the specifications set forth in 41 CFR 60-4.3 replace the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction published at 41 FR 32482 and commonly known as the Model Federal EEO Bid Conditions, and the New Form shall not be used after the regulations in 41 CFR part 60-4 become effective.

NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION
TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY
Executive Order 11246: 41CFR Part 60-2

1. The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Time-tables	Goals for minority participation for each trade	Goals for female participation in each trade
	8.5%	6.9%

These goals are applicable to all the Contractor's construction work (whether or not it is Federal or federally assisted) performed in the covered area. If the contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its federally involved and nonfederally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

4. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed giving the state, county and city, if any).

Section 3

SECTION 3 CLAUSE
24 CFR Part 135.38

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Contractor List

Name	Address	City	Zip Code	Contact	Phone	Type
Section 3						
A.H. Construction	5417 Daytona	Ypsilanti	48197	Ali Huwio	734-481-1983	Housing Rehab
Advanced Construction & Firestop LLC	7557 Boettner Rd	Saline	48176	Jim Stachnik	734-255-4005	Housing Rehab
Brothers Services Group L.L.C.	3390 Porter Ave.	Ann Arbor	48103	Ben Sharp	734-277-7991 (cell)	Housing Rehab
Crime Prevention Security, Inc.	2124 Lakeview Dr, Ste 189	Ypsilanti	48198	Samantha Towler	734-480-2777	Security
JST Development, LLC	32530 Prescott	Romulus	48174	Joseph Sayer	734-368-0170	Housing Rehab
LaSant Building. Inc.	7754 Hidden Ridge Lane	Northville	48168	Danielle Bass	248-486-6868	Housing Rehab
PRP Construction Group L.L.C.	517 Washtenaw	Ypsilanti	48197	Phil Panzica	734-678-8025	Housing Rehab
Saladino Construction Company Inc.	3303 N. Territorial Rd.	Ann Arbor	48105	Zina Saladino	734-665-5913	Paving Concrete
Stephen B. St. Clair, Inc	1300 Tefft Ct. Suite #5	Saline	48176	Stephen B. St.Clair	734-944-5253	Housing Rehab

Contractor Email List

Instructions:

1. Click on the combined list of emails under Complete List.
2. Hold the Ctrl key and hit the C key to copy the list to the clipboard.
3. Open up a new email message or run a report and Export using the Microsoft Mail option
4. Click on the To: box
5. Hold the Ctrl key and hit the V key to paste the list into the To: box.
6. Type your message and send it.

Section 3 Contractors

Complete List

phil@prpmanagement.com; UgMug@aol.com; saladinoco@aol.com; jstdevelopment@gmail.com; office@lasantbuilding.com; jim.stachnik@yahoo.com; alihuwio@sbcglobal.net/ email@ahroofplus.com; aaondeck@sbcglobal.net; BenSharp@MSN.com; 8865@comcast.net; cpsskaffa@aol.com

Itemized List

Company Name	Email Address
A.H. Construction	alihuwio@sbcglobal.net/ email@ahroofplus.com
AA On Deck Design & Construction L.L.C.	aaondeck@sbcglobal.net
Advanced Construction & Firestop LLC	jim.stachnik@yahoo.com
Barber Real Estate	8865@comcast.net
Brothers Services Group L.L.C.	BenSharp@MSN.com
Crime Prevention Security, Inc.	cpsskaffa@aol.com
JST Development, LLC	jstdevelopment@gmail.com
LaSant Building. Inc.	office@lasantbuilding.com
PRP Construction Group L.L.C.	phil@prpmanagement.com
Saladino Construction Company Inc.	saladinoco@aol.com
Stephen B. St. Clair, Inc	UgMug@aol.com

SECTION 3 DEFINITIONS

"SECTION 3 RESIDENT" MEANS:

1. A public housing resident who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is considered to be a low-to very low-income person; or

2. An individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is considered to be a low-to very low-income person.

2013 LOW-INCOME LIMITS FOR WASHTENAW COUNTY

Family Size: Number in Household	Household Income (less than)
☐ 1 Person	$45,100
☐ 2 Persons	$51,550
☐ 3 Persons	$58,000
☐ 4 Persons	$64,400
☐ 5 Persons	$69,600
☐ 6 Persons	$74,750
☐ 7 Persons	$79,900
☐ 8 Persons	$85,050

"NEW HIRE" MEANS:

A person who is not on the contractor's payroll at the time of selection for the Section 3 award.

SECTION 3 BUSINESS DEFINED

A Section 3 Business concern is a business:

1. That is 51 % or more owned by a Section 3 Washtenaw County resident(s); or

2. Whose permanent, full-time employees include persons, at least 30 % of whom are currently Section 3 residents or within three years of the date of first employment with the business concern were Section 3 Washtenaw County residents; or

3. That provide evidence of a commitment to subcontract in excess of 25 % of the total dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in (1) or (2) above. Must complete three Section 3 covered projects with Washtenaw County and successfully meet the requirements for Section 3 for those three projects in order to apply for Section 3 Business Concern status under this option with Washtenaw County.

• A person seeking the training or employment preference; or a business seeking the preference provided by Section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for that preference.

SECTION 3	FACT SHEET, BUSINESS CERTIFICATION & REPORTING INSTRUCTIONS

A. PURPOSE

The purpose of Section 3 is to ensure that employment and other economic opportunities created by HUD assistance to construction and rehabilitation projects is directed to low-income persons.

B. REQUIRED COMPLIANCE GOALS

1. **Employment** - **30%** of the aggregate number of **new hires** for a covered project will be low income persons (A low income person is defined as having a family income less than 80% of the HUD established median income for Washtenaw County as found in the Section 3 Resident Income Verification Form.).
2. **Contracting** - Award at least **10%** of the total dollar amount for building trades work related to the project and at least **3 %** of all other covered contracts to Section 3 businesses.

C. SECTION 3 STRATEGY OR PLAN REQUIREMENT

Prior to or at the time of the contract signing between owner/developer and the contractor for the work on this project, the contractor is required to develop and complete with owner/developer, a Section 3 strategy or plan with final approval of the Section 3 strategy or plan by the Washtenaw County/City of Ann Arbor Office of Community and Economic Development (OCED). The Section 3 Plan must include, but not be limited to, the following, all per the requirements of Section 3:

1. Section 3 contracting goals for the construction contract and other contracts on the project;
2. Section 3 employment and training goals for the project;
3. Outreach to solicit Washtenaw County Section 3 Business Concerns;
4. Outreach to solicit Section 3 Washtenaw County Residents;
5. Project neighborhood area for the project;
6. Section 3 coordinator.

OCED has a template or model Section 3 Plan/Strategy available that you may use for the development of the Section 3 strategy or plan for the project. OCED also has a list of certified Washtenaw County Section 3 Business Concerns.

D. SECTION 3 BUSINESS CERTIFICATION APPLICATIONS:

Applications for Section 3 Business Certification may be obtained from the ***Washtenaw County OCED, 110 N. Fourth Avenue, Suite 300, Ann Arbor, MI 48073.***

APPLICATION PROCESS:

To be considered for certification as a Section 3 Business Concern, a business must complete the ***Section 3 Clause, submit the appropriate Section 3 Business Certification Forms and provide all required supporting documentation.***

1. **(Category 1) Business Ownership:**
   - When a qualified Section 3 Resident is the primary owner having 51% or more ownership he/she (or, if less than 51%, holds the greatest percentage of ownership) must complete the *Section 3 Business Certification Form (**51% Section 3 Resident Ownership**)* form. This category was created by HUD for business concerns that are primarily owned by a person(s) that meet the HUD definition of being low income.
   - If there are two or more Section 3 Resident owners that together own 51% or more of the business, each additional owner (not having majority ownership) must complete the *Section 3 Resident Income Verification Form (Section 3 Business Certification).*
2. **(Category 2) Percentage of Employees Criteria:**
   - A business having at least 30% permanent, full time Section 3 Residents on the payroll completes the *Section 3 Business Certification Form (**30% Section 3 Resident Employment**).* At least 30% of permanent, full time employees must be Section 3 Residents or within three (3) years of the date of first employment with the business were Section 3 Residents.
   - A *Section 3 Resident Income Verification Form (Section 3 Business Certification)* must be completed by each Section 3 Resident employee as evidence that each individual meets the HUD definition of a Section 3 Resident.

E. DOCUMENTATION:

- The following completed forms are required for certification:
  - Section 3 - **51% or 30%** Business Certification Application;
  - Section 3 Clause;
  - Register with the Office of Community and Economic Development to become an approved contractor and/or subcontractor;
  - Submit Articles of Incorporation with State of Michigan Seal;
  - Submit Ownership or Partnership Agreement(s) or if applicable, Notarized Affidavit or Secretary of State Certification to confirm that applicant(s) is or are the major shareholder(s)/owner(s);
  - Submit Capacity evaluation: demonstration of business experience, i.e., list at least 10 previous jobs, existing jobs and 3 current references;
  - Submit Largest Contract Award verification;
  - If 51% Section 3 Resident Ownership; Submit Most Recent IRS Tax Statement (Individual(s) and Corporate or if a Sole Proprietor Submit IRS 1040 with Schedule C to confirm income.
  - Submit Identification (i.e. Passport, Drivers License)
  - Workers Compensation Certificate

F. CERTIFICATION:

a. The Section 3 Business Certification Letter will be issued to acknowledge that a business has met the criteria established by the HUD Act of 1968, 24 CFR PART 135 - Section 3.
   - The business shall be listed in the Section 3 Washtenaw County/City of Ann Arbor OCED Business Directory provided the business also completes a contractor or sub-contractor application (as applicable) to be an approved contractor/sub-contractor with Washtenaw County/City of Ann Arbor OCED. Alternatively, the contractor/sub-contractor could choose to be a Section 3 business concern for only the project.

G. REPORTING RESPONSIBILITIES *(Transmit reports via Email or as hard copies to address below)*

During the life of the project these forms are collected by the **Owner/Developer**, checked for accuracy and completeness and submitted with the Request for Reimbursement to the Washtenaw County/City of Ann Arbor Office of Community and Economic Development (OCED) . If there is no disbursement request within a quarter, submit the report to the Compliance Officer no less than quarterly.

SECTION 3 CLAUSE ACKNOWLEDGEMENT FORM

1. **Owner/Developer** completes Section 3 Clause Acknowledgement Form (Submit once during life of project). The Section 3 Clause is required in every Section 3 covered contract and stipulates Section 3 applicability and requirements.
2. **Covered Contractor/Subcontractor** completes Section 3 Clause Acknowledgement Form (Submit once during life of project). The Section 3 Clause is required in every Section 3 covered contract and stipulates Section 3 applicability and requirements.

PERMANENT EMPLOYEE LISTING

1. **Owner/Developer** provides a complete list of permanent employees, including name and job category.

2. **Covered Contractor/Subcontractor** provides a complete list of permanent employees, including name and job category.

SECTION 3 SUMMARY REPORT FORM (HUD FORM 60002)

1. **Owner/Developer** completes the Section 3 Summary Report Form to account for all construction Contractors and subcontractors and businesses providing other services working on the project.

2. **Covered Contractor/Subcontractor** completes the Section 3 Summary Report Form to report all new hires for the covered project and the construction contracts and subcontracts with Section 3 Business Concerns. Contractor/subcontractor provides **all** *Section 3 Resident New Hires* the *Section 3 Income Verification Form* for completion and signature and proof of residency.

Required Contractor Documents

Section 3 Plan Information Sheet

Complete all items highlighted in Gray

For [Project Name and Address]

Name of General Contractor:

Address:

Primary Contact

Phone number:

Email:

Goals

Contracting:

To demonstrate compliance with Section 3 regulations, it is desirous to award at least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work.

Dollar amount of the construction contract [this is your total bid amount]:

10% of the total contract is [this is 10% of your total bid amount]:

These goals are affirmed: Initials: (General Contractor)

If we do not feel it is feasible to meet the minimum goals set forth above, we will be prepared to demonstrate why it was not possible. We understand failure to follow our Section 3 Plan could result in the Secretary of Housing and Urban Development ("HUD") finding us non-compliant with the Section 3 regulations.

Employment and Training:

[insert contractor name here] (the contractor) and all subcontractors will follow the requirements outlined in *Housing and Urban Development Act of 1968 Section 3 Plan for Washtenaw County/City of Ann Arbor Office of Community Development* (Dated June 2010) (County/City OCED Section 3 Plan). The contractor must complete certifications acknowledging the Section 3 contracting and employment provisions required by the County/City OCED Plan. Such certifications shall be adequately supported with appropriate documentation as referenced in the form. The required forms are attached as Attachments 1-17 at the end of this document [to be attached with the final version of the Section 3 Plan]. As part of the submittal of the Section 3 Resident Application Form (Attachment 5), each applicant must submit a copy of their PHA/IHA Residential lease less than 3 years from day of employment (if PHA/IHA resident), or most recent individual IRS Tax Statement or any other documentation for proof of household income as requested by OCED. All applicants will be required to submit copies of their identification (i.e. Passport, Drivers License) that includes their current residential address.

Public Agency, Covered Contractors and Covered Subcontractors

To meet the contracting and employment requirements of Section 3, the following minimum steps must be taken by the Public Agency, covered contractor and covered subcontractor:

1. Obtain a list of certified Section 3 business concerns from OCED.
2. Attend all pre-bid and pre-construction conferences to obtain information about the Section 3 program requirements.
3. Solicit at least 3 bids from the OCED list of Section 3 business concerns. If such list has fewer than three (3) qualified businesses, then the contractor/subcontractor must contact the entire list.
4. Provide plans and specifications or information regarding the location of plans to Section 3 business concerns.
5. Attempt to the greatest extent feasible to meet the following project contracting and employment goals:
    - 10% of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction, and other public construction will be awarded to qualifying Section 3 business concerns for this project.
    - At least 3% of the total dollar amount of all other Section 3 covered contracts (i.e. architect, appraisal, etc.) will be awarded to qualifying Section 3 business concerns for this project.
    - The goal of employment in Section 3 covered contracts is 30% of the aggregate number of new hires in any fiscal year will be Section 3 residents for this project.

Goals apply to all construction costs of the project, not just the amount of HUD financial assistance.

Records must be maintained on goals reached, and efforts/actions taken to reach goals. If goals are not met, a description of impediments encountered despite actions taken must be included. Reporting of such efforts/actions must be made to the OCED on forms supplied by the OCED.

Contractor's Requirements in Employing Section 3 Participants

Under the OCED Section 3 Program, contractors and subcontractors are required to:
Provide employment opportunities to Section 3 residents/participants in the priority order listed below:

A. Category 1 – Section 3 Resident
    - Residents of the housing development or development for which the contract shall be expended.

B. Category 2 – Section 3 Resident
    - Section 8 residents as well as all other Washtenaw County residents residing in the vicinity of the project who meet the income guidelines for Section 3 preference (refer to Section 3 Income Limits for Ann Arbor Metropolitan Statistical Area).

C. Category 3 – Section 3 Resident
    - Participants in HUD Youth build program being carried out in the project boundary area.

D. Category 4 – Section 3 Resident
    - Section 8 residents as well as all other residents residing in Washtenaw County who meet the income guidelines for Section 3 preference (refer to Section 3 Income Limits for Ann Arbor Metropolitan Statistical Area).

To demonstrate compliance with Section 3 regulations, it is desirous to employ Section 3 residents as 30 percent of the aggregate number of new hires, and to provide training to those new hires. We agree to provide information regarding existing employees and hiring needs as a part of this plan.

A concerted effort will be made to meet the goals in this plan. If the goals are not met, we agree to provide an explanation of challenges in meeting the goals described in this plan, and documentation of our efforts to reach these goals.

Outreach

We are committed to conduct an aggressive outreach campaign to make Section 3 Businesses and Section 3 Residents aware of contracting and employment opportunities in connection with this Section 3 Covered Project. Efforts will include, but not be limited to [Review the following, make changes if you would like or you can go with the following strategies. You are required to do the third bulleted item below – contacting all the approved Section 3 businesses as relevant to the project]:

- Publication of opportunities in the Washtenaw County Press or other local newspapers.
- Publication of opportunities with Michigan Works.
- Inviting Section 3 business concerns that have been certified by the Washtenaw County/City of Ann Arbor Office of Community and Economic Development (OCED)to relevant bidding opportunities.
- Use of signage at the project site and flyers posted in the neighborhood and surrounding areas.
- Notification to the Ann Arbor Housing Commission, Barrier Busters, Washtenaw Housing Alliance, and Washtenaw County Continuum of Care, and other appropriate organizations.
- Notification of potential bidding opportunities, training or employment opportunities to Neighborhood and Non-profits groups servicing low-income persons.
- Communicate opportunities to contractor and trade organizations, employment agencies and career centers.

It is not required to include all of these methods in a Section 3 implementation strategy. However, a robust strategy that makes a good faith effort to meet the objectives stated in this plan is expected. Washtenaw County/City of Ann Arbor Office of Community and Economic Development reserves the right to request documentation of efforts made (e.g. proof of advertisement in local newspapers, flyers, and other modes of communications) in order to meet Section 3 goals at any time.

Section 3 Coordinator

Name: _____

Contact information: _____

This person will serve as the main point of contact for all Section 3 related issues on behalf of general contractor, and subcontractors.

Estimated Workforce Needed for Section 3 Covered Project (Prime/General Contractor) *to be included as Attachment 3 in the final Section 3 Plan*

Name of Company	
Project Name	
Period Covered	
Date Submitted	

Job Category	Total Estimated Positions Needed for Project	Number of Positions Occupied by Permanent Employees	Number of Positions to be Filled with Section 3 Residents

If no new job opportunities will be available during this project, state the reason below:

Reporting

We agree to provide Washtenaw County/City of Ann Arbor Office of Community and Economic Development the following documentation after the Section 3 qualified project is substantially completed, and will freely submit this information at any time if requested by OCED.

- Washtenaw County/City of Ann Arbor Office of Community and Economic Development Section 3 Summary Report
- Contract and Subcontract Activity Report
- The contractor will present a list, to the Section 3 Coordinator, of the number of subcontracting and/or employment opportunities expected to be generated from the contract.
- All the applicable required forms to meet Section 3 Requirements, including, but not limited to the forms found in Attachments 1-17 of this document [to be inserted as attachments in final version of Section 3 Plan].

General Statement

as the Public Agency, and _____, as the general contractor are committed to comply with the Section 3 act, the Section 3 regulations, and Washtenaw County/City of Ann Arbor Office of Community and Economic Development (MSHDA) Section 3 Guidelines. It is our desire to work together to ensure compliance, to the greatest extent feasible, through the awarding of contracts for work and services to Section 3 companies, and to provide employment and training to Section 3 residents. We commit to include the Section 3 clause in the construction contract and all subcontracts. All subcontractors interested in submitting bids for contracts will be informed of the Section 3 requirements and goals. We agree to provide Washtenaw County/City of Ann Arbor Office of Community and Economic Development (OCED) with copies of all bids received in response to the invitation to bid and copies of all contracts awarded in excess of $100,000.00.

General Contractor:

_____
(Print/type name of organization)

By: _____ [signature required]

_____
(Print/type name and title)

Date: _____

The contents of this Draft Section 3 Plan will be inserted into the final Section 3 Plan, which will include Attachments 1-17.

CONTRACTOR & SUB-CONTRACTOR INFORMATION SHEET

Project:	
General Contractor:	**Date of Contract:**
Contact Person:	**Contract Amount:**
Phone Number:	**Identification Number:**

Sub-Company Name	Contact Person	Phone	Date of Contract	Contract Amount	Identification Number

Project Wage Rate Sheet

U.S. Department of Housing and Urban Development
Office of Labor Relations

PROJECT NAME:	WAGE DECISION NUMBER/MODIFICATION NUMBER:
PROJECT NUMBER:	PROJECT COUNTY:

WORK CLASSIFICATION	BASIC HOURLY RATE (BHR)	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	LABORERS FRINGE BENEFITS:		$
				GROUP #	BHR	TOTAL WAGE
Bricklayers			$			
Carpenters			$			$
Cement Masons			$			$
Drywall Hangers			$			$
Electricians			$			$
Iron Workers			$			$
Painters			$	OPERATORS FRINGE BENEFITS:		$
Plumbers			$	GROUP #	BHR	TOTAL WAGE
Roofers			$			$
Sheet Metal Workers			$			$
Soft Floor Layers			$			$
Tapers			$			$
Tile Setters			$	TRUCK DRIVERS FRINGE BENEFITS:		$
OTHER CLASSIFICATIONS				GROUP #	BHR	TOTAL WAGE
			$			$
			$			$
			$			$

ADDITIONAL CLASSIFICATIONS (HUD Form 4230-A)

WORK CLASSIFICATION	BASIC HOURLY RATE	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	DATE OF HUD SUBMISSION TO DOL	DATE OF DOL APPROVAL
			$		
			$		
			$		
			$		

Equal Employment Opportunity is
THE LAW

Private Employers, State and Local Governments, Educational Institutions, Employment Agencies and Labor Organizations

Applicants to and employees of most private employers, state and local governments, educational institutions, employment agencies and labor organizations are protected under Federal law from discrimination on the following bases:

RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN
Title VII of the Civil Rights Act of 1964, as amended, protects applicants and employees from discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex (including pregnancy), or national origin. Religious discrimination includes failing to reasonably accommodate an employee's religious practices where the accommodation does not impose undue hardship.

DISABILITY
Title I and Title V of the Americans with Disabilities Act of 1990, as amended, protect qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. Disability discrimination includes not making reasonable accommodation to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, barring undue hardship.

AGE
The Age Discrimination in Employment Act of 1967, as amended, protects applicants and employees 40 years of age or older from discrimination based on age in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment.

SEX (WAGES)
In addition to sex discrimination prohibited by Title VII of the Civil Rights Act, as amended, the Equal Pay Act of 1963, as amended, prohibits sex discrimination in the payment of wages to women and men performing substantially equal work, in jobs that require equal skill, effort, and responsibility, under similar working conditions, in the same establishment.

GENETICS
Title II of the Genetic Information Nondiscrimination Act of 2008 protects applicants and employees from discrimination based on genetic information in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. GINA also restricts employers' acquisition of genetic information and strictly limits disclosure of genetic information. Genetic information includes information about genetic tests of applicants, employees, or their family members; the manifestation of diseases or disorders in family members (family medical history); and requests for or receipt of genetic services by applicants, employees, or their family members.

RETALIATION
All of these Federal laws prohibit covered entities from retaliating against a person who files a charge of discrimination, participates in a discrimination proceeding, or otherwise opposes an unlawful employment practice.

WHAT TO DO IF YOU BELIEVE DISCRIMINATION HAS OCCURRED
There are strict time limits for filing charges of employment discrimination. To preserve the ability of EEOC to act on your behalf and to protect your right to file a private lawsuit, should you ultimately need to, you should contact EEOC promptly when discrimination is suspected:
The U.S. Equal Employment Opportunity Commission (EEOC), 1-800-669-4000 (toll-free) or 1-800-669-6820 (toll-free TTY number for individuals with hearing impairments). EEOC field office information is available at www.eeoc.gov or in most telephone directories in the U.S. Government or Federal Government section. Additional information about EEOC, including information about charge filing, is available at www.eeoc.gov.

Employers Holding Federal Contracts or Subcontracts

Applicants to and employees of companies with a Federal government contract or subcontract are protected under Federal law from discrimination on the following bases:

RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN
Executive Order 11246, as amended, prohibits job discrimination on the basis of race, color, religion, sex or national origin, and requires affirmative action to ensure equality of opportunity in all aspects of employment.

INDIVIDUALS WITH DISABILITIES
Section 503 of the Rehabilitation Act of 1973, as amended, protects qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. Disability discrimination includes not making reasonable accommodation to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, barring undue hardship. Section 503 also requires that Federal contractors take affirmative action to employ and advance in employment qualified individuals with disabilities at all levels of employment, including the executive level.

DISABLED, RECENTLY SEPARATED, OTHER PROTECTED, AND ARMED FORCES SERVICE MEDAL VETERANS
The Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212, prohibits job discrimination and requires affirmative action to employ and advance in employment disabled veterans, recently separated veterans (within three years of discharge or release from active duty), other protected veterans (veterans who served during a war or in a campaign or expedition for which a campaign badge has been authorized), and Armed Forces service medal veterans (veterans who, while on active duty, participated in a U.S. military operation for which an Armed Forces service medal was awarded).

RETALIATION
Retaliation is prohibited against a person who files a complaint of discrimination, participates in an OFCCP proceeding, or otherwise opposes discrimination under these Federal laws.

Any person who believes a contractor has violated its nondiscrimination or affirmative action obligations under the authorities above should contact immediately:

The Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210, 1-800-397-6251 (toll-free) or (202) 693-1337 (TTY). OFCCP may also be contacted by e-mail at OFCCP-Public@dol.gov, or by calling an OFCCP regional or district office, listed in most telephone directories under U.S. Government, Department of Labor.

Programs or Activities Receiving Federal Financial Assistance

RACE, COLOR, NATIONAL ORIGIN, SEX
In addition to the protections of Title VII of the Civil Rights Act of 1964, as amended, Title VI of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color or national origin in programs or activities receiving Federal financial assistance. Employment discrimination is covered by Title VI if the primary objective of the financial assistance is provision of employment, or where employment discrimination causes or may cause discrimination in providing services under such programs. Title IX of the Education Amendments of 1972 prohibits employment discrimination on the basis of sex in educational programs or activities which receive Federal financial assistance.

INDIVIDUALS WITH DISABILITIES
Section 504 of the Rehabilitation Act of 1973, as amended, prohibits employment discrimination on the basis of disability in any program or activity which receives Federal financial assistance. Discrimination is prohibited in all aspects of employment against persons with disabilities who, with or without reasonable accommodation, can perform the essential functions of the job.

If you believe you have been discriminated against in a program of any institution which receives Federal financial assistance, you should immediately contact the Federal agency providing such assistance.

EMPLOYEE RIGHTS
UNDER THE DAVIS-BACON ACT

FOR LABORERS AND MECHANICS EMPLOYED ON FEDERAL OR FEDERALLY ASSISTED CONSTRUCTION PROJECTS

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

PREVAILING WAGES	You must be paid not less than the wage rate listed in the Davis-Bacon Wage Decision posted with this Notice for the work you perform.
OVERTIME	You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 in a work week. There are few exceptions.
ENFORCEMENT	Contract payments can be withheld to ensure workers receive wages and overtime pay due, and liquidated damages may apply if overtime pay requirements are not met. Davis-Bacon contract clauses allow contract termination and debarment of contractors from future federal contracts for up to three years. A contractor who falsifies certified payroll records or induces wage kickbacks may be subject to civil or criminal prosecution, fines and/or imprisonment.
APPRENTICES	Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.
PROPER PAY	If you do not receive proper pay, or require further information on the applicable wages, contact the Contracting Officer listed below:

or contact the U.S. Department of Labor's Wage and Hour Division.

For additional information:

1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-5627

U.S. Wage and Hour Division

WWW.WAGEHOUR.DOL.GOV

U.S. Department of Labor
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

U.S. Wage and Hour Division
Rev. Dec. 2008

OMB No.: 1235-0008
Expires: 01/31/2015

NAME OF CONTRACTOR ☐ OR SUBCONTRACTOR ☐ | ADDRESS

PAYROLL NO. | FOR WEEK ENDING | PROJECT AND LOCATION | PROJECT OR CONTRACT NO.

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	OT. OR ST.	(4) DAY AND DATE — HOURS WORKED EACH DAY	(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS: FICA	WITH-HOLDING TAX			OTHER	TOTAL DEDUCTIONS	(9) NET WAGES PAID FOR WEEK
			O											
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While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that is will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

(over)

Date _____

I, _____ _____
(Name of Signatory Party) (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

_____ on the
(Contractor or Subcontractor)

_____; that during the payroll period commencing on the
(Building or Work)

_____ day of _____, _____, and ending the _____ day of _____, _____,

all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Start. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

_____

_____

_____

_____

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

☐ – in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

☐ – Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

Company Letterhead

Payroll Deduction Authorization for "Other Deductions" on Certified Payroll

Project Name: _____

Employee's Name: _____

I, _____(Employee Name)_____, hereby authorize _____(name of employer/company)_____ to deduct $_____ from my paycheck.

This deduction is for:

_____Loan Repayment _____ Retirement _____Profit Sharing _____Advance

_____ Charitable Donations _____ Savings Bonds _____Insurance Premiums

_____Other:_____

This deduction is to be made:

_____One time only _____Weekly _____Monthly _____times over_____weeks

_____Other:_____

Employee's Signature: _____ Date:_____

You may make payroll deductions as permitted by DOL regulations 29 CFR Part 3. These regulations prohibit the employer from requiring employees to "kick-back" (i.e. give up or return to the employer) any of their earnings other than those identified.

You need to submit this documentation only one time per employee, unless changes in deductions or durations take place.

***If deductions are being made for child support, a copy of the court ordered withholding must be included.**

Waiver of Lien

My/our contract with:_____ to provide _____for the improvement to:_____

_____

_____

(Check One)

[ ] Partial Conditional

I hereby waive my/our construction lien to the amount $_____ for labor/materials provided. This waiver, together with all previous waivers, if any, does not cover amounts due to me/us for the contract improvement provided.

This waiver is conditioned on actual payment of $_____.

[ ] Partial Unconditional

Having been fully paid and satisfied, hereby waive my/our construction lien to the amount of $_____ for the labor/materials provided through _____. This waiver, together with all previous waivers, if any, does/does not cover all amounts due to me/us for contract improvement provided through the date shown above.

[ ] Full Conditional

Having been fully paid and satisfied, all my/our construction lien rights against such property are hereby waived and released.

This waiver is conditioned on the actual payment of $_____.

[ ] Full Unconditional

Having been fully paid and satisfied, all my/our construction lien rights against such property are hereby waived and released.

Date:_____

Signature:_____

Company:_____

Address:_____

_____

_____

Phone:_____

DO NOT SIGN BLANK FORM

FULL UNCONDITIONAL WAIVER

My/our contract with _____ to provide

_____for the improvement of the property described as

_____

_____ having been

fully paid and satisfied, all my/our construction lien rights against such property are hereby waived and released.

_____
(Printed Name of Lien Claimant)

_____
(Signature of lien claimant)

Signed on: _____

Address:_____

_____

Telephone: _____

DO NOT SIGN BLANK OR INCOMPLETE FORMS. RETAIN A COPY.

SWORN STATEMENT

State of Michigan

} §

County of Washtenaw

_____, being duly sworn, states the following:

_____

is the (contractor)(subcontractor) for an improvement to the following real property in Washtenaw

County, Michigan, described as follows: _____

_____

_____

The following is a statement of each subcontractor, supplier and laborer, for whom payment of wages or fringe benefits and withholdings is due but unpaid, with whom the **(contractor)(subcontractor)** has (contracted)(subcontracted) for performance under the contract with the owner or lessee, and the amounts due to the persons as of the date of this statement are correctly and fully set forth opposite their names:

Name, Address & Phone Number of Subcontractor, Supplier, or Laborer	Type of Improvement Furnished	Total Contract Price	Amount Already Paid	Amount Currently Owing	Balance to Complete (optional)	Amount of Laborer Wages Due but Unpaid	Amount of Fringe Benefits and Withholdings Due But Unpaid
Totals							

(Some columns may not be applicable to all persons listed)

The contractor has not procured material from, or subcontracted wilh, any person other than those set forth and owes no money for the improvement other than the sums set forth.*

I make this statement as the (contractor)(subcontractor) or as of the (contractor)(sub-contractor) to represent to the owner or lessee of the property and his or her agents that the property is free from claims of construction liens, or the possibility of construction liens, except as specifically set forth in this statement and except for claims of construction liens by laborers that may be provided under Section 109 of the Construction Lien Act, 1980 PA 497, MCL 570.1 109.

WARNING TO OWNER OR LESSEE: AN OWNER OR LESSEE OF THE PROPERTY MAY NOT RELY ON THIS SWORN STATEMENT TO AVOID THE CLAIM OF A SUBCONTRACTOR, SUPPLIER OR LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING OR A LABORER WHO MAY PROVIDE A NOTICE OF FURNISHING UNDER SECTION 109 OF THE CONSTRUCTION LIEN ACT, 1980 PA 497, MCL 570.1109 TO THE DESIGNEE OR TO THE OWNER OR LESSEE IF THE DESIGNEE IS NOT NAMED OR HAS DIED.

IF THIS SWORN STATEMENT IS IN REGARD TO A RESIDENTIAL STRUCTURE, ON RECEIPT OF THIS SWORN STATEMENT, THE OWNER OR LESSEE, OR THE OWNER'S OR LESSEE'S DESIGNEE MUST GIVE NOTICE OF ITS RECEIPT, EITHER IN WRITING, OR BY TELEPHONE, OR PERSONALLY. TO EACH SUBCONTRACTOR, SUPPLIER, AND LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING UNDER SECTION 109 OR, IF A NOTICE OF FURNISHING IS EXCUSED UNDER SECTION 108 OR 108A, TO EACH SUBCONTRACTOR, SUPPLIER, AND LABORER NAMED IN THE SWORN STATEMENT. IF A SUBCONTRACTOR, SUPPLIER WHO HAS PROVIDED LESSEE, OR DESIGNEE SHALL PROVIDE THE REQUESTER A COPY OF THE SWORN STATEMENT WITHIN 10 BUSINESS DAYS AFTER RECEIVING THE REQUEST.

_____
Dependent Printed Name

_____
Dependent Signature

WARNING TO DEPONDENT: A PERSON WHO GIVES A FALSE SWORN STATEMENT WITH INTENT TO DEFRAUD IS SUBJECT TO CRIMINAL PENALTIES AS PROVIDED IN SECTION 110 OF THE CONSTRUCTION LIEN ACT, 1980 PA 497, MCL 570.1110.

Subscribed and sworn to before me this

_____day of_____,_____

_____

Notary Public, _____ County, Michigan

My Commission Expires:

_____

*Materials furnished by a contractor or a subcontractor out of his or her own inventory, and which has not been purchased specifically for the purpose of performing the contract, need not be listed.

Section 3 Summary Report

Economic Opportunities for
Low – and Very Low-Income Persons

U.S. Department of Housing
and Urban Development
Office of Fair Housing
And Equal Opportunity

OMB Approval No: 2529-0043
(exp. 11/30/2010)

HUD Field Office:

Section back of page for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip)	2. Federal Identification: (grant no.)	3. Total Amount of Award:
	4. Contact Person	5. Phone: (Include area code)
	6. Length of Grant:	7. Reporting Period:
8. Date Report Submitted:	9. Program Code: (Use separate sheet for each program code)	10. Program Name:

Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires in E &F)

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List) Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

* Program Codes
1 = Flexible Subsidy
2 = Section 202/811
3 = Public/Indian Housing
A = Development,
B = Operation
C = Modernization
4 = Homeless Assistance
5 = HOME
6 = HOME State Administered
7 = CDBG Entitlement
8 = CDBG State Administered
9 = Other CD Programs
10 = Other Housing Programs

form HUD 60002 (6/2001)
Ref 24 CFR 135

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	$
B. Total dollar amount of contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

_____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.

_____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

_____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

_____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

_____ Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Form HUD-60002, **Section 3 Summary Report, Economic Opportunities for Low- and Very Low-Income Persons.**

Instructions: This form is to be used to report annual accomplishments regarding employment and other economic opportunities provided to low- and very low-income persons under Section 3 of the Housing and Urban Development Act of 1968. The Section 3 regulations apply to any ***public and Indian housing programs*** that receive: (1) development assistance pursuant to Section 5 of the U.S. Housing Act of 1937; (2) operating assistance pursuant to Section 9 of the U.S. Housing Act of 1937; or (3) modernization grants pursuant to Section 14 of the U.S. Housing Act of 1937 and to **recipients of housing and community development assistance in excess of $200,000** expended for: (1) housing rehabilitation (including reduction and abatement of lead-based paint hazards); (2) housing construction; or (3) other public construction projects; and to ***contracts and subcontracts in excess of $100,000*** awarded in connection with the Section-3-covered activity.

Form HUD-60002 has three parts, which are to be completed for all programs covered by Section 3. Part I relates to ***employment and training***. The recipient has the option to determine numerical employment/training goals either on the basis of the number of hours worked by new hires (columns B, D, E and F). Part II of the form relates to ***contracting***, and Part III summarizes recipients' ***efforts*** to comply with Section 3.

Recipients or contractors subject to Section 3 requirements must maintain appropriate documentation to establish that HUD financial assistance for housing and community development programs were directed toward low- and very low-income persons.* A recipient of Section 3 covered assistance shall submit one copy of this report to HUD Headquarters, Office of Fair Housing and Equal Opportunity. Where the program providing assistance requires an annual performance report, this Section 3 report is to be submitted at the same time the program performance report is submitted. Where an annual performance report is not required, this Section 3 report is to be submitted by January 10 and, if the project ends before December 31, within 10 days of project completion. ***Only Prime Recipients are required to report to HUD. The report must include accomplishments of all recipients and their Section 3 covered contractors and subcontractors.***

HUD Field Office: Enter the Field Office name .

1. Recipient: Enter the name and address of the recipient submitting this report.
2. Federal Identification: Enter the number that appears on the award form (with dashes). The award may be a grant, cooperative agreement or contract.
3. Dollar Amount of Award: Enter the dollar amount, rounded to the nearest dollar, received by the recipient.

4 & 5. Contact Person/Phone: Enter the name and telephone number of the person with knowledge of the award and the recipient's implementation of Section 3.

6. Reporting Period: Indicate the time period (months and year) this report covers.
7. Date Report Submitted: Enter the appropriate date.
8. Program Code: Enter the appropriate program code as listed at the bottom of the page.
9. Program Name: Enter the name of HUD Program corresponding with the "Program Code" in number 8.

Part I: Employment and Training Opportunities

Column A: Contains various job categories. Professionals are defined as people who have special knowledge of an occupation (i.e. supervisors, architects, surveyors, planners, and computer programmers). For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category of "Other" includes occupations such as service workers.

Column B: (Mandatory Field) Enter the number of new hires for each category of workers identified in **Column A** in connection with this award. New hire refers to a person who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column C: (Mandatory Field) Enter the number of Section 3 new hires for each category of workers identified in **Column A** in connection with this award. Section 3 new hire refers to a Section 3 resident who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column D: Enter the percentage of all the staff hours of new hires (Section 3 residents) in connection with this award.

Column E: Enter the percentage of the total staff hours worked for Section 3 employees and trainees (including new hires) connected with this award. Include staff hours for part-time and full-time positions.

Column F: (Mandatory Field) Enter the number of Section 3 residents that were trained in connection with this award.

Part II: Contract Opportunities

Block 1: Construction Contracts

Item A: Enter the total dollar amount of all contracts awarded on the project/program.

Item B: Enter the total dollar amount of contracts connected with this project/program that were awarded to Section 3 businesses.

Item C: Enter the percentage of the total dollar amount of contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving awards.

Block 2: Non-Construction Contracts

Item A: Enter the total dollar amount of all contracts awarded on the project/program.

Item B: Enter the total dollar amount of contracts connected with this project awarded to Section 3 businesses.

Item C: Enter the percentage of the total dollar amount of contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving awards.

Part III: Summary of Efforts – Self -explanatory

Submit one (1) copy of this report to the HUD Headquarters Office of Fair Housing and Equal Opportunity, at the same time the performance report is submitted to the program office. The Section 3 report is submitted by January 10. Include only contracts executed during the period specified in item 8. PHAs/IHAs are to report all contracts/subcontracts.

* The terms "low-income persons" and very low-income persons" have the same meanings given the terms in section 3 (b) (2) of the United States Housing Act of 1937. ***Low-income persons*** mean families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that

The Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings such that variations are necessary because of prevailing levels of construction costs or unusually high- or low-income families. ***Very low-income persons*** mean low-income families (including single persons) whose incomes do not exceed 50 percent of the median family income area, as determined by the Secretary with adjustments or smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Project Wage Decision

General Decision Number: MI140100 10/17/2014 MI100

Superseded General Decision Number: MI20130100

State: Michigan

Construction Type: Building

County: Washtenaw County in Michigan.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Modification Number	Publication Date
0	01/03/2014
1	02/07/2014
2	02/14/2014
3	02/28/2014
4	03/21/2014
5	04/11/2014
6	04/18/2014
7	05/23/2014
8	06/06/2014
9	06/13/2014
10	07/04/2014
11	07/11/2014
12	07/18/2014
13	07/25/2014
14	08/15/2014
15	08/29/2014
16	10/17/2014

* ASBE0025-003 06/01/2014

Townships of Ann Arbor, Augusta, Lodi, Northfield, Pittsfield, Salem, Saline, Scio, Superior, Webster, Ypsilanti & York

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR	$ 31.49	29.56

ASBE0047-001 07/01/2013

Townships of Bridgewater, Dexter, Freedom, Lims, Lyndon, Manchester, Sharon & Sylvan

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR	$ 28.82	15.78

BOIL0169-001 01/01/2014

	Rates	Fringes
BOILERMAKER	$ 32.78	28.39

BRMI0009-010 08/01/2013

	Rates	Fringes
BRICKLAYER	$ 31.97	18.59
TILE FINISHER	$ 26.15	16.81
TILE SETTER	$ 32.25	16.81

CARP0687-001 06/01/2014

	Rates	Fringes
CARPENTER, Includes Drywall Hanging, Form Work, and Metal Stud Installation	$ 29.91	25.38

CARP1045-001 06/01/2014

	Rates	Fringes
CARPENTER (Floor Layer - Carpet, Resilient, & Vinyl Flooring)	$ 27.10	22.02

CARP1102-002 06/01/2013

	Rates	Fringes
MILLWRIGHT	$ 31.11	28.64

ELEC0252-010 06/03/2013

	Rates	Fringes
ELECTRICIAN	$ 39.03	20.88

ENGI0324-017 06/01/2014

	Rates	Fringes
OPERATOR: Power Equipment		
GROUP 1	$ 39.14	21.90
GROUP 2	$ 37.64	21.90
GROUP 3	$ 36.14	21.90
GROUP 4	$ 35.84	21.90
GROUP 5	$ 35.02	21.90
GROUP 6	$ 34.16	21.90
GROUP 7	$ 33.19	21.90
GROUP 8	$ 31.48	21.90
GROUP 9	$ 23.14	21.90

FOOTNOTES:
Tower cranes: to be paid the crane operator rate determined

by the combined length of the mast and the boom. If the worker must climb 50 ft. or more to the work station, $.25 per hour additional.

Derrick and cranes where the operator must climb 50 ft. or more to the work station, $.25 per hour additional to the applicable crane operator rate.

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

GROUP 1: Crane with boom and jib or leads 400' or longer

GROUP 2: Crane with boom and jib or leads 300' or longer

GROUP 3: Crane with boom and jib or leads 220' or longer

GROUP 4: Crane with boom and jib or leads 140' or longer

GROUP 5: Crane with boom and jib or leads 120' or longer

GROUP 6: Regular crane operator, and concrete pump with boom operator

GROUP 7: Backhoe/Excavator/Trackhoe, bobcat/skid Loader, broom/sweeper, bulldozer, grader/blade, highlift, hoist, loader, roller, scraper, tractor & trencher

GROUP 8: Forklift & extend-a-boom forklift

GROUP 9: Oiler

IRON0025-019 06/01/2014

	Rates	Fringes
IRONWORKER		
REINFORCING	$ 28.30	24.60
STRUCTURAL	$ 33.78	26.97

LABO0334-005 06/01/2014

	Rates	Fringes
LABORER: Landscape & Irrigation		
GROUP 1	$ 21.81	6.75
GROUP 2	$ 17.59	6.75

CLASSIFICATIONS

GROUP 1: Landscape specialist, including air, gas and diesel equipment operator, lawn sprinkler installer, skidsteer (or equivalent)

GROUP 2: Landscape laborer: small power tool operator, material mover, truck driver and lawn sprinkler installer

tender

LABO0499-005 08/01/2014

	Rates	Fringes
LABORER		
Common or General; Grade Checker; Sandblaster	$ 28.32	13.85
Mason Tender - Brick; Mason Tender - Cement/Concrete	$ 28.52	13.85
Pipelayer	$ 28.64	13.85

PAIN0022-003 07/01/2009

	Rates	Fringes
PAINTER: Brush and Roller	$ 25.06	14.75
PAINTER: Drywall Finishing/Taping	$ 25.75	15.90
PAINTER: Spray	$ 25.86	14.75

PAIN0357-002 06/01/2014

	Rates	Fringes
GLAZIER	$ 29.80	17.46

PAID HOLIDAYS: New Year's Day, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day; provided that the employee has worked the last full regular scheduled work day prior to the holiday, and the first full regular scheduled work day following the holiday, provided the employee is physically able to work.

PLAS0514-006 09/01/2013

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER	$ 30.82	14.34

PLUM0190-004 06/01/2014

	Rates	Fringes
PIPEFITTER (Including HVAC Pipe Installation; Excluding HVAC System Installation)	$ 37.64	20.91
PLUMBER, Excludes HVAC Pipe and Unit Installation	$ 37.64	20.01

ROOF0070-001 06/01/2013

	Rates	Fringes

ROOFER.....$ 31.12 14.47

SFMI0704-001 08/01/2014

	Rates	Fringes
SPRINKLER FITTER (Fire Sprinklers).....	$ 42.11	22.31

SHEE0080-001 06/01/2014

	Rates	Fringes
SHEET METAL WORKER, Includes HVAC Duct and Unit Installation.....	$ 36.04	25.61

TEAM0247-001 04/01/2014

	Rates	Fringes
TRUCK DRIVER		
GROUP 1		
Flatbed; Pickup; Dump & Tandem.....	$ 25.69	0.60+a
GROUP 2		
Semi.....	$ 25.84	0.60+a
GROUP 3		
Lowboy.....	$ 25.94	0.60+a

PAID HOLIDAYS: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. If any of the above holidays fall on a Sunday, the following Monday shall be considered the holiday and, if work is performed, the rate shall be double time.

FOOTNOTE:
a. $385.05 per week, plus $55.10 per day.

SUMI2011-025 02/01/2011

	Rates	Fringes
IRONWORKER, ORNAMENTAL.....	$ 18.48	7.93
TRUCK DRIVER: Tractor Haul Truck.....	$ 13.57	1.18

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is union or non-union.

Union Identifiers

An identifier enclosed in dotted lines beginning with characters other than "SU" denotes that the union classification and rate have found to be prevailing for that classification. Example: PLUM0198-005 07/01/2011. The first four letters , PLUM, indicate the international union and the four-digit number, 0198, that follows indicates the local union number or district council number where applicable , i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2011, following these characters is the effective date of the most current negotiated rate/collective bargaining agreement which would be July 1, 2011 in the above example.

Union prevailing wage rates will be updated to reflect any changes in the collective bargaining agreements governing the rates.

0000/9999: weighted union wage rates will be published annually each January.

Non-Union Identifiers

Classifications listed under an "SU" identifier were derived from survey data by computing average rates and are not union rates; however, the data used in computing these rates may include both union and non-union data. Example: SULA2004-007 5/13/2010. SU indicates the rates are not union majority rates, LA indicates the State of Louisiana; 2004 is the year of the survey; and 007 is an internal number used in producing the wage determination. A 1993 or later date, 5/13/2010, indicates the classifications and rates under that identifier were issued as a General Wage Determination on that date.

Survey wage rates will remain in effect and will not change until a new survey is conducted.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

* an existing published wage determination
* a survey underlying a wage determination
* a Wage and Hour Division letter setting forth a position on a wage determination matter
* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

Resolution No. 2015-018
January 20, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

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

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

ACTION MINUTES

CITY OF YPSILANTI
COUNCIL MEETING ACTION MINUTES
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
Tuesday, January 20, 2015
7:00 p.m.

I. CALL TO ORDER –
Called to order at 7:00 p.m.

II. ROLL CALL –

Council Member Anne Brown	Present	Council Member Robb	Present
Council Member Nicole Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Mayor Pro-Tem Richardson	Present		

All present

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

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

V. INTRODUCTIONS –

VI. AGENDA APPROVAL –
Agenda approved as amended

VII. PRESENTATIONS –

1. Resolution No. 2015-010, recognizing Martin Luther King Jr. Day
   Approved: Yes – 7; No – 0; Absent – 0

2. Housing Affordability and Equity Assessment

VIII. AUDIENCE PARTICIPATION –

IX. REMARKS BY THE MAYOR –

X. MINUTES –

Resolution No. 2015-011, approving the minutes of January 6, January 8, and January 13, 2015
Minutes approved as submitted

XI. CONSENT AGENDA - Resolution No. 2015-012

1. Resolution No. 2015-013, approving Ordinance No. 1239, an ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State

Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act"). ***(Second Reading)***
Approved: Yes – 7; No – 0; Absent – 0

2. Resolution No. 2015-016, retaining "Basic" as the City's Flexible Spending Account (FSA) provider.
Approved: Yes – 7; No – 0; Absent – 0

~~2. Resolution No. 2015-014, to amend the City Charter to provide that the Mayor and Council Members are to maintain their qualifications for office continuously throughout their term.~~
(Moved and Heard under Section XII, Resolutions/Motions/Discussions)

~~3. Resolution No. 2015-015, to amend the City Charter to allow members of City Council to serve on City boards and commissions when permitted by law.~~
(Moved and Heard under Section XII, Resolutions/Motions/Discussions)

XII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2015-014, to amend the City Charter to provide that the Mayor and Council Members are to maintain their qualifications for office continuously throughout their term.
Approved: Yes – 7; No – 0; Absent – 0

~~2. Resolution No. 2015-016, retaining "Basic" as the City's Flexible Spending Account (FSA) provider.~~
(Moved and Heard under Section XI, Consent Agenda)

4. Resolution No. 2015-015, to amend the City Charter to allow members of City Council to serve on City boards and commissions when permitted by law.
Approved: Yes – 6; No – 1 (Edmonds); Absent – 0

5. Resolution No. 2015-017, approving contract with DTS Contracting for Community Development Block Grant Program (CDBG) Ypsilanti Senior Center Public Facility Improvement Project.
Approved: Yes – 7; No – 0; Absent – 0

XIII. LIASON REPORTS –

A. SEMCOG Update
B. Washtenaw Area Transportation Study
C. Washtenaw Metro Alliance
D. Urban County
E. Freight House
F. Parks and Recreation
G. Millennial Mayors Conference
H. Ypsilanti Downtown Development Authority
I. Eastern Washtenaw Safety Alliance

XIV. COUNCIL PROPOSED BUSINESS –

XV. COMMUNICATIONS FROM THE MAYOR –

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. AUDIENCE PARTICIPATION –

XVIII. REMARKS FROM THE MAYOR –

XIX. ADJOURNMENT -

Resolution No. 2015-018, adjourning the City Council meeting.
The meeting adjourned at 9:46 p.m.