

1. City Council Regular Meeting Agenda

Documents:

[2-3-15 FINAL AGENDA3.PDF](#)

2. City Council Regular Meeting Packet

Documents:

[2-3-15 COUNCIL MEETING PACKET_REDACTED.PDF](#)

3. City Council Regular Meeting Action Minutes

Documents:

[2-3-15 ACTION MINUTES.PDF](#)



Revised – 2/4/15

**CITY OF YPSILANTI
COUNCIL MEETING AGENDA
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197
Tuesday, February 3, 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 –

Add: Resolution No. 2015-031, authorizing the City of Ypsilanti to join the intervention by the municipal coalition regarding the recent DTE petition to the Michigan Public Service Commission (MPSC) to change the rate charged to municipalities for electricity, including street lighting, increasing the cost of operating LED street lights while decreasing the cost of conventional High Pressure Sodium (HPS) Lights (Rate Case U-17767).

VII. PRESENTATIONS –

VIII. AUDIENCE PARTICIPATION –

IX. REMARKS BY THE MAYOR –

X. MINUTES –

Resolution No. 2015-019, approving the minutes of January 20, 2015

XI. PUBLIC HEARINGS –

1. Public hearing to consider a resolution to convey, by quitclaim deed, city-owned parcels to the Ypsilanti Housing Commission for the rehabilitation and/or redevelopment of existing units, and continued operation as low-income housing in the City.
 - A. Resolution No. 2015-020, determination
 - B. Open public hearing
 - C. Resolution No. 2015-021, close public hearing
2. Public hearing to consider a request by Mishigama Craft Brewing, Inc. for new Micro-Brewery/Small Wine Maker license to be located at 124 Pearl #100, Ypsilanti, MI 48197.
Published 1/27/2015
 - A. Resolution No. 2015-022, determination
 - B. Open public hearing
 - C. Resolution No. 2015-023, close public hearing

XII. ORDINANCES – FIRST READING

Ordinance No. 1240

1. An ordinance titled "Ypsilanti Tax Exemption Ordinance – Water Street Flats" to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with an Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act").
Published 1/27/2015
 - A. Resolution No. 2015-024, determination.
 - B. Open public hearing.
 - C. Resolution No. 2015-025, close public hearing.

Ordinance No. 1241

2. An ordinance to amend Section 78-100 of the Ypsilanti City Code to include electronic vaporizing and nicotine delivery systems with prohibited smoking in the City's tot-lot playgrounds. ***Published 1/27/2015***
 - A. Resolution No. 2015-026, determination.
 - B. Open public hearing.
 - C. Resolution No. 2015-027, close public hearing.

XIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –

1. Resolution No. 2015-028 , approving amendment to the Agreement to Purchase Real Estate with Water Street Flats LDHA Limited Partnership in order that the term of the Agreement be extended one month.
2. Resolution No. 2015-029, authorizing Ypsilanti City Council to file or join amicus briefs in the litigation in the United State Supreme Court for the purpose of supporting plaintiff's position that the "Michigan Marriage Amendment" Article 1, Section 25 of the Michigan Constitution is unconstitutional.

XIV. 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 –

Nominations to Boards/Commissions:

Historic District Commission

Erika Lindsay - Reappointment
Ronald Rupert - Reappointment

Human Relations Commission

Teresa Saunders – Appointment
Krista Nordberg - Reappointment
Sue Melke – Appointment

Huron River Watershed Council

Sally Luske – Reappointment

Millenial Mayors

Erica Mooney – Reappointment
Greta Bolhuis – Reappointment

Parks and Recreation Commission

Delois Wilson – Appointment

Review and Tax Assessment Board

Andy Fanta - Reappointment

Craig Hupy – Reappointment

Zachary Fineberg – Appointment

Ypsilanti Community Utilities Authority

Jon Ichesco – Appointment

Ypsilanti Housing Commission

Clarence Hollifield - Reappointment

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. AUDIENCE PARTICIPATION –

XVIII. REMARKS FROM THE MAYOR –

XIX. ADJOURNMENT -

Resolution No. 2015-030, adjourning the City Council meeting.



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XVI. COMMUNICATIONS FROM THE CITY MANAGER –

XVII. AUDIENCE PARTICIPATION –

XVIII. REMARKS FROM THE MAYOR –

XIX. ADJOURNMENT -

Resolution No. 2015-030, adjourning the City Council meeting.



RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti adopted a climate action plan calling for the conversion of the City's street lighting to LED lighting, and

WHEREAS, the City collaborated with DTE to convert the City's entire street lighting system to LED lighting, consisting of nearly 1,700 fixtures, and

WHEREAS, the conversion of the street lighting system to LED has reduced energy consumption and maintenance costs, and

WHEREAS, the conversion has reduced the City's annual street lighting costs by an estimated \$120,000, and

WHEREAS, the street lighting conversions have been accomplished with technical support from DTE, which has been a good partner with the City in its efforts to conserve energy use, and

WHEREAS, DTE recently petitioned the Michigan Public Service Commission (MPSC) to change the rate charged to municipalities for electricity, including street lighting, increasing the cost of operating LED street lights while decreasing the cost of conventional High Pressure Sodium (HPS) Lights (Rate Case U-17767), and

WHEREAS, LED street lights use significantly less electricity to operate than HPS lights and require less maintenance, and

WHEREAS, a coalition of municipalities led by the Michigan Municipal League has filed to intervene in the established public process for rate changes with the MPSC (Rate Case U-17767), and

WHEREAS, additional municipalities and local governments may still join the coalition, and

WHEREAS, the cost of the intervention is being shared by the members of the coalition including a contribution from the Michigan Municipal League's Legal Defense Fund and that the City of Ypsilanti's contribution (anticipated to not exceed \$2,200) is based on a formula based on proportionate number of street lights.

NOW THEREFORE BE IT RESOLVED that the City of Ypsilanti join the intervention by the municipal coalition in Rate Case U-17767; and

FURTHER BE IT RESOLVED that the City urges other municipalities to join the intervention by the municipal coalition in Rate Case U-17767; and

FURTHER BE IT RESOLVED that this resolution be shared with the Washtenaw County Board of Commissioners, SEMCOG, and other nearby communities.

OFFERED BY: _____

SUPPORTED BY: _____

YES:

NO:

ABSENT:

VOTE:



City governments: Proposed DTE Energy LED rate changes an attempt to limit 'green' technology

Tom Perkins | Special to The Ann Arbor News By Tom Perkins | Special to The Ann Arbor News
on February 01, 2015 at 5:35 AM, updated February 02, 2015 at 4:34 PM

In 2014, the city of Ypsilanti became the first Michigan municipality **to convert all its streetlights** to LED.

The new bulbs use up to three times less electricity, provide better light, cost less to run and immediately reduced Ypsilanti's carbon footprint. But the main motivation for a quick, full conversion was the bottom line - the financially struggling city, in a year, cut its DTE Energy streetlight bill by 29 percent, or \$176,000.

To pay for \$500,000 in capital costs associated with conversion, the city implemented a approved a special assessment district requiring all property owners to contribute \$114 per parcel.

The fee wasn't especially popular among residents, but lighting the streets using less electricity at far less cost was too good of a package for city leaders pass up, and around 1,100 streetlights were converted over a two-year period.

LED street lights in downtown Ann Arbor.

Ann Arbor News file photo

Now, those savings could be eliminated.

Under new DTE-proposed rate changes, the cost of running high-efficiency LED lights will increase while the cost of running far less efficient high-pressure sodium and mercury vapor lamps will drop significantly or only increase marginally.

And that has upset the many local government leaders and environmental groups across southeast Michigan working toward converting streetlights as a means to save money and meet environmental goals.

Several officials questioned the change and said it appears the only reason DTE, which is a private utility that's publicly traded, is raising rates on more efficient technology is to sell more electricity by making LED technology less attractive.

Regardless of the motivation, those opposed to the rate adjustments agree that absent a financial incentive, the growing movement to switch to the cleaner, cheaper and more efficient LED lights will quickly die.

"Purely on financial grounds, no one is going to switch to LED. Instead, they're going to use twice to three times more electricity to light up the street," said Rick Bunch, director of the streetlighting consortium for

the Southeast Michigan Regional Energy Office that is working with metro Detroit communities to convert to LED. "The municipalities would never make back their investment because sodium would absolutely be cheaper."

DTE documents provided to Bunch and local governments show the annual cost of running commonly used 65-watt LED bulbs would increase 10 percent from \$138 to \$154. The 135-watt LED bulbs would increase 12 percent from \$157 to \$178.

Conversely, the cost of running 100-watt sodium bulbs that require much more electricity would decrease by 20 percent from \$184 to \$149 annually. The rate to run a 250-watt sodium bulb will drop 7 percent from \$235 to \$220, while costs for mercury vapor lamps would increase, but less than LED.

In Ypsilanti, the adjustments' approval would sting. Bringing the rates for operating sodium and mercury vapor bulbs in line with LED lamps would eliminate the savings DTE representatives promised just a year after the quickest mass conversion the region has seen.

In other words, the city's residents will have spent \$500,000 for no financial benefit.

And that possibility has city leadership upset.

"We worked with DTE Energy for more than a year on the switch to LED streetlights and at no point in the discussion did they warn us that LED lights would cost more than old high-pressure sodium lights. If this rate hike happens, we'll really feel like this was a bait and switch," said Ypsilanti City Council Member Brian Robb.

A question of cost

When reached by an Ann Arbor News reporter, two separate DTE spokespersons read the same written response to questions seeking an explanation for the changes.

"When we started offering LED street lighting four years ago, communities were charged an experimental rate based on estimated costs and our limited operating history. As we gained more experience with LED technology, we changed the pricing to reflect a more complete understanding of the costs associated with it," said DTE spokesman Scott Simons.

He repeated several times that rates would only increase an average of one percent, even in Ypsilanti.

But DTE documents including a pricing proposal sent to the city of Southgate and a Streetlighting Consortium report based on DTE figures show that LED rates would increase between 7 and 20 percent.

Bunch said he believes that the 1-percent increase Simons referenced is the net revenue increase DTE would experience from the rate changes, but it would be accomplished through increases to LED rates and drops in high-pressure sodium rates that nearly balance each other out.

He added that DTE representatives have said that LED lighting hardware - including wiring, bulbs, poles, cobra heads and any other physical part of the streetlight - is more expensive than that used in sodium lighting. But Bunch said LED is typically cheaper.

"LED is not more expensive to buy," he said.

He pointed to the Public Lighting Authority of Detroit's current effort to convert its 65,000 streetlights to LED. The authority, not DTE, owns Detroit's poles, so the authority is purchasing the hardware. A spokesperson for the authority confirmed that aluminum wiring used in its LED lights, for example, is much cheaper than copper wiring used in the old lights.

So if the LED hardware is cheaper, uses less electricity and costs less to maintain, what could be behind the rate increase?

Bunch says he doesn't have a definite answer at the moment, but he expects DTE to reveal its rationale as the proposal is debated.

"We don't understand where DTE's numbers are coming from based on what we experienced in other places," he said.

Warren Mayor Jim Fouts said he believes the motivation isn't based in technology cost, but DTE's bottom line. Warren converted about 9 percent of its streetlight stock to LED and planned to convert more to find large savings for a city paying \$250,000 a month to light its streets.

"They make a bigger profit this way," Fouts said. "LED is more energy efficient, and while DTE might talk up a good story about being responsible, the bottom line is it's a profit-making company ... and it's best for them to encourage cities to stay with 100-watt sodium bulbs so they can make more money."

What's next?

DTE recently submitted the proposed rate changes to the Michigan Public Services Commission. Individuals, businesses, governments, environmental groups and anyone else opposed had the opportunity to file an intervention objecting to the proposed adjustments.

After weighing DTE's explanation and the arguments against the changes, the Commission will vote decide whether to approve the proposal. No date for a decision is yet available, though DTE could implement a rate change in June whether a decision is made, Bunch said.

Approval would change rates for all municipalities DTE serves. But the numbers provided by the Streetlighting Consortium would only impact those in which DTE owns the light. Detroit, which has its own lighting authority, is an example of a city that owns its own poles and only buys electricity.

Many southeast Michigan governments already filed an intervention with the Michigan Public Services Commission as part of a Michigan Municipal League objection to the proposal.

Southgate is among those. It already converted around 250 lights while planning to switch 2,100 more in the coming years, and now it will see its immediate annual savings drop from around \$20,000 annually to between \$12,000 and \$15,000.

City Administrator Brandon Fournier said he was "disappointed, but not surprised" by the proposed increase. If approved, Southgate would continue to convert its mercury vapor lights, Fournier said, but will reconsider planned sodium light conversions.

The city of Ann Arbor is in a unique position in that it owns 2,000 streetlight it converted to LED over an eight-year period, while DTE owns 5,000 Ann Arbor streetlights but has only converted 500 despite the city's wishes to switch more.

City Administrator Steve Powers said Ann Arbor saves around \$200,000 annually with LED, but the conversions were also made because of the city's "strong commitment to energy reduction and sustainability." He said it's "clear" that LED lights use less electricity and require less maintenance, and he called proposed change bad policy.

"We want to make sure the rate incentives are in place to allow and encourage continued conversion, and we feel that the rate request is contrary to that direction," Powers said.

The Ann Arbor and Ypsilanti City Councils are also both considering resolutions that will underscore their opposition to the rate changes, though there is little recourse for Ypsilanti if the rates go up and it loses a significant part of its savings.

"We did the right thing for residents, we did the right thing for the environment, we did the right thing for the city and it seems DTE wants to take advantage of that in the name of making money," Council Member Robb said.

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Resolution No. 2015 – 019
February 3, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the Minutes of January 20, 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 20, 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 –

Mayor asked all to stand for a moment of silence.

IV. PLEDGE OF ALLEGIANCE –

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

V. INTRODUCTIONS –

Mayor Edmonds introduced the following individuals; DPS Director Stan Kirton, Assistant City Attorney Jesse O'Jack, Assistant to the City Manager Ericka Savage, and former Mayor Cheryl Farmer.

VI. AGENDA APPROVAL –

Council Member A. Brown motioned, supported by Mayor Pro-Tem Richardson to remove Resolutions No. 2014-014 and 2014-015 from Section XI, Consent Agenda, and reassign to Section XII, Resolutions/Motions/Discussions.

Mayor Edmonds motioned to move Resolution No. 2015-016 to Section XI, Consent Agenda.

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

VII. PRESENTATIONS –

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

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: Mayor Pro-Tem Lois Richardson

SUPPORTED BY: Council Member Vogt

Council Member Vogt stated Dr. King was a great hero and sees him as one of the two greatest individuals in recent history. Mr. Vogt added he is very pleased that Council is passing this resolution.

City Manager Lange stated he attended the EMU celebration of Dr. King and that it was an amazing event.

Mayor Pro-Tem Richardson stated she appreciated the observance EMU has for Dr. King and that the university includes Ypsilanti and its residents.

Mayor Edmonds stated it was a great honor being a part of that process and hearing experiences of individuals who were apart of the Civil Rights Movement.

On a roll call, the vote to approve Resolution No. 2015-010 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. Housing Affordability and Equity Assessment

Mary Jo Callen and Brett Winter provided a presentation regarding Housing Affordability and Equity Assessment. (See Website)

Council Member A. Brown asked if Ms. Callen was asking Council to adopt the assessment as a framework.

Ms. Callen replied yes.

Council Member A. Brown asked when Ms. Callen is expecting Council to vote on the assessment.

Ms. Callen responded it is up to Council, but it is her hope that in the next one to two meetings Council will adopt the assessment.

Council Member A. Brown asked if Superior Township would be included in the regional group.

Ms. Callen replied to date this applies to only four communities, but there are parts of Superior Township that would fall into the parameters of the assessment. Ms. Callen added it is her hope that the regional group be inclusive.

Mayor Edmonds stated that the Urban County Commission does include Superior Township and many other municipalities in the County.

Council Member Murdock stated he has a concern that the report does not take external forces into consideration. Mr. Murdock stated there are individuals who are purchasing single family homes in the City. Mr. Murdock stated the majority of rentals are occupied by individuals with ties to the university and are 95% occupied. Mr. Murdock stated housing issues are tied to income and ability to acquire employment and if that is addressed housing issues would be solved as a result. Mr. Murdock stated the focus should be on education and job creation.

Ms. Callen stated her organization agrees that this is not just about housing. Ms. Callen stated she wants Council to think about a few things; look at housing and what can be done about affordability, and what tactics would be effective in Ypsilanti. Ms. Callen stated it is not her organization's intention to ship in 4,100 people and ship out 4,100 people. This is a strategy of diversity and opportunity and so the goal is to make the population mix more robust. Ms. Callen stated gentrification is not as much of a problem as it seems, but it still must be kept in mind.

Council Member A. Brown asked beyond paying for the study what resources has the County dedicated.

Ms. Callen answered the County paid for the majority of the study through a Housing and Urban Development grant and staffed the study.

City Manager Lange stated two things stuck out to him; the media response to the Eastside of the County opposed to the Westside is negative, which is an issue when housing is involved. The other issue is public safety, which has been increased both in staffing levels as well as regional cooperation through the Eastern Washtenaw County Safety Alliance.

Ms. Callen stated she does not disagree.

Council Member A. Brown asked if any staff has visited the communities listed in the report.

Ms. Callen responded the communities have not been visited, but individuals from the community have been spoken to regarding listed strategies.

Mayor Edmonds stated Ypsilanti's role is "placemaking" and growing diversity which is different from other communities in the region.

VIII. AUDIENCE PARTICIPATION –

1. Sigrid Melvin, 41 W. Michigan, stated years ago when she moved into the Town Center she contacted city management with an issue that effected rental units in Ypsilanti. Ms. Melvin stated there are issues in the Town Center that have been occurring for years and little has been done to resolve the problem. Ms. Melvin stated MSHDA and HUD approved a rent increase at the Town Center and asked what affordable rent is.
2. Cheryl Farmer, 214 N. Huron, stated she appreciates the County acknowledges that if Ann Arbor wants more affordable housing they should build it not rely on Ypsilanti. If Ypsilanti continues to provide affordable housing for the County it will be a detriment to both Ypsilanti and the County. The study stated the City needs 1,383 additional market rate housing but the City is mostly built out. Dr. Farmer stated to use this opportunity wisely and partner with the County and surrounding governmental agencies to help to solve this issue. Dr. Farmer thanked Council for the LED streetlights.
3. Ralph Thompson, 330 Chidester St., informed Council that his pet cockatiel died as a result of mold present at Chidester Place. There has been remediation process occurring to rectify the problem but the company has done the bare minimum and will not share results of the test. Mr. Thompson asked the City to run a full investigation of the mold levels at Chidester including any deaths in the past few years that may have been a result of mold exposure. Mr. Thompson stated if Chidester's maintenance records are examined for any complaints that the vent system is making them ill.

Council Member Vogt asked what the health standard for spore count is.

Mr. Thompson responded 4,000 is the highest level allowed for spore count and his apartment's level was 18,800, way above toxic levels.

IX. REMARKS BY THE MAYOR –

- Stated she appreciates all the comments made and has been in contact with Mr. Thompson and Council will work to find the best remedy for his situation.

X. MINUTES –

Resolution No. 2015-011, approving the minutes of January 6, January 8, and January 13, 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: Council Member Murdock
SUPPORTED BY: Council Member N. Brown

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

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)***

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.

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

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.

- 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)

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

On a roll call, the vote to approve Resolution No. 2015-012 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. 2015-016, retaining “Basic” as the City’s Flexible Spending Account (FSA) provider.~~

(Moved and Heard under Section XI, Consent Agenda)

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.

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: Council Member Vogt

SUPPORTED BY: Council Member N. Brown

Council Member Murdock stated the issue of maintaining residency while an individual sits on Council has come up many times over the years. The current stipulation only requires a candidate be a registered elector 30 days prior to the qualifying deadline. After the election the candidate could move out of Ypsilanti. Mr. Murdock cited former Council Member Jefferson moving to the township before his term expired.

On a roll call, the vote to approve Resolution No. 2015-014 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. 2015-015, 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: Council Member Murdock
SUPPORTED BY: Council Member Robb

Council Member Murdock stated before the 1994 Charter was adopted this prohibition was not included. The Charter Commission formed a few years ago discussed this item at length and it was defeated by a 5 to 4 vote. Council voted to add this item as a part of the charter provisions approved during the November Election. However, it did not receive the required two-thirds vote and was defeated. Mr. Murdock stated the Planning Commission asked that Council make this change in order to allow a Council Member sit on the Commission. This amendment does not make it mandatory and is at the Mayor's discretion. Mr. Murdock added many municipalities employee this rule and it has proven to be beneficial. Mr. Murdock concluded that Council Members can provide expertise to Commissions and that is why he supports the amendment.

Council Member Vogt stated there are other benefits to this amendment as it would allow Boards and Commissions that have had vacancies for long periods of time to be filled. This also can be an opportunity to fill those vacancies on an interim basis. Mr. Vogt stated he does not see a negative to this, stating some have voiced opinion that it provides Council with too much power. Mr. Vogt stated Council is the governing body of Ypsilanti that was voted by the people to set policy.

Council Member A. Brown asked if there is any concern that a Council Member sitting on a Board or Commission will make recommendations to Council.

Council Member Robb stated he hopes all Boards and Commissions make recommendations to Council, otherwise they are useless.

Council Member A. Brown stated in terms of Council Members having influence over a Commission or Board's recommendation then as a Council Member voting on that recommendation.

Council Member Vogt stated if the recommendation is made it still needs to be voted on by Council as a body.

Mayor Edmonds stated she will oppose this proposed charter amendment on the basis that Council is a small body with a big job. Mayor Edmonds said there are many people in the community that are ready to serve and having a Council Member on a Board or Commission could be intimidating.

Council Member Robb asked Mayor Edmonds if the DDA is intimidated by her sitting on the Board.

Mayor Edmonds responded not particularly and stated that she sees Mr. Robb's point.

Council Member N. Brown stated the ability to serve in the interim would be useful during the process to fill that vacancy and would not choose a Council Member over a citizen who is eager to serve.

Council Member Murdock stated if the Mayor does not see fit to appoint a Council Member to a Board or Commission then a Council Member will not sit on a Board or Commission, but there could be other Mayors who feel differently.

Mayor Edmonds asked City Attorney Barr if a Council Member would be legally allowed to sit on a Board or Commission in the interim.

City Attorney Barr responded the way the law is currently structured if a Board Member or a Commissioner resigns the individual appointed to replace them would serve until the end of the initial term.

Council Member Vogt stated unless an arrangement is made between the Council Member who would fill the vacancy and the Mayor that when a replacement is found that Council Member resigns.

City Clerk McMullan stated appointments have been made to fulfill a remainder of a term and that individual also resigns before the term expires.

Mayor Pro-Tem Richardson stated she spoke with the Michigan Municipal League and the person she spoke with was not a hard no, or a hard yes on the topic. Ms. Richardson stated the suggestion she received that Council Members be appointed as ex officio members, which is the current practice. Ms. Richardson stated it would depend on the individual Council Member and if the Committee could be swayed by that Council Member.

Council Member Vogt agreed with Mayor Pro-Tem Richardson and stated a Commission should make decisions based on merit, not because the idea began with a Council Member. Mr. Vogt added if Boards and Commissions have quality members they would not be influenced by a Council Member.

Council Member Robb stated Council is talking about a lot of hypothetical situations that are unrealistic. Council members have the ability to not pass resolutions brought by a Board or Commission. Mr. Robb added a Council Member has the power to influence policy from the table, this amendment is more about the process.

Council Member A. Brown asked if this amendment would replace the practice of a Council Member acting as Liaisons.

Mayor Edmonds responded a Liaison is an informal position decided on by a consensus of Council.

Council Member A. Brown stated the proposed amendment would be similar to the current practice.

Mayor Pro-Tem Richardson stated a past Mayor appointed himself to the Housing Commission.

Council Member Robb stated that would have been allowed under the former charter.

Council Member Murdock asked that this item be called to question.

Council Member Vogt supported the call to question.

Mayor-Pro Tem Richardson asked if Council was ready to vote on the resolution itself.

Council Member Murdock stated if Council is ready to vote he would withdraw his motion.

Council Member Murdock withdrew the motion to call to question.

Council Member Vogt withdrew the support to the call to question.

On a roll call, the vote to approve Resolution No. 2015-015 was as follows:

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

VOTE:

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

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

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: Council Member Robb

SUPPORTED BY: Council Member N. Brown

DPS Director Stan Kirton stated he is seeking Council's approval of the Contract. Mr. Kirton stated eight companies were present for the pre-bid and the City received three bids total. Mr. Kirton added the City has wanted to make these renovations for three years and is happy to answer any questions Council may have.

Council Member A. Brown asked for clarification of the heading "Suppliers/Sub-contractor References", if those are the companies they will be using, or are they just references.

Mr. Kirton replied they are references.

Council Member A. Brown asked if the bid stipulated that sub-contractors be hired from this area.

Mr. Kirton responded the Community Development Block Grant (CDBG) and County's rules are fairly strict and companies are required to follow those parameters.

On a roll call, the vote to approve Resolution No. 2015-017 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 – stated SEMCOG will have \$5million available through their Transportation Alternative Program (TAP) for bicycle facilities, shared use paths, streetscape improvements, environmental mitigation, and safe routes to school.

Mayor Edmonds asked if only municipalities are eligible for the grant, or are downtown development authorities, or other organizations.

Mayor Pro-Tem Richardson informed the Mayor that she will forward her the email for clarification.

Council Member Murdock asked City Manager Lange if the TAP grant was being pursued by the City for the Huron/Hamilton.

City Manager Lange responded he would need to clarify with City Planner Bonnie Wessler.

- B. Washtenaw Area Transportation Study – Nothing to report
- C. Washtenaw Metro Alliance – Nothing to report
- D. Urban County – Nothing to report
- E. Freight House – Still assembling the bid package for the needed improvements and should be ready in February.

Mayor Edmonds added that the Freight House funding campaign, "Patronicity", is now live.

Council Member Murdock stated checks should be made out to Friends of the Ypsi Freight House and dropped off at VC Web, 19 E. Cross.

- F. Parks and Recreation – Elections will be held in February. Also, Trail Town, which meets once a month, informed that the group has submitted an application to host the MSU Extension service conference here.
- G. Millennial Mayors Conference – The first meeting will be held in February.

Council Member Murdock asked if Ypsilanti's representatives are up to date on Millennial Mayors.

Mayor Edmonds responded she will be making appointments at the next Council meeting.

- H. Ypsilanti Downtown Development Authority – The DDA adopted the Depot Town TIF plan and will come before Council in February.

Council Member A. Brown asked if the Parks and Recreation plan was used when developing the TIF plan.

Mayor Edmonds responded it stayed fairly broad when discussing the parks.

- I. Eastern Washtenaw Safety Alliance – Nothing to report

XIV. COUNCIL PROPOSED BUSINESS –

Robb

- Asked that Council packets be made available two Fridays before Tuesday meetings. This will provide Council time to review the material and ask questions of staff before the meeting.

- Stated he would like Council to discuss an issue facing the City after “Council Proposed Business”.

A Brown

- Asked when the information developed at the goal setting meeting will be available.
- Asked if Council will be moving forward with developing a youth commission.

Murdock

- Stated he is still waiting for the plan on how the City is going to handle snow removal and enforcement.
- Asked when the Pen Paper building will be secure.
- Stated at the DDA meeting last Thursday, former Mayor Cheryl Farmer gave a presentation of the condition of the Downtown, including sidewalks, trees, curbs, and other items needing maintenance. Mr. Murdock stated this is asset management and the City needs to do a better job and add preventative management.

Richardson

- Stated she would rather have work sessions similar to a closed session rather than during a Council Meeting.
- Stated she would like to have a work session as soon as possible regarding the report of housing affordability.
- Asked for a report regarding the gas leak at the former Visteon plant.

Council Member Robb stated the press followed up with Department of Environmental Quality (DEQ) who considers the case closed. Mr. Robb explained the filtration system stopped the plume from advancing.

XV. COMMUNICATIONS FROM THE MAYOR –

- Informed City Manager Lange about the poor condition of the stairs from Depot Town into Riverside Park.
- Nominations for Boards and Commissions will be made during the next Council Meeting. One appointment is Erica Mooney to the Millennial Mayors Conference, Krista Nordberg will be reappointed to the Human Relations Commission, Sally Lusk for the Huron River Watershed seat, and two new appointees Delois Wilson to the Parks and Recreation Commission and Dr. Teresa Saunders to the Human Relations Commission.
- Asked Council what date will work best for the final goal setting meeting.

City Manager Lange asked if it would be possible to have the meeting on February 5th to allow time to form a resolution for the next Council meeting.

Council decided to hold the final goal setting meeting on January 27th if that date is not possible then February 3rd.

Council Member Murdock stated City Attorney Barr sent Council the mission statement developed in the 80's which could possibly be used as the current statement.

Mayor Pro-Tem Richardson stated she spoke with Building Manager Frank Daniels who informed her that the State of Michigan does not have a law regarding mold. Ms. Richardson stated each resident must fill out a form to have the entire building tested for mold. Ms. Richardson stated starting April 6th there will be a certificate of compliance for each apartment.

Council Member A. Brown asked if there was any interaction with the public health department regarding mold.

Mayor Pro-Tem Richardson responded no.

XVI. COMMUNICATIONS FROM THE CITY MANAGER –

- Staff has repaired a major safety issue on the second floor of City Hall.
- Staff continues to make repairs on all City buildings.
- Informed Council that the snow removal policy has been emailed to Council earlier this evening.
- OHM report of the road diet has been distributed to Council.
- DPS is working on the Pen Dam security issue and he will follow up immediately.
- The list of local contractors has been distributed to Council.
- The staff is looking to possibly add a running event.
- Stated police are still working on statistics needed for the traffic study.
- The Traffic Safety Committee has examined the crosswalk on Catherine at Chidester Place and stated that crossing signs would be useful at that location. However, they are waiting until the weather improves.
- The crossing at the Coop has not yet been reviewed by the Traffic Safety Committee.
- Stated the Thompson Block, Smith Furniture Building, and 16 N. Washington all have a report on them either by Planning Consultant Megan Mason-Minock or Building Manager Frank Daniels.
- Staff is attempting to balance the Motor Pool budget.
- Apologized that the snow plow trucks are late, but will be available on Monday, January 26th.

Council Member Murdock asked what happened to the smaller parking enforcement vehicles.

Mr. Lange responded to save money the lease was not renewed and used former cruisers as parking enforcement vehicles.

- Working on completion of the Border to Border Trail.
- The City has an enormous inventory of assets and how to maintain those assets.

- DPS has been working to become fully staffed.
- Cultural training for staff will be in held in February.
- Will be providing Council with an updated Economic Development Plan.
- Stated the Police and Fire pension return on investment is comparable to MERS.
- Stated the Building Department is years behind inspections, but staff is getting assistance from surrounding areas for a lower cost.

Council Member Murdock stated Council had no idea that the Building Department was that far behind on inspections.

Mr. Lange stated the Building Department asked for more help to solve the issue he advised the Department to move forward.

Council Member Murdock stated the OHM report recommended reassessing the timing of the lights at First and Ballard and that a reassessment should be done every five years. Mr. Murdock stated the City should follow this practice.

Mayor Pro-Tem Richardson stated the timing of lights at First should be of extreme importance due to left turn difficulty. Ms. Richardson stated she agrees with Council Member Murdock that she has not heard that inspections were so far behind and that it was kept hidden. Ms. Richardson asked to know the date that inspections began to fall behind.

City Manager Lange stated that the same issue is occurring in the Planning Department and staff.

XVII. AUDIENCE PARTICIPATION –

1. Ralph Thompson, 330 Chidester, asked Council if they would like him to make the results of the test available to them. Mr. Thompson thanked Council for the time that they put in for the City of Ypsilanti.

XVIII. REMARKS FROM THE MAYOR –

- Asked Council to leave Friday, April 3rd open in their schedules for the first “First Friday” of the year and the ceremony for the Redevelopment Ready Community.

City Manager Lange stated April 3rd is Good Friday and asked Council to look at the renovations in the meeting room.

Council Member A. Brown asked if there is an update on housing for the Water Street development.

Mr. Lange responded the Attorney’s office is attempting to extend the terms and it will be on the next agenda.

Council Member A. Brown asked for an update on the Recreation Center.

Mr. Lange responded the project is moving along with the support from Representative Rutledge to assist with infrastructure.

Council Member Murdock stated the proposals have been received by the architects and are looking through designs.

XIX. ADJOURNMENT -

Resolution No. 2015-018, 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: Mayor Pro-Tem Richardson

SUPPORTED BY: Council Member N. Brown

On a voice vote, the motion carried and the meeting was adjourned at 9:46 p.m.



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

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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 30, 2015

FROM: John M. Barr

SUBJECT: Resolution to Convey City-Owned Land to the Ypsilanti Housing Commission

SUMMARY/BACKGROUND

On February 4, 2014, City Council adopted Ordinance No. 2014-1210, which authorized the Mayor and City Clerk to enter into a one-year Option to Purchase Land Agreement with Strong Future LDHA Limited Partnership for the sale of all land operated as low income housing by the Ypsilanti Housing Commission, exclusive of Parkridge. 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, through the federally funded RAD program, be approved. The consideration for this sale was \$980,000 to be repaid through a 30-year promissory note with an interest rate of 2%.

Payment on this promissory note was to be made in annual installments from half of the remaining cash-flow waterfall of the project after the PILOT, investor fee, and partner management fee. This arrangement served several purposes. First, it provided acquisition credit to the project to provide additional funding for the rehabilitation project. It also provided the City with possible repayment of the note and/or reacquisition of the property.

Subsequent to this decision of Council, Ordinance No. 2014-1236 was also adopted, which authorized the Mayor and City Clerk to execute a quitclaim deed to limited partnership for two additional city-owned parcels that adjoin the project.

The application was submitted in February 2014 and the City received word that it had been funded in the early fall/late summer. The parties then began the process of closing with MSHDA and the U.S. Department of Housing and Urban Development. Through this process, we learned from representatives from HUD that the property needed to be owned by the YHC before the project could move forward and that the City receiving consideration from a sale of YHC-operated property was against policy.

Representatives from the YHC and Chesapeake Community Advisors have informed us that the project can still move forward without these acquisition credits due to increased funding provided by a recent change to the statutory provisions of the program.



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

January 30, 2015
Page 2

In front of Council now is a resolution to convey the subject property to the YHC by quitclaim deed. The previously approved and amended PILOT would remain in effect and we have been informed that, similar to Hamilton Crossing, the City could again receive rental inspection fees for these properties once the program is in place. Zac Fosler, from the YHC, and Vicki Vaughn, of Chesapeake, will be at this meeting to provide further explanation.

ATTACHMENTS: Proposed Resolution
Quit Claim Deed and Exhibit A

RECOMMENDED ACTION: Review and Consideration

DATE RECEIVED: _____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF: _____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:



Resolution No. 2015-020
February 3, 2015

**RESOLUTION TO CONVEY CITY-OWNED LAND
TO YPSILANTI HOUSING COMMISSION**

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:

WHEREAS, the City of Ypsilanti created the Ypsilanti Housing Commission by the authority invested in it by the Michigan Legislature pursuant to MCL 125.652, et seq, to administer the low income public housing and Section 8 programs within the City; and

WHEREAS, the City of Ypsilanti owns certain properties that are administered by the Ypsilanti Housing Commission; and

WHEREAS, the Ypsilanti Housing Commission has applied for and has been approved for funding through U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program, which provides the opportunity to convert public housing to units subsidized with Projected Based Rental Assistance; and

WHEREAS, the Ypsilanti Housing Commission has applied and been approved for low-income housing tax credits from the Michigan State Housing Development Authority to raise capital to renovate or replace current units; and

WHEREAS, Ypsilanti City Council adopted Ordinance No. 2014-1210 on February 4, 2014, which authorized the Mayor and City Clerk to enter into a one-year Option to Purchase Land Agreement with Strong Future LDHA Limited Partnership for the sale of all land operated as low income housing by the Ypsilanti Housing Commission, exclusive of Parkridge; and

WHEREAS, the purpose of this agreement was to show site control by the limited partnership in order that their application for tax credits be approved; and

WHEREAS, Ypsilanti City Council adopted Ordinance No. 2014-1236 on December 16, 2014, which authorized the Mayor and City Clerk to execute a quitclaim deed to the limited partnership for two additional City-owned parcels that adjoin the project; and

WHEREAS, the U.S Department of Housing and Urban Development has required that the properties previously approved to be transferred directly to the limited partnership be instead transferred first to the Ypsilanti Housing Commission; and

WHEREAS, the U.S. Department of Housing and Urban Development has also provided that the plan for additional acquisition credits by a promissory note to the City is not in compliance with HUD policy; and

WHEREAS, the limited partnership has provided that the project can continue without the use of such credits; and

WHEREAS, the City, in its 2012 Master Plan has defined its guiding values to include, "Anyone, no matter what age or income, can find a place to call home in Ypsilanti: Housing options should match the needs of the people. Those needs will change as residents age and move. The need for safe, quality, affordable homes for all should be factored into decisions;" and

WHEREAS, the City wishes that these properties are rehabilitated through this program in order to provide quality low-income housing to its residents and further this goal.

NOW THEREFORE BE IT RESOLVED that the Mayor and City Clerk are authorized to execute the attached quitclaim deed, which conveys the subject properties to the Ypsilanti Housing Commission

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

EXHIBIT A - DISCRIPTION OF PREMISES

Land situated in the City of Ypsilanti, County of Washtenaw, State of Michigan:

Commonly known as	Legally described as	Parcel Number
118 S GROVE ST	*OLD SID - 11 11-040-239-00 YP CITY 2E-70 LOTS 239, 240, 241 & 242 ORIGINAL PLAT.	11-11-09-170-023
936 W MICHIGAN AVE	*OLD SID - 11 11-054-026-00 YP CITY 6-W-25 LOT 26 EXC A 30' STRIP OFF THE E SIDE & EXC A 50' STRIPOFF THE N SIDE ASSESSOR'S PLAT NO. 4	11-11-39-145-029
711-719, 721-729, and 731-745 TOWNER ST	*OLD SID - 11 11-190-035-00 YP CITY 7E-37 LOTS 35 & 36 DAVIS ADDITION.	11-11-10-267-003
314 S ADAMS ST	*OLD SID - 11 11-010-077-00 YP CITY 1-W58 N 66 FT OF S 132 FT OF E 165FT OF A PARCEL OF LD AT THE NW COR ADAMS AND BUFFALO STS.	11-11-39-414-005
111 and 113 BELL RD	*OLD SID - 11 11-150-016-00 YP CITY 18W-10 LOT 16 PLAN OF CLARKSVILLE.	11-11-37-100-001
101 – 109 BELL RD	*OLD SID - 11 11-340-021-00 YP CITY 37W-22 E. 41' OF LOT 20 & ALL OF LOTS 21, 22, & 27 A. LAZELIER'S ADDITION.	11-11-39-484-001
610 FIRST AVE	*OLD SID - 11 11-475-408-00 YP CITY 48W-295 LOTS 408,409 & E 40' OF LOT 410, PARK RIDGE.	11-11-37-202-001
881 MADISON ST	*OLD SID - 11 11-475-263-00 YP CITY 48W-177 LOTS 263 & 264 PARK RIDGE	11-11-37-152-010
719, 721, 723, 725, 727, 729, 731, 733 MAUS AVE	*OLD SID - 11 11-750-073-00 YP CITY 32E-36 LOTS 73 - 80 INCL VOLKENING & CO'S SUBDIVISION	11-11-10-355-037
951 MADISON ST	*OLD SID - 11 11-475-273-00 YP CITY 48W-185 LOTS 273 & 274 PARK RIDGE.	11-11-37-153-007
1004 and 1008 MONROE ST	*OLD SID - 11 11-475-437-00 YP CITY 48 W-307 LOTS 437,438&439 PARK RIDGE	11-11-37-201-001
425 S WASHINGTON ST	*OLD SID - 11 11-010-068-00 YP CITY 1-W49A LAND COM 376.3' SLY OF SE COR WASH- INGTON & BUFFALO STREETS, TH EAST 105.9', TH S 10 DEG 49' E 90.76', TH W 88.2', TH NLY ON WASHINGTON STREET TO BEG.	11-11-39-481-010

928 W MICHIGAN AVE	*OLD SID - 11 11-054-025-00 YP CITY 6W-24 LOT 25 & NELY 30 FT OF LOT 26 EXC NLY 50 FT OF SAID LOTS ASSESSOR'S PLAT NO. 4.	11-11-39-145-030
130 S GROVE ST	*OLD SID - 11 11-040-238-00 YP CITY 2E-68 LOT 238 EXC RIGHT OF WAY TO MICHIGAN CENTRAL RAILROAD ORIGINAL PLAT. Reservation of Easement: The City of Ypsilanti reserves a perpetual easement that shall run with the land. The easement premises consists of the 30 feet of the property adjoining the Huron River and along its banks. This easement protects the Huron River, its banks, and its slopes on the property and restricts further development of the area. Also, the easement allows the City of Ypsilanti to construct and maintain a pathway for non-motorized public use.	11-11-09-170-024

QUITCLAIM DEED

The City of Ypsilanti, a Michigan home rule city whose address is 1 S. Huron Street, Ypsilanti, MI 48197, **QUITCLAIMS** to **The Ypsilanti Housing Commission**, a Michigan municipal housing commission whose address is 601 Armstrong Drive, Ypsilanti, MI 48197, the following described premises situated in the City of Ypsilanti of, County of Washtenaw, and State of Michigan, to-wit:

Commonly known as:

118 S. Grove Street (Parcel ID#: 11-11-09-170-023)

936 W. Michigan Avenue (Parcel ID#: 11-11-39-145-029)

711-719, 721-729, and 731-745 Towner Street (Parcel ID#: 11-11-10-267-003)

314 S. Adams Street (Parcel ID# 11-11-39-414-005)

111 and 113 Bell Road (Parcel ID# 11-11-37-100-001)

101-109 Bell Road (Parcel ID# 11-11-39-484-001)

610 First Avenue (Parcel ID# 11-11-37-202-001)

881 Madison Street (Parcel ID# 11-11-37-152-010)

719, 721, 723, 725, 727, 729, 731, and 733 Maus Avenue (Parcel ID# 11-11-10-355-037)

951 Madison Street (Parcel ID# 11-11-37-153-007)

1004 and 1008 Monroe Street (Parcel ID# 11-11-37-201-001)

425 S. Washington Street (Parcel ID# 11-11-39-481-010)

928 W. Michigan Avenue (Parcel ID#11-11-39-145-030)

130 S. Grove Street (EXCEPTING AND RESERVING EASEMENT) (Parcel ID# 11-11-09-170-024)

DESCRIPTION OF PREMISES, ATTACHED HERETO AS EXHIBIT A

For the full consideration of One Dollar (\$1.00).

THIS CONVEYANCE HAS A VALUE OF CONSIDERATION RECEIVED OF LESS THAN \$100 AND IS THEREFORE WITHIN THE MEANING OF MCLA 207.505(a). THE GRANTOR IS A MUNICIPALITY OF THE STATE OF MICHIGAN AND IS THEREFORE WITHIN THE MEANING OF MCLA 207.505(h)(i). ALSO EXEMPT UNDER MCL 207.526(a) AND MCL 207.526(h)(i).

CITY OF YPSILANTI

Dated: _____

Amanda Edmonds
Mayor of the City of Ypsilanti

[illegible]

The foregoing instrument was acknowledged before me on this ____ day of _____, 20____, by AMANDA EDMONDS, who being duly sworn, did say that she is the Mayor of the City of Ypsilanti and did represent that she was duly authorized to execute this document on behalf of said Michigan municipality.

_____, Notary Public
County, Michigan
My commission expires:

Frances McMullan
Ypsilanti City Clerk

Dated: _____

STATE OF MICHIGAN)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this ____ day of _____, 20____, by FRANCES McMULLAN, who being duly sworn, did say that she is the Clerk of the City of Ypsilanti and did represent that she was duly authorized to execute this document on behalf of said Michigan municipality.

_____, Notary Public
County, Michigan
My commission expires:

Recording Fee: \$20
State transfer tax: \$0
Tax Parcel #

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	11-11-39-484-001
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

Drafted by and when recorded return to:
John M. Barr
Ypsilanti City Attorney
105 Pearl Street
Ypsilanti, MI 48197



Resolution No. 2015-021
February 3, 2015

That the public hearing to consider a resolution to convey, by quitclaim deed, city-owned parcels to the Ypsilanti Housing Commission for the rehabilitation and/or redevelopment of existing units, and continued operation as low-income housing be officially closed.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:



REQUEST FOR LEGISLATION
January 29, 2015

TO: Mayor and City Council

FROM: Frances M. McMullan, City Clerk

SUBJECT: Request from Mishigama Brewing Company LLC for a micro-brewery to be located at 124 Pearl Street in Suite 100 of the Centennial Center building.

SUMMARY & BACKGROUND:

Mishigama Craft Brewing, a newcomer to the brewery business, is proposing to establish a microbrewery at 124 Pearl Street Suite 100. This first floor location was formerly occupied by Buffalo Wild Wings before they moved to their current location south of I-94 and more recently by Krispy Krunchy Chicken. It has been vacant since April 2014. The location has approximately 5,700 square feet and has a full kitchen. 124 Pearl is in the Centennial Plaza building that is currently an office building but was built as a hotel in the 1920s.

Mishigama Craft Brewing believes that this location can be resurrected to a be comfortable relaxation zone in downtown Ypsilanti and complement the existing restaurants and bars in the area including The Red Rock, the Tap Room, Bona Sera and Haabs. The hope is that this project will further the effort to make the downtown area a destination for food and entertainment. On a broader regional scale, the hope is that this project will further the trend of the Ann Arbor-Ypsilanti area being a craft beer center in Michigan on par with Grand Rapids and Kalamazoo.

The working name for this location is the Ypsi Alehouse and will have an ambiance and theme consistent with its location in a historic building in the city center. While the seating layout has not been finalized, the number of seats will likely be in the range of 100-120. Initially, the Ypsi Alehouse will offer only beer, other drinks and light snacks but is expected to expand into lunch and dinner offerings at some point. The hours of operation will start with afternoons and evenings and eventually expand to 11 AM-10 PM, consistent with other similar businesses in the area. Live entertainment is planned with local musicians at selected times such as Friday and Saturday evenings. The music will cover a range of styles and types but tending to more acoustic and soloists rather than loud amplified music.

Mishigama Craft Brewing is owned by David Roberts, a University of Michigan graduate and former executive at General Motors. The Head Brewer will be Ted Badgerow, former owner/CEO and Head Brewer at the Real Ale Company in Chelsea Michigan, the first craft brewery in Michigan. We view this business as Friends and Family Brewing.

RECOMMENDATION: Approval

ATTACHMENTS: Resolution
Application packet

COUNCIL AGENDA DATE: February 3, 2015

CITY MANAGER COMMENTS: _____

CITY MANAGER APPROVAL: _____

FINANCE DIRECTOR APPROVAL: _____



Resolution No. 2015 - 022
February 3, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, Mishigama Craft Brewing Company, LLC has applied to the City of Ypsilanti requesting a micro-brewery liquor license to be located at 124 Pearl Street, Ste. 100 in the Centennial Center building in accordance with MCL 436.1531(A)(1)(b); and

WHEREAS, a public hearing to consider the request was duly noticed and held on February 3, 2015; and

WHEREAS, City staff has reviewed the request from Mishigama Craft Brewing Company, LLC and have no objections to the City granting approval.

NOW, THEREFORE, BE IT RESOLVED THAT the request of Mishigama Craft Brewing Company, LLC for a micro-brewery liquor license, to be located at 124 Pearl Street, Ste. 100 in Ypsilanti, MI 48197, be approved.

OFFERED BY: _____

SUPPORTED BY: _____

YES:

NO:

ABSENT:

VOTE:



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

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

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

Jesse O'Jack ~ Of Counsel
William F. Anhut ~ Of Counsel – Retired

To: Frances McMullan, Ypsilanti City Clerk
From: John M. Barr, Ypsilanti City Attorney
Date: 1/30/2015
Re: Micro-brewery application Mishigama Craft Brewing Company

I have reviewed the application of Mishigama Craft Brewing Company LLC for local government approval of an application for a liquor license at 124 Pearl Street, Ypsilanti, MI 48197.

The application is in proper legal form and this office has no objection to local government approval.

rec'd
1/7/15 @
2:47p

3500 Hillshire Court
Superior Township, Michigan 48198
January 7, 2015

Office of the City Clerk
City of Ypsilanti
City Hall
1 South Huron Street
Ypsilanti, Michigan 48197

Dear Ms. Frances McMullan:

Mishigama Craft Brewing Company LLC is applying for local government approval from the City of Ypsilanti to set up a micro-brewery to be located at 124 Pearl Street in Suite 100 in the Centennial Center building. Local government approval is required as part of the licensing process for both the State and Federal governments. Attached please find several documents required as part of your approval process.

Attachment 1 is the completed Application for New or Transfer Liquor License as required by the city of Ypsilanti. Attachments 2-6 are the supporting documents required as part of the Application.

Attachment 2 is the Articles of Incorporation for Mishigama Craft Brewing as approved by the State of Michigan.

Attachment 3 is a printout from the City of Ypsilanti website covering the General Property Information including the legal description of the property. Note that we are only leasing Suite 100, which comprises part of the first floor. Note that this site formerly houses the Krispy Krunchy Chicken and Buffalo Wild Wings in the more distant past.

Attachment 4 is the signed Letter of Intent to Lease. The lease is currently being finalized.

Attachment 5 is the written statement that the applicant will not violate any laws of the State of Michigan or the ordinances of the City of Ypsilanti.

Attachment 6 is the written statement that the applicant understands that the City of Ypsilanti has an ordinance prohibiting public nudity.

Attachment 7 is the document related to Local Government Approval that the State of Michigan requires for its licensing application.

Attachment 8 is a document from the State of Michigan on Michigan Brewer and Micro Brewer Requirements and General Information for your easy reference.

Enclosed is also a check made out to the City of Ypsilanti for \$500 for the application fee.

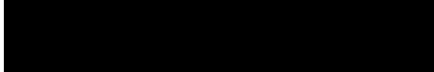
Mishigama Craft Brewing is requesting City of Ypsilanti approval contingent upon meeting the requirements of the building department that the proposed location is suitable for the proposed micro-brewery. An architect has already consulted with the building department and inspected the property.

The required changes in the building appear minimal at this point given its former use as a Buffalo Wild Wings bar and restaurant. We would like to have this approval as soon as possible in order to us to apply for the state and federal licenses – a process that can take 6 or more months.

By way of background, Mishigama Craft Brewing is a friends and family initiative to brew and sell a range of high quality beers. We will be endeavoring to use local ingredients and suppliers as much as possible. For example, we anticipate that GW Kent, one of the largest suppliers of equipment in the country and located in Ypsilanti, will be a major supplier of the equipment and supplies that we will be purchasing.

Please let me know if there is any other information or documentation that you need to obtain your support and approval of our project.

Regards,

David C. Roberts
CEO of Mishigama Craft Brewing

Attachment 1



City of Ypsilanti
Office of the City Clerk

APPLICATION FOR NEW
OR
TRANSFER LIQUOR LICENSE

Full Name: MICHIGANA CRAFT Brewing Date of Birth: _____

Home address: _____ Apt.# _____

City/State/Zip code: _____

Home phone: (____) _____ Business Phone: (____) _____

Email address (optional): _____

NAMES OF ALL PARTNERS OF THE APPLICANT, IF ANY:

DAVID C. ROBERTS _____

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

Address of place for a Liquor License: 124 PEARL Street Suite 100
(Attach legal description of the premises)

YPSILANTI, MICHIGAN 48197

Name and Address of Premise Owner: Centennial Plaza LLC,

124 PEARL #500, YPSILANTI, MICHIGAN 48197
Address City/State/Zip code

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

Micro-Brewery / Small Wine Maker

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

ENTERTAINMENT - Small (<5 people) Music Groups

SUPPLY WRITTEN EVIDENCE: That the Applicant has the right to possess the premises from the property owner.

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

SUPPLY CERTIFICATE OF OCCUPANCY OR SIMILAR CLEARANCE FROM THE BUILDING OFFICIAL: That the structure and premises is in compliance with local code provisions.

SUPPLY WRITTEN EVIDENCE FROM THE CITY TREASURER: That all real and personal property taxes and City utility bills associated with the premises are paid and that all real and personal property taxes and City utility bills in the name of the applicant are paid.

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

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

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

My signature acknowledges the following:

- I have read the above application and am submitting this completed application for consideration of a new or transfer liquor license in the City of Ypsilanti.
- I have (either in hardcopy or on line) received a copy of ordinance number 926, (as amended and codified in section 6-31 et sec) and have read and understand the City's ability to request revocation of the license upon violation of the ordinance terms, and/or breach of any agreement with the City.
- Council Approval **DOES NOT** take the place of or avoid any permitting process of the City, including, but not limited to Building, Zoning, Fire, ADA, etc. Significant issues with regards to non-conforming uses may arise after applicant properly submits detailed plans for such construction and/or use permits.
- Redevelopment Applicants:
 - I affirm that I have attempted to purchase an available on-premise escrowed license or quota license within the city, and that one was not readily available as defined in the Liquor Control Code (MCL 436.1521a).
 - I affirm that the premises described above will be a dining, entertainment, or recreation business open at least 5 days per week and open to the general public at least 10 hours a day.
 - I affirm that I have invested \$75,000 in the real property within the last 5 years, or I will invest \$75,000 prior to issuance of the license. This provision may be enforced

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

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

Signature of Applicant: _____

Signature of Applicant: _____

Signature of Applicant: _____

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

Signature of Current License Holder: _____ Date _____

.....
For the City Clerk's Office Staff only:

Date application submitted: _____ Staff's Initials: _____

Routed for approval by the following departments: _____ Date: _____

For Department Approval:

_____ Building _____ Zoning _____ Fire Dept. _____ Police Dept.
_____ Assessor _____ Treasurer _____ City Attorney _____ DDA/DTDDA

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

Attachment 2

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

Date Received

(FOR BUREAU USE ONLY)

FILED

OCT 01 2014

e filed, unless a
days after receivedADMINISTRATOR
CORPORATIONS DIVISION

Trans Info: 19850998- 09/18/14

Cmch: 1009 Act: \$50.00

ID: DAVID ROBERTS

EFFECTIVE DATE:

ZIP Code

Document will be returned to the name and address you enter above.
If left blank, document will be returned to the registered office.

ARTICLES OF ORGANIZATION**For use by Domestic Limited Liability Companies**

(Please read information and instructions on reverse side)

E5126L

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

ARTICLE IThe name of the limited liability company is: Mishigama Craft Brewing Company **LLC****ARTICLE II**

The purpose or purposes for which the limited liability company is formed is to engage in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan.

ARTICLE III

The duration of the limited liability company if other than perpetual is: _____

ARTICLE IV

1. The name of the resident agent at the registered office is: _____

2. The street address of the location of the registered office is:

Michigan **48198**
(Zip Code)

3. The mailing address of the registered office if different than above:

(P.O. Box or Street Address)

(City)

, Michigan

(Zip Code)

ARTICLE V (Insert any desired additional provision authorized by the Act; attach additional pages if needed.)Signed this 16 day of September 2014By _____
(Signature(s) of Organizer(s))

David Roberts

(Type or Print Name(s) of Organizer(s))

HS

Attachment 3



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General Property Information

[Printer friendly version](#)

Parcel: 11-11-40-486-030 Unit: CITY OF YPSILANTI

[View this parcel in GIS](#)

****NOTE:** There are **4 images** and **1 sketch** attached to the current property.

Property Address [collapse]

124 PEARL ST
YPSILANTI, MI 48197

Owner Information [collapse]

CENTENNIAL PLAZA, LLC
LAZAR ISRAEL
124 PEARL #500
YPSILANTI, MI 48197

Unit: 11

Taxpayer Information [collapse]

SEE OWNER INFORMATION

General Information for Tax Year 2015 [collapse]

Property Class:	201 - COMMERCIAL IMPROVED	Assessed Value:	\$355,600
School District:	81020 - YPSILANTI SCHOOLS	Taxable Value:	\$355,600
State Equalized Value:	\$355,600	Map #	K-2 9-2 (B)
User Number Indx:		Date of Last Name Chg:	N/A

Date Filed:
Notes: N/A

Historical District: N/A **Census Block Group:** N/A

Principal Residence Exemption	June 1st	Final
2015	0.0000 %	-
2014	0.0000 %	0.0000 %

Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable
2014	\$355,600	\$355,600	\$352,653
2013	\$347,100	\$347,100	\$347,100

Land Information

[collapse]

	Frontage		Depth
Lot 1:	132.00 Ft.		110.00 Ft.
Lot 2:	69.00 Ft.		140.25 Ft.
Lot 3:	0.00 Ft.		0.00 Ft.
Total Frontage:	201.00 Ft.	Average Depth:	120.38 Ft.
Total Acreage:	0.56		
Zoning Code:	B-3		
Total Estimated Land Value:	\$145,874	Mortgage Code:	N/A
Land Improvements:	N/A	Lot Dimensions/Comments:	N/A
Renaissance Zone:	N/A		
Renaissance Zone Expiration Date:	N/A		

Legal Information for 11-11-40-486-030

[collapse]

OWNER REQUEST YPC 2W-153 & 2W-149A S 3 FT OF LOT 105, LOT 106 AND W 110 FT OF LOTS 108 & 109 ORIGINAL PLAT SPLIT ON 03/02/2005 FROM 11-11-40-486-005, 11-11-40-486-006;

Sales Information**5 sale record(s) found.**

Sale Date	Sale Price	Grantor	Grantee	Terms Of Sale	Liber/Page
07/16/2001	\$525,682.00	UNIVERSITY SHOP/DAVID YOUNG	CENTENNIAL PLAZA, LLC		4039-26
12/01/1994	\$632,378.00	FRANKLIN BANK	UNIVERSITY SHOP INC/DAVID YOUNG	COVENTIONAL	3064-825
09/30/1989	\$1,050,000.00	FRANKLIN SAVINGS BANK	NATIONAL PROPERTIES INVESTORS	BANK SALE USED	2358-251
08/05/1986	\$0.00	CENTENIAL CENTER	BELKIN J	BANK SALE USED	2074-817
01/29/1971	\$0.00	YPSILANTI SAVINGS BANK	YPSILANTI HOTEL COMPANY	BANK SALE USED	1348-482

☐ Load Building Information on this Page.

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Property and Land
Building Department

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Detailed Tax Information

Parcel: 11-11-40-486-030

[View this parcel in GIS](#)

Printer friendly version

Property Address [collapse]

124 PEARL ST
YPSILANTI, MI 48197

Owner Information [collapse]

CENTENNIAL PLAZA, LLC
LAZAR ISRAEL
124 PEARL #500
YPSILANTI, MI 48197

Unit: 11

Taxpayer Information [collapse]

SEE OWNER INFORMATION

Legal Information for 11-11-40-486-030 [collapse]

OWNER REQUEST YPC 2W-153 & 2W-149A S 3 FT OF LOT 105, LOT 106 AND W 110 FT OF LOTS 108 & 109 ORIGINAL PLAT SPLIT ON 03/02/2005 FROM 11-11-40-486-005, 11-11-40-486-006;

Enter Future Interest Date:

1/7/2015



[Re-Calculate](#)

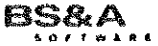
Use the +/- button to expand and collapse the Tax Detail Information.

Year / Season	Total Amt	Total Paid	Last Paid	Total Due	
2014, Winter	\$675.94	\$0.00		\$675.94	** Pay Tax Bill Now
2014, Summer	\$29,952.52	\$29,952.52	09/05/2014	\$0.00	
2013, Winter	\$489.53	\$489.53	01/07/2014	\$0.00	
2013, Summer	\$29,488.06	\$29,488.06	08/21/2013	\$0.00	
2012, Winter	\$418.45	\$418.45	12/31/2012	\$0.00	
2012, Summer	\$28,553.99	\$28,553.99	09/05/2012	\$0.00	
2011, Winter	\$1,160.27	\$1,160.27	12/05/2011	\$0.00	
2011, Summer	\$31,026.50	\$31,026.50	08/26/2011	\$0.00	
2010, Winter	\$459.32	\$459.32	12/10/2010	\$0.00	
2010, Summer	\$29,545.62	\$29,545.62	09/09/2010	\$0.00	
2009, Winter	\$459.55	\$459.55	12/10/2009	\$0.00	
2009, Summer	\$29,771.78	\$29,771.78	09/10/2009	\$0.00	
2008, Winter	\$419.84	\$419.84	12/08/2008	\$0.00	

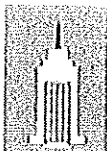
☐ 2008, Summer	\$28,340.17	\$28,340.17	09/11/2008	\$0.00
☐ 2007, Winter	\$401.50	\$401.50	12/18/2007	\$0.00
☐ 2007, Summer	\$27,342.60	\$27,342.60	08/22/2007	\$0.00
☐ 2006, Winter	\$907.90	\$907.90	12/12/2006	\$0.00
☐ 2006, Summer	\$25,900.79	\$25,900.79	08/03/2006	\$0.00
☐ 2005, Winter	\$1,340.22	\$1,340.22	12/31/2005	\$0.00
☐ 2005, Summer	\$24,739.06	\$24,739.06	09/12/2005	\$0.00

****Disclaimer:** BS&A Software provides this Web Site as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

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 SOFTWARE

Attachment 4



LOI - Signed by:
Tenant yes
Landlord yes

Letter of Intent to Lease Premises

DATE: November 25, 2014 Landlord Reply 11/25/14

Tenant: Mishigama Craft Brewing Co., LLC, or assignment.

OVERVIEW:

The tenant is planning to operate a brewery with an on-premises tap room to serve product. This business is heavily regulated by the local, state and federal governments and as a consequence will require time to get all the permits and licenses. The first major requirement is the location and involves a sign-off by the Ypsilanti City Council. Once local authorities sign off on the acceptance of the proposed location, then a license needs to be obtained from the State of Michigan Liquor Control Commission and the US Alcohol and Tobacco Tax Trade Bureau. Once those licenses are obtained, then the production of beer can start. Saleable beer will be available approximately 4-6 weeks after the start of production.

Personal Guaranty: None. Providing Tenant agrees to pay 2x the last month's rent amount as Security Deposit.

Tenant Use: Brewing and sale of beer for onsite consumption, retail, and distribution

Property: 124 Pearl, Ypsilanti MI

Premises: Suite 100: comprising 5,670 SF, plus basement bathrooms and storage, plus exterior patio.

Lease Term: Three (3) years, and six (6) months (42 months total)

Lease Commencement: First day after the Ypsilanti City Council signs off on the State-required documents (anticipated to be approximately 2 weeks after fully executed LOI ("The Commencement Date").

Rent Commencement: a. First day of the month after tenant receives an approved liquor license from the State; or Tenant opens for business, but not later than six (6) months after lease commencement.

Swisher Commercial



Swisher Commercial
200 E. Washington St. Ann Arbor, MI 48104
tel: 734.663.0501 fax: 734.663.0318 www.swishercommercial.com

DCK

b. If the tenant fails to get a license within 6 months then the lease terminates immediately unless there is mutual agreement to extend the waiting period.

Gross Rent:	* Months 1 - 6	\$0.00/mth.
	Months 7 - 18	\$2,850/mth.
	Months 19 - 30	\$3,200/mth.
	Months 31 - 42	\$4,000/mth.

*Gross rent shall begin on the first day of the month after Tenant receives an approved liquor license, or opens for business, whichever comes first. But in no event later than six (6) months after lease commencement.

Occupancy Date: Three months after the Commencement Date.

As the State and Federal licenses are most likely to be granted, the tenant intends to start remodeling work on the premises prior to the granting of the licenses

Deposits:

- a. Upon lease execution Tenant shall pay a non-refundable first month's rent of \$2,850; and,
- b. Payment of \$8,000 Security deposit shall be delayed until the end of month 12 in consideration of significant investments in the property to be made by the tenant at the start of the lease.

Lease Type: Gross, plus utilities. Gross includes Landlord's prorated share of property taxes, insurance and common area maintenance are included in Tenant's monthly gross rent.

Utilities: **GAS & ELECTRIC** - upon Tenant taking occupancy, Tenant shall place the separately metered gas & electric meters for Premises in Tenant's name and pay for all gas & electric usage for Premises.

WATER & SEWER: Landlord will investigate the following information provided by Tenant and come to a mutually agreeable arrangement for Water & Sewer. Based on the prospective Tenant's recent conversation with YCUA, the current situation is that there is a flat rate of \$707.27 starting soon. This covers up to 45 units of water or 4500 cubic feet per month. (YCUA calls 100 cubic feet a unit.) The cost for units above the first 45 units is \$7.38 per unit. The past few months have consumption of about 16 units monthly. I would propose that we use the rate of \$707.27/45 or \$15.72 per unit for the average price of the first 45 units and then split the bill as follows. The first 20 units are the landlord's responsibility and then anything above 20 is ours. Thus if the bill comes in at 30 units, we would be responsible for 10 units or 10*\$15.72 or \$157.20. Once the consumption is above 45 units, we would be responsible for 25 units and the bill would be 25*\$15.72 or \$393 plus the charges over the

Effective 10/1/10 to 10/1/11



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del

minimum or above \$707.27. This assumes that your other tenants don't really change their water habits but they have been rather stable.

Using some industry benchmark data, the micro-brewery would use about 45 units if we are operating at the maximum rate of production and are reasonably efficient. We are not expecting to reach maximum production for at least a year unless the business is going very well. Thus the building would not likely be over the minimum for the first 6-12 months after the start of production. I am not sure how much water would be consumed by the tap room.

Landlord FF&E: Landlord shall make available without warranty for Tenant use all existing furniture, fixtures & equipment ("FF&E") in Premises at time Tenant takes occupancy. Including exhaust hoods, refrigerators, freezers, motors, fans, compressors, etc. Landlord offers all FF&E in "as-is, where-is" condition, "with all its faults". Tenant is responsible for removing from Premises and disposing of any unused FF&E. A master inventory of all FF&E shall be taken within 10 days after Tenant takes occupancy, and if/when Tenant vacates Premises such FF&E shall be returned to Landlord is same or better condition as when Tenant condition less typical wear and tear.

HVAC: Heating & Cooling Systems (HVAC): Prior to lease execution, Landlord and Tenant shall (each) have HVAC systems servicing the Premises inspected by qualified service technician and provide copy of written inspection report. Landlord shall make, at its cost, any necessary repairs/replacement parts necessary to provide Tenant with good functionally operational HVAC systems at time Tenant takes occupancy. When Tenant takes occupancy, Tenant shall be responsible for all maintenance & repairs and replacements, however, Landlord and Tenant shall share equally (50/50) the cost of any HVAC replacement of the compressor, or heat exchanger in the existing HVAC unit(s) that serve the leased premises when they can no longer be reasonably repaired.

Building: Landlord shall be responsible for upper floors and roof, outer and demising walls, foundation, upkeep of parking lot, sidewalks and landscaping. Tenant shall be responsible for windows, doors, ceiling, lights, awnings, electrical and plumbing systems servicing the Premises.

Tenant is responsible for exterior care & maintenance of Premises front and side entrances, awnings, sidewalks fronting



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the Premises, including daily trash & litter control of sidewalks and trash dumpster area.

Tenant Improvements: Tenant accepts Premises in as-is, where-is condition. Tenant may at its option and expense paint exterior window sills and frames.

Tenant has prepared a "List of Improvements" anticipated - subject to Landlord approval:
SEE ATTACHED

Landlord Improvements: Landlord assumes no obligation for improvements other than stated in this LOI. Otherwise, Tenant accepts Premises in as-is, where-is condition, with all its faults.

Renewal Option: Two (2) options to renew lease for Three (3) Years each ("Renewal Term 1" and "Renewal Term 2") at a gross monthly lease rate to be determined and based on then current fair market lease rate(s) to be mutually agreed by Landlord and Tenant. Tenant must provide Landlord with written notice of its intention to execute its Renewal Option 1, and Renewal Option 2 at least 180 prior to the end of the then current lease term, and Landlord and Tenant shall negotiate in good faith to mutually agree on a fair market lease rate.

Additional Space: If at anytime the space in Suite 101 (current Hair Salon) becomes available for lease, Landlord shall give Tenant complimentary advance notice that Suite 101 is available for lease and Tenant will have opportunity to lease additional Suite 101 at mutually agreeable terms.

Signage: Tenant shall have the right to awnings, including removal if desired, and corner blade sign in accordance with City of Ypsilanti regulations and with landlord's approval.

Sidewalk: Tenant shall have the right to use sidewalk on west side of Property for seating in accordance with City of Ypsilanti regulations.

Parking: a. Tenant shall have the right to parking on the property on a first-come first-served basis.

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tel: 734.663.0501 fax: 734.663.0315 www.swishercommercial.com

DCL

b. Landlord will reserve two spots outside the back door to the kitchen area for exclusive Tenant use – primarily for pick-ups and deliveries of goods as well as for a storage area for spent grain until picked up. The area for the spent grain will be surrounded by a privacy fence paid by the tenant and which will be acceptable to the City of Ypsilanti – primarily the Historical Commission.

Trash Dumpster

If Tenant's trash disposal requires Landlord to increase the building trash removal service in frequency of pick-ups, or dumpster size, Tenant shall pay the difference in costs.

Inspection: Tenant will have the property inspected prior to the signing of the lease at their expense.

This Letter of Intent does not constitute a binding contract, and no contract is intended to arise unless and until the Lease is entered into, signed by both parties. Should the terms of this letter be acceptable, please sign.

AGREED AND ACCEPTED THIS 3RD DAY OF December, 2014

TENANT:

By: _____

Date: 12/3/14

LANDLORD:

By: _____

Date: 12/3/14

Addendum 1 - attached.



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DAR
A handwritten signature in dark ink, appearing to be "DAR" followed by a stylized flourish or second name.

Tony Caprarese

From: David Roberts <davidc.roberts@yahoo.com>
Sent: Thursday, December 04, 2014 2:08 PM
To: 'Tony Caprarese'
Subject: List of Follow-up Items from our Discussion Related to the

Addendum 1

Hi Tony

This is the list of follow-up items I have from our conversation:

1. More discussion on the storage areas in the basement both inside and outside the bathroom area.
2. Need to get HVAC guy to provide estimates for MCB exposure
3. Need a cooler guy to look at the coolers
4. Check on the parking situation
5. Refine water bill process
6. Clarity around the trash/snow removal responsibilities on the sidewalks
7. MCB to get an architect to come in to assess issues

I am working on this list and will need access to the building for some of the issues to be resolved.

Thanks
Dave

List of Improvements for BW3 Space

November 10, 2014

Version 4

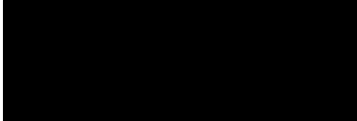
Improvement	Area	Cost
1. Replace awnings on outside of the building	Outside	\$1,600
2. Improve bathrooms in basement. This includes re-doing sinks and counter tops. Leave flooring and walls alone but paint panels	Basement	\$2,000
3. Maintenance on ADA bathroom on first floor. Needs new toilet	Main	\$500
4. Redo floors in main area -- currently carpet/tile. Remove carpet and install new tile. This is about 2650 square feet	Main	\$23,226
5. Install new tile in storage room and office. This room is about 359 Sq Ft	Kitchen	\$2,275
6. Paint and repair stairwell to basement bathrooms	Basement	\$1,200
7. Repair and paint ceiling area and walls in entrance	Entrance	\$1,000
8. Clean Kitchen and halls	Kitchen	\$425
9. Repair flooring area and walls in kitchen area	Kitchen	\$1,200
10. Repair and or replace ceiling and paint lower walls in main seating area (leaving brick as it is)	Main	\$3,000
11. Refresh bar area in main room	Main	\$3,000
12. Repair and refinish entrance and patio doors as needed		\$1,000
13.		
14.		
15.		
16.		
Total		\$40,466



Attachment 5

Written Statement in Support of the Application for New Liquor License

The applicant for the liquor license will not violate any laws of the State of Michigan or the ordinances of the City of Ypsilanti in conducting the business where the liquor license will be used and understands that a violation on the premises may be cause for the City objecting to the renewal of the license or requesting revocation of the license.

A black rectangular redaction box covering the signature of David C Roberts.

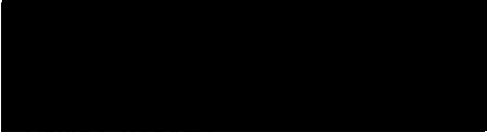
David C Roberts

Mishigama Craft Brewing Company

Attachment 6

Written Statement in Support of the Application for New Liquor License

The applicant for the liquor license understands that the City of Ypsilanti has an ordinance prohibiting public nudity, and understands that a violation of the ordinance on the premises where the liquor license is used will be cause for objecting to the renewal of the license or for requesting revocation of the license.



David C Roberts

Mishigama Craft Brewing Company

Attachment 7



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
Toll Free (866) 813-0011 • www.michigan.gov/lcc

Business ID: _____

Request ID: _____

(For MLCC use only)

Local Government Approval

(Authorized by MCL 436.1501)

Instructions for Applicants:

- Provide a copy of your Application for New Licenses, Permits, or Transfer of Ownership or Interest in License (form LCC-3011 for Retail or form LCC-3015 for Manufacturers and Wholesalers) to the local unit of government.

Instructions for Local Legislative Body:

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

At a _____ meeting of the _____ council/board
(regular or special) (township, city, village)
called to order by _____ on _____ at _____
the following resolution was offered: (date) (time)

Moved by _____ and supported by _____
that the application from _____
(name of applicant)
for the following license(s): _____
(e.g. Class C, Tavern, B-Hotel, Micro Brewer)

and the following permits, if applied for: ☐ Dance Permit ☐ Entertainment Permit ☐ Topless Activity Permit

☐ Extended Hours Dance Permit Hours Required: _____

☐ Extended Hours Entertainment Permit Hours Required: _____

to be located at _____

be considered for _____
(approval or disapproval)

Approval

Yeas: _____

Nays: _____

Absent: _____

Disapproval

Yeas: _____

Nays: _____

Absent: _____

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

approval by the Michigan Liquor Control Commission.

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Name and title of authorized officer (please print): _____

Signature and date of authorized clerk: _____

Phone number and e-mail of authorized officer: _____

Attachment 8



Michigan Department of Licensing & Regulatory Affairs
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)
525 W. Allegan Lansing, MI 48933
P.O. Box 30005 Lansing, MI 48909

Michigan Brewer & Micro Brewer Requirements and General Information

A "Brewer" license, as defined by MCL 436.1105(11), is issued by the Michigan Liquor Control Commission to a person located in Michigan to manufacture and sell to licensed wholesalers, beer produced at the licensed brewery facility.

- May sell beer it manufactures to licensed Michigan wholesalers who may resell it to licensed Michigan retailers.
- May have multiple brewing facilities. Each brewing facility located in Michigan requires a separate Brewer license. Each license must be issued in the same legal entity.
- A Brewer may sell to consumers for on-premises consumption from one, and only one, brewing facility in Michigan.
- May offer free samples to consumers from the brewery facility.
- May sell beer it manufactures to consumers for off-premises consumption (take-out) from the brewery premises with no additional license.
- May not sell beer directly to retail licensees. All distribution to retailers must be done through licensed wholesalers.
- Must enter into exclusive territory agreement with each wholesaler.
- Must obtain a "Brewer's Notice" from the Alcohol, Tobacco, Tax & Trade Bureau (TTB).

A "Micro Brewer" license, as defined by MCL 436.1109(3), is issued by the Commission to a person located in Michigan to manufacture no more than 60,000 barrels per year and sell to licensed wholesalers, beer produced at the licensed brewery facility.

- May sell beer it manufactures to licensed Michigan wholesalers who may resell it to licensed Michigan retailers.
- May have multiple brewing facilities. Each brewing facility located in Michigan requires a separate Micro Brewer license. Each license must be issued in the same legal entity.
- In determining the 60,000-barrel limit for a Micro Brewer, the combined production of all brewing facilities, including those located outside Michigan shall be considered.
- May offer free samples to consumers from the brewery facility.
- May sell beer it manufactures to consumers for on-premises consumption from the brewery premises without any additional license.
- May sell beer it manufactures to consumers for off-premises consumption (take-out) from the brewery premises with no additional license.
- May not sell beer directly to retail licensees. All distribution to retailers must be done through wholesalers.
- Must enter into an exclusive territory agreement with each wholesaler.
- Must obtain a "Brewer's Notice" from the Alcohol, Tobacco, Tax & Trade Bureau (TTB).

How To Apply For A License:

Please refer to the "Manufacturers & Wholesale License Application Process" information sheet for applicable forms and required documents.

All forms are available on our website at: www.michigan.gov/lcc ---> Commission Forms ---> Manufacturers & Wholesalers.

Licensing Requirements:

Federal Basic Permit:

Receipt of a Federal "Brewer's Notice" issued by the Alcohol and Tobacco Tax and Trade Bureau ("TTB") is required prior to the issuance of a Brewer/Micro Brewer license.

- Administrative rule R 436.1609(1)

For Brewer's Notice info contact: Alcohol and Tobacco Tax and Trade Bureau
550 Main St. Room 8002
Cincinnati, OH 45202
(513) 684-3337
www.ttb.gov

Bond Application:

A Surety Bond (Form MW-816) executed by an insurance company authorized to do business in Michigan in the amount of \$1,000.00 for the first year licensed is required prior to issuance of the license. The Bond application will be mailed to applicant upon Commission approval of the application.

- MCL 436.1801 (1)(a)

Proof of Financial Responsibility:

A statutory requirement to provide security for liability of not less than \$50,000. May be in the form of cash, unencumbered securities, liquor liability insurance, constant value bond, or membership in a group self-insurance pool authorized by law that provides security for liability under Section 436.803 of the Liquor Control Code. Proof of Financial Responsibility Form LC-95 & instructions will be mailed to applicant upon Commission approval of the application.

- MCL 436.1501(1)

Server Training:

A licensee authorized to sell or sample alcoholic beverages for on-premises consumption is required to have present on the licensed premises, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor is served who have successfully completed a server training program approved by the Commission.

- MCL 436.1501, Administrative rule R 436.1060

License Fee:

The initial license fee for a Brewer or a Micro Brewer is \$50.00. The annual renewal fee for a Brewer or Micro Brewer will be \$50.00 for manufacturers of less than 15,000 barrels during the preceding calendar year. The renewal fee for manufacturers of more than 15,000 barrels during the preceding calendar year shall be \$50.00 per 1,000 barrels, or fraction of a barrel, produced annually with a maximum fee of \$1,000.00. Licensing year is May 1 - April 30. License fee may not be prorated for part year licensure and is payable at the time of initial application.

- MCL 436.1525

Food Establishment License

The Michigan Food Law (Act 92, P.A. of 2000) requires all food establishments, including processing operations such as wineries, breweries and distilleries to obtain a food establishment of one type or another. Contact the Michigan Department of Agriculture & Rural Development ("MDARD") for details on the specific food establishment license required for your operation. The MDARD may be contacted as follows:

MDARD Central Licensing
P.O. Box 30746
Lansing, MI 48909
(517) 241-6666
www.michigan.gov/mda

General Information:

Age:

A person must be 21 years of age or older to have any ownership interest in a Brewer or Micro Brewer license. A person must be 18 years of age or older to sell, serve or promote alcoholic beverages for a Brewer or Micro Brewer.

- Administrative rules R 436.1009, R 436.1105(1)(a)

Church and School:

A new application to sell alcoholic beverages at retail (including manufacturers), or a request to transfer location of an existing license, may be denied if the contemplated location is within 500' of a church or school.

The Commission may waive the church/school provision if the church or school does not file an objection to the proposed license. If the church or school files an objection, the Commission will hold a hearing before making a decision on the issuance of the license.

- MCL 436.1503

Manufacturing & Labeling:

Beer must be manufactured in accordance with federal beer regulations published in the Code of Federal Regulations (CFR) Title 27, Part 25. Contact the TTB for details.

- Administrative rule R 436.1611

Label Registration:

All beer products sold in Michigan must have labels approved by the Commission prior to being sold. All beer sold in Michigan must be labeled in accordance with TTB regulations. The Commission uses an on-line label registration process which requires prior registration with the TTB. Upon licensure, you will be provided with a password and instructions to access the on-line registration site. There is no fee for Michigan label registration.

- Administrative rule R 436.1611

Mandatory Label Information (Pursuant to TTB Regulations):

- Brand name.
- Class, type or, in lieu of, a truthful & adequate statement of composition shall appear on the brand label of the product.
- Name and address of bottler or packer where bottled or packed.
- Net contents.
- Government Warning Statement.
- Alcohol content by volume is optional.

For Federal Labeling information contact:

Alcohol and Tobacco Tax and Trade Bureau
Alcohol Labeling & Formulation
650 Massachusetts Ave., N.W.
Washington, DC 20226
(866) 927-2533
www.ttb.gov

Container Deposits:

Beer, mixed wine drink (wine coolers) & mixed spirit drink (spirit coolers) sold in containers of one (1) gallon or less must comply with the Beverage Container Act (Initiated Law of 1976) by requiring a deposit of not less than 10 cents per container when sold to consumers. Containers must be clearly labeled with the name of this state and the deposit amount. "MI" or "MICH" are acceptable abbreviations for Michigan. The wholesaler who sells the returnable containers to their retail customers initiates the container deposit.

- MCL 445.571 – MCL 445.576

Beer Excise Tax Reports:

Michigan beer excise tax rate is \$6.30 per barrel. A barrel contains 31 gallons. The excise tax equates to approximately 46 cents for a case containing 24/12 ounce containers. Brewers and Micro Brewers are responsible for paying the Michigan beer excise tax on all beer sold in this state. Taxes are collected on a monthly basis (biweekly if your monthly tax liability averages \$50,000 or more). Sales and shipments made to military installations, Indian reservations or out-of-state by Brewers/Micro Brewers are nontaxable. Beer that is provided as samples in a hospitality room of a brewery or beer damaged in the process of brewing is also nontaxable. Beer that is sold for on-premise consumption by a Micro Brewer is subject to the beer excise tax.

A report of operations (copy of TTB - Report of Operations) is due in the Commission's Lansing office not later than the fifteenth day of the month for the preceding month's activity. Copies of invoices verifying sales to Michigan wholesalers or a summary report of wholesaler sales are submitted with your monthly beer excise tax report. Payment of the beer excise tax shall accompany the report. Monthly reporting forms and instructions will be supplied to each applicant upon licensure. Wholesalers must be supplied with two copies of each invoice.

Brewers & Micro Brewers who manufacture less than 50,000 barrels of beer per year, are eligible for a credit against future beer excise taxes in the amount of \$2.00 per barrel for the first 30,000 barrels per year.

- MCL 436.1409, administrative rule R 436.1621

Sales to Wholesalers:

Brewers and Micro Brewers must grant each of their wholesalers with an exclusive sales territory. A Brewer or

Micro Brewer must give each of their wholesalers a written agreement specifying the brand or brands to be distributed and the territory where exclusive sales are granted. There can be no overlapping of sales territories between wholesalers of similar brands.

Brewers and Micro Brewers are prohibited from selling alcoholic beverages directly to retail licensees. All sales must be made through licensed wholesalers. Brewers and Micro Brewers are prohibited from holding a Wholesale license or retail license.

There is no prohibition against offering wholesalers quantity discounts as long as the discounts are uniformly offered to all wholesalers. All sales made to wholesalers must be for cash only.

- MCL 436.1105(10), MCL 436.1109(2), MCL 436.1401, MCL 436.1403

Sale to Consumers by the Glass:

A Micro Brewer may sell beer it manufactures to consumers for on-premises consumption at each of their brewery locations.

A Brewer may sell beer it manufactures to consumers for on-premises consumption at one and only one of its licensed Michigan locations.

- MCL 436.1109(2), MCL 436.1411

Take-Out Sales from Brewery:

A Micro Brewer by definition may sell beer that it produces to consumers for off-premises consumption (take-out).

- MCL 436.1109(2), MCL 436.1607(3)

A Brewer may sell beer that it produces to consumers for off-premises consumption (take-out).

- MCL 436.1537 (k)

Sales for Cash Only:

The Liquor Control Code requires the sale and purchase of all alcoholic beverages to be for cash only, at the time of delivery to wholesalers. Consumers may use bona-fide credit cards to pay for purchases from the brewery.

- MCL 436.2013

Hospitality Room – Sampling by Consumers:

A Brewer or Micro Brewer may allow persons 21 years of age or older to sample beer manufactured by that brewery in a hospitality room located on the brewery premises. The brewery may be open to the public Monday through Saturday from 7:00 A.M. until 2:00 A.M.; and Sunday from 12:00 Noon until 2:00 A.M. Beer may not be served to persons in an intoxicated condition.

- MCL 436.2025, administrative rule R 436.1613

Barrel Deposits:

Manufacturers of beer are required to collect a barrel deposit of \$30.00 for all barrels, 1/2 barrels and 1/4 barrels of beer sold to wholesalers. A refund of \$30.00 shall be made to a licensee who has made the deposit and returned the barrels for refund. The Rule does not allow a deposit in excess of \$30.00.

- Administrative rule R 436.1629

Interest in Another License:

Michigan statute strictly prohibits a Brewer/Micro Brewer from holding any interest, directly or indirectly, in a wholesale or retail license. Examples of prohibited interests include: stock ownership, leasing real estate to/from a wholesale or retail licensee; interlocking officers or directors between licensees; financial interest such as a moneylender with a wholesale or retail licensee. The Commission may approve a Brewer or Micro Brewer participating with one or more Brewers or Micro Brewers in an alternating proprietor operation subject to the written approval of the Alcohol, Tobacco, Tax and Trade Bureau (TTB), in accordance with 27 CFR part 25, subpart F, section 25.52. A Brewer or Micro Brewer may hold multiple licenses for other brewery locations if all licenses are issued in the same legal entity. The combined production from all facilities owned by a Micro Brewer may not exceed 30,000 barrels per calendar year.

- MCL 436.1603

Other Manufacturing licenses:

A Micro Brewer may obtain other manufacturing licenses including a Small Wine Maker, Brandy Manufacturer, Manufacturer of Spirits, Manufacturer of Mixed Spirit Drink or a Small Distiller which allows the manufacture

and sale of wine , brandy, mixed spirit drinks or distilled spirits.

- MCL 436.1111(9), MCL 436.1109 (6), MCL 436.1113(9)

Beer and Wine Sampling Permit:

A Micro Brewer may obtain a Beer and Wine Sampling Permit which allows beer and wine tastings to be conducted on licensed off-premises accounts that hold a Specially Designated Merchant (SDM) license. There is a one time \$70.00 fee for this permit. Upon issuance of this permit notification of sampling events must be received at least 10 days prior to the event and all employees or licensed agents conducting the sampling event must have successfully completed a server training program approved by the MLCC.

- MCL 436.1537

Permits:

There are additional permits that a Brewer or Micro Brewer might want to apply for to be held in conjunction with their primary license.

- **Outdoor Service Permit** - Permit allows the sale and consumption of alcoholic beverage in outdoor patio areas. The area must be under the control of the licensee.
- **Specific Purpose Permit** - Permit required to remain open for business after the legal closing hour of 2:00am, or to be open for business before 7:00am Monday through Saturday, or to open before 12:00 noon on Sunday, for the sale of food.
- **Direct Connection** - Technically this is not a Permit but rather permission from the Commission to maintain a direct connection between licensed premises and nonlicensed premises. This permission will be required if your operations include multiple license holders who maintain inside connections to either nonlicensed premises or licensed premises under the control of another licensee.
- **Living Quarters Permit** - Permit required when living quarters are directly connected to the licensed premises.
- **Dance Permit** - Permit required for dancing by customers on the licensed premises. Dance floor must be clearly marked, void of tables and chairs when in use and a minimum of 100 square feet in dimension. Permit allows for dancing during the legal hours for the sale of alcoholic liquor only.
- **Entertainment Permit** - Permit required for monologues, dialogues, motion pictures, still slides, closed circuit television, contests, or other performances for public viewing on the licensed premises. An Entertainment Permit does not allow topless entertainment. Permit allows for entertainment only during the legal hours for the sale of alcoholic liquor. You do not need an Entertainment Permit for live bands, the playing of an orchestra, piano, or other types of musical instruments, singing or the viewing of any publicly broadcast television of a federally licensed station.
- **Sunday Sales AM** – Permit required for the sale of beer from 7:00 a.m.- 12:00 noon, unless prohibited in the county and local governmental unit where the licensed establishment is located. \$160.00 fee.

Salesperson License:

Any person employed by a Brewer/Micro Brewer to sell, deliver, promote, or otherwise assist in the sale of alcoholic liquor in this state is required to hold a Salesperson license issued by the Commission. Employees who work exclusively at the brewery premises and have no personal contact with wholesalers, retailers or consumers, off brewery premises, do not need a Salesperson license. Salesperson licenses are available from the Manufacturers & Wholesalers Section. Salesperson licenses are currently \$35.00 for a three-year licensure period. Salespersons must be at least 18 years of age. Licensed Salespersons are prohibited from being employed by a retail licensee on a paid or any other basis.

- Administrative rule R 436.1853

Aid & Assistance Prohibition:

Section 609 of the Code, being MCL 436.1609, and Rule 436.1035 prohibit alcoholic beverage manufacturers, suppliers or wholesalers from aiding or assisting any other licensee by giving them anything of value. Further, a licensee is prohibited from accepting aid and assistance from another industry member. Alcoholic beverage suppliers are prohibited from giving anything of value to their wholesalers or retailers. Likewise, alcoholic beverage wholesalers are prohibited from giving anything of value to their retailers. This principle is the cornerstone of Michigan's trade practices regulatory structure. It is designed to provide a level playing field for all industry members. Suppliers and wholesalers are prohibited from giving anything of value to retail licensees, including but not limited to: alcoholic beverages, merchandise, furniture, fixtures, equipment, uniforms, cash or loans, labor, etc. While wholesalers and suppliers may provide point-of-sale materials such as posters, banners, table tents, flyers, etc., to retailers promoting their brands and prices, they are prohibited from providing anything that has any secondary use, value or purpose, other than actual advertising value to retailers without prior Commission approval. This same principle prohibits suppliers and wholesalers from

providing free advertising, incentive programs, free or discounted product, draft system installation and maintenance, etc. Violations in the aid and assistance statute will result in all participants (retailer, wholesaler and supplier) being cited before the Commission.

- MCL 436.1609, Administrative rule R 436.1035

Record Retention:

All licensees are required to maintain all sales, purchase and salesperson expense records for a minimum of four (4) years. Records may be maintained electronically or otherwise as long as a hard copy of the record can be created upon demand.

- Administrative rules R 436.1007, R 436.1641, R 436.1865

Consumer Participatory Brewery ("Brew-On-Premise") Operation:

The Michigan Liquor Control Code ("Code") requires a license to manufacture and sell beer. While the Code does allow for home brewing for personal consumption, the home brewing must be done at a person's residence. Therefore, a Brew-On-Premise operation whereby a person provides a facility and equipment allowing consumers to participate in the brewing process is not recognized as home brewing and is allowable in Michigan only under a Micro Brewer or Brewer license. The Commission recognizes the licensed Brewer or Micro Brewer to be the manufacturer of the beer and holds that licensee accountable for all actions on its licensed premises. The licensee may not lease out their licensed premises or equipment to any person; however, consumers may participate in the brewing process under the supervision of the licensee. The Commission recognizes the licensee to be selling the finished beer product to the participating consumer. The licensee may however collect the money up-front from the participating consumer. The licensee will be responsible for paying the appropriate beer excise taxes on all beer manufactured and sold in this state. The licensee will also be responsible for registering all beer brands with TTB and the Commission and labeling all containers in accordance with TTB standards. The Commission will allow Brew-On-Premise operations to register a 'generic label' approved by TTB and registered with the Commission with the very basic required information (name and address of bottler, net contents & government warning statement), and allow such labels to be further customized by the customer or licensee with additional brand name or fanciful name addition.

Inspection of Premises and Books & Records:

A licensee must make the licensed premises available for inspection and search by a Commission Investigator or any law enforcement officer empowered to enforce the Commission's rules and code during regular business hours or when the premises is occupied. The Commission or its duly authorized agent may examine the books, records or papers of a licensee.

- MCL 436.1217, administrative rule R 436.1645

Advertising and Promotions:

Inside signs advertising alcoholic liquor must not exceed 3,500 square inches in dimension. Alcoholic beverage advertising provided by suppliers and wholesalers to retailers promoting anything other than or in addition to their alcoholic beverage products requires prior commission approval. Point-of-sale advertising may not contain the name of any retail licensee or promote anything other than your products. Advertising on anything having any secondary value, use or purpose other than advertising, requires prior Commission approval.

- Administrative rules R 436.1301 – R 436.1339

Samples:

Brewers, Micro Brewers and Wholesalers are allowed to sample their products with on-premises or off-premises retail licensees and the retailer's employees. All containers used to sample products with retailers must be marked with the word "Sample" with lettering at least ½-inches high and may not be sampled by consumers. Samples from multiple beverages may be offered, however only one (1) sample container of 750 ml size or smaller may be left with a retail licensee for sampling by the retailer and their staff. A sample container must be removed from the premises within 24 hours.

- Administrative rules R 436.1001, R 436.1421, R 436.1511, R 436.1513, R 436.1863

Purchasing Drinks for Consumers:

A licensed Salesperson of beer, for promotional purposes, may purchase one (1) drink for each customer of an on premises retail licensee only. Maximum spending limit of \$50.00 per day at one account; and not more than twice per month at the same licensed retail location. The drink shall be purchased from the on-premises licensee and shall be of a brand represented by the salesman.

- Administrative rule R 436.1865

Contract Brewing:

A Brewer or Micro Brewer may contract brew beer for another person. Such contract-brewed beer is basically treated like any other beer. The Brewer or Micro Brewer producing the beer is responsible for registering the product and trade name with TTB and the Commission; paying the beer excise taxes to the Commission for the beer sold in Michigan; assigning sales territories to wholesalers; and selling the beer only to licensed Michigan wholesalers. Contract brewed beer is no different than any other beer except that some one else may own the trade name, formula and label rights. Brewers may produce private labeled beer for retail licensees under this scenario.

- Administrative rule R 436.1615

Compliance with Laws, Zoning & Ordinances

A Brewer/Micro Brewer must comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules and ordinances.

- Administrative rules R 436.1003, R 436.1105(3), R 436.1702

How to Contact the Michigan Liquor Control Commission:

Questions relating to Brewer/Micro Brewer licenses and other non-retail licenses may be directed to:

Michigan Liquor Control Commission
Manufacturers & Wholesalers Section
P.O. Box 30005
Lansing, MI 48909-7505
(517) 284-6336 (517) 763-0060 (fax)
E-mail: whiteheadt@michigan.gov Website: www.michigan.gov/lcc

CITY OF YPSILANTI

REC#: 00031381 1/08/2015 3:22 PM
OPER: KT2 TERM: 001
REF#: 1001

TRAN: LIQUR LIQUOR LICENSE
LL APP FEE MISHIGAMA CRAFT BRE
S.S.R. LIQUOR LICEN 500.00CR

TENDERED: 500.00 CHECK
APPLIED: 500.00~

CHANGE: 0.00



Resolution No. 2015-023
February 3, 2015

That the public hearing to consider a request by Mishigama Craft Brewing, Inc. for new Micro-Brewery/Small Wine Maker license to be located at 124 Pearl #100, Ypsilanti, MI 48197 be officially closed.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:



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

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

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

REQUEST FOR LEGISLATION

DATE: January 19, 2015

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Water Street Flats – PILOT Ordinance

SUMMARY/BACKGROUND

The last time City Council was presented with legislation concerning the proposed Water Street Flats development was at its meeting on September 2, 2014. At that meeting it was discussed that the project's developer, Herman & Kittle, had received and accepted a \$2.1 million allocation from MSHDA to finance the project, but that this amount was about half of the amount requested. At that meeting, City Council voted to approve an amendment to the purchase agreement which extended the deadline by which the purchaser had to inform the City that it had received the required allocation to March 31, 2015. To elaborate, the purchase agreement entered into on March 10, 2014, is contingent upon the developer receiving and accepting a sufficient allocation from MSHDA to finance the project.

Since that meeting, the developer has applied for 9 percent Low Income Housing Tax Credits based on the argument that the project would be part of the downtown core and should also be considered a strategic investment for the State in order to help off-set future debt obligations. This application was not funded because MSHDA did not consider the project part of the downtown core nor a strategic investment for the State. However, after a preliminary application in October, the developer has submitted a second-round application for tax exempt bonds and HOME Funds. Herman & Kittle believe this application is more competitive than their October application because the Water Street Redevelopment Area is now located in a Qualified Census Tract and eligible for a 30 percent boost in tax credits, thus allowing the ratio of HOME Funds to permanent mortgage to be decreased.

Previous applications to MSHDA have provided that the project will not be tax-exempt. However, there is a tax increment finance ("TIF") reimbursement planned for this project, which would provide that the developer is reimbursed for expenses in planned infrastructure improvements (roads, sewer, water, cleanup, site prep, geopiers, etc.) It is estimated that this reimbursement would have a term of approximately 20-23 years.



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

January 30, 2015
Page 2

HOME Funds have a term of 50 years. In order to underwrite the TIF reimbursement, the developer needs to assure MSHDA that the loan will not default after the TIF is fully reimbursed. This would be accomplished by adopted an ordinance to provide for a payment in lieu of taxed ("PILOT") in the amount of 10 percent of shelter rent that would take effect after the TIF reimbursement. Furthermore, the developer anticipates the necessity of rehabilitating the project after 20 years, which would require that the debt be restructured.

The attached ordinance provides for a PILOT of 10 percent of shelter rent (rent collected less utilities) to take effect after the TIF is fully reimbursed. The ordinance further provides that exemption from property taxes (and thus need for a PILOT) would terminate if the MSHDA debt is refinanced or paid off.

ATTACHMENTS: -Proposed Ordinance

RECOMMENDED ACTION: Review and Consideration

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:



Resolution No. 2015-024
February 3, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That an ordinance entitled "Ypsilanti Tax Exemption Ordinance-Water Street Flats." be approved on First Reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

NOTICE OF ADOPTED ORDINANCE
CITY OF YPSILANTI
Ordinance No. 1240

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

THE CITY OF YPSILANTI ORDAINS:

SECTION 1. This Ordinance shall be known and cited as the "Ypsilanti Tax Exemption Ordinance-Water Street Flats."

SECTION 2. Preamble.

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

The City acknowledges that the Sponsor (as defined below) has offered, subject to receipt of a Mortgage Loan from the Michigan State Housing Development Authority, to construct, own and operate a housing project identified as Water Street Flats on certain property located at 200 East Michigan Avenue (future intersection of River Street and South Street) (the "Project") in the City to serve low income persons and families, and that the Sponsor has offered to pay the City on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

SECTION 3. Definitions.

A. Authority means the Michigan State Housing Development Authority.

B. Annual Shelter Rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of Utilities.

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

D. Mortgage Loan means a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.

E. Sponsor means Herman & Kittle Properties, Inc. and any entity that receives or assumes a Mortgage Loan.

F. Utilities means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.

SECTION 4. Class of Housing Projects.

It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income Persons and Families that are financed with a Mortgage Loan by the Authority. It is further determined that Water Street Flats is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing project identified as Water Street Flats and the property on which it will be located is subject to the Water Street Development Area Development Plan and Tax Increment Financing Plan (the "TIF") dated January 18, 2001. Following the expiration of the TIF, the Project shall be exempt from all ad valorem property taxes. The City acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to construct and operate the housing project, the City agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a Mortgage Loan, the annual service charge shall be equal to ten percent (10%) of the Annual Shelter Rents actually collected by the housing project during each operating year.

SECTION 6. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

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

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 15th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate so long as a Mortgage Loan remains outstanding and unpaid and the housing project remains subject to income and rent restrictions under the Low Income Housing Tax Credit Program or HOME Investments Partnership Program. The exemption from all ad valorem property taxes established by this Ordinance shall terminate upon the re-financing or payoff of the Authority mortgage loan(s) or upon the sale of the Development.

SECTION 10. Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

SECTION 11. Inconsistent Ordinances.

All ordinances, resolutions, or parts of ordinances or resolutions inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

SECTION 12. 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.

SECTION 13. Publication and Effective Date.

The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published according to Section 11.13 of the City Charter. This Ordinance shall become effective after publication at the expiration of 30 days after adoption.

MADE, PASSED AND ADOPTED BY THE YPSILANTI CITY COUNCIL THIS _____ DAY OF _____, 2015.

Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. _____ was published according to Section 11.13 of the City Charter on the _____ day of _____, 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: _____

First Reading: _____

Second Reading: _____

Published: _____

Effective Date: _____



Resolution No. 2015-025
February 3, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the public hearing on an ordinance entitled "Ypsilanti Tax Exemption Ordinance-Water Street Flats." be officially closed.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:



**Barr,
Anhut &
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John M. Barr
Karl A. Barr
Daniel J. DuChene

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

REQUEST FOR LEGISLATION

DATE: January 8, 2015

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Electronic Cigarettes for City Tot Lots

SUMMARY/BACKGROUND

Based on the encouragement of the Washtenaw County Public Health Department and the recommendation of the City Parks and Recreation Commission, City Council adopted Ordinance No. 1231, which prohibited smoking in the City's tot-lot playgrounds on November 18, 2014.

Subsequent to this adoption, the City was contacted by representatives from the County Public Health Department, who felt that the ordinance adopted did not provide enough detail to effectively prohibit the use of electronic cigarettes and other personal vaporizers. While the existing language did prohibit smoking devices, it was believed that more specificity was necessary to effectively regulate such activity.

After review of Ordinance 14-03 of the City of Ann Arbor, this office has proposed the attached ordinance for review of City Council. This proposed ordinance has been shared with representatives from the County Public Health Department, who have provided that it does effectively rectify their concerns.

ATTACHMENTS: Proposed Ordinance

RECOMMENDED ACTION: Adoption of the ordinance

DATE RECEIVED: _____ AGENDA ITEM NO. _____

CITY MANAGER COMMENTS:

FOR AGENDA OF: _____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:



Resolution No. 2015-026
February 3, 2015

RESOLUTION TO ADOPT ORDINANCE TO PROHIBIT
SMOKING IN TOT LOTS

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that: the ordinance entitled " An ordinance to amend the Ypsilanti City Code to include electronic vaporizing and nicotine delivery systems with prohibited smoking in the City's tot-lot playgrounds" be approved on First Reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:



**CITY OF YPSILANTI
NOTICE OF ADOPTED ORDINANCE
Ordinance No. 1241**

An ordinance to amend Section 78-100 of the Ypsilanti City Code to include electronic vaporizing and nicotine delivery systems with prohibited smoking in the City's tot-lot playgrounds.

1. THE CITY OF YPSILANTI HEREBY ORDAINS That Chapter 78, Article III, Section 78-100 of Ypsilanti City Code be amended as follows:

Section 78-100. Other prohibited activities.

While in a city park, city owned property or open area, no person shall:

- (1) Use any device transmitting electronically amplified sound, including, but not limited to radios, tape recorders, automobile radios or music amplifiers at a volume so that the sound may be heard by persons of normal sensitivity at a distance of more than 50 feet, except by special permission and permit granted by the chief of police.
- (2) Enter the premises of any swimming pool facility or use any other park facility for which payment is required without making the required payments and being duly admitted to the use of the facility.
- (3) Loiter in or about any restroom/washroom, or use such facilities for purposes other than those intended. In addition, male persons shall not resort to any restroom/washroom facilities set apart for women, and female persons shall not resort to any restroom/washroom facilities set apart for men, provided that this shall not apply to children accompanied by an adult.
- (4) Carry, possess, sell, use or discharge any weapon, explosives or fireworks without legal authority. The following persons have such legal authority:
 - a. Duly authorized law enforcement officers or officials.
 - b. Members of the United States armed services, army reserve and national guard while on active duty or reserve or special duty.
 - c. Holders of a valid license to carry concealed weapons while within the restrictions imposed by the license.
 - d. Holders of a special fireworks or explosive permit issued by the city council.
- (5) Make or excite any disturbance so that the peace and good order of other persons using the park, city owned property or open area or persons in the neighborhood of such property are disturbed.

(6) Interfere with any baseball, football or hockey game or other authorized event.

(7) Gamble or maintain a gaming table or pool tickets, used for gaming or knowingly suffer a gaming table or pool tickets to be kept, maintained, played or sold on any park, city owned property or open area except under special event permit.

(8) Operate powered, line attached model crafts or remote controlled crafts of any kind or description, including but not limited to airplanes, boats and automobiles except in areas set aside for those specific activities.

(9) Operate any portable electric generator, alternator or other machinery, except by permission and permit granted by the city manager. All departments of the city and all franchise utility companies operating within the city are exempt from this provision.

(10) Wear footgear that will damage, injure or create need for excessive maintenance on any field, court, deck, floor, turf or specialized surface prepared for particular games or activities. In areas posted with a sign specifying footgear authorized or approved it shall be unlawful for any person to participate in any sports activities in any such area other than with the footgear so designated.

(11) Enter any body of water for the purpose of swimming, diving, wading, bathing, when such activities are prohibited by signs conspicuously posted.

(12) Sell, offer to sell, show, hawk, display, or distribute any goods, wares, merchandise or refreshments, or conduct business of any kind, without a peddler's license or special events permit.

(13) Smoke, light, or carry a lighted pipe, cigar, cigarette, or other smoking devise of any kind in any of the City's tot-lot playgrounds. This prohibition includes the use of any e-cigarette, e-cigar, e-pipe, and any personal vaporizer or electronic nicotine delivery system of any kind.

2. Severability. If any clause, sentence, section, paragraph, or part of this ordinance, or the application thereof to any person, firm, corporation, legal entity, or circumstances, shall be for any reason adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not effect, impair, or invalidate the remainder of this Ordinance and the application of such provision to other persons, firms, corporations, legal entities, or circumstances by such judgment shall be confined in its operation to the clause, sentence, section, paragraph, or part of this Ordinance thereof directly involved in the case or controversy in which such judgment shall have been rendered and to the person, firm, corporation, legal entity, or circumstances then and there involved. It is hereby declared to be the legislative intent of this body that

the Ordinance would have been adopted had such invalid or unconstitutional provisions not have been included in this Ordinance.

3. Repeal. All other Ordinances inconsistent with the provisions of this Ordinance are, to the extent of such inconsistencies, hereby repealed.

4. Savings Clause. The balance of the Code of Ordinances, City of Ypsilanti, Michigan, except as herein or previously amended, shall remain in full force and effect. The repeal provided herein shall not abrogate or affect any offense or act committed or done, or any penalty or forfeiture incurred, or any pending fee, assessments, litigation, or prosecution of any right established, occurring prior to the effective date hereof.

5. Copies to be available. Copies of the Ordinance are available at the office of the city clerk for inspection by, and distribution to, the public during normal office hours.

6. Publication and Effective Date. The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published according to Section 11.13 of the City Charter. This Ordinance shall become effective after publication at the expiration of 30 days after adoption.

MADE, PASSED AND ADOPTED BY THE YPSILANTI CITY COUNCIL THIS _____ DAY OF _____, 2015.

Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. _____ was published according to Section 11.13 of the City Charter on the _____ day of _____, 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: _____

First Reading: _____

Second Reading: _____

Published: _____

Effective Date: _____



Resolution No. 2015-027
February 3, 2015

That the public hearing to an ordinance to amend Section 78-100 of the Ypsilanti City Code to include electronic vaporizing and nicotine delivery systems with prohibited smoking in the City’s tot-lot playgrounds be officially closed.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:



**Barr,
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ATTORNEYS AT LAW

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

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

REQUEST FOR LEGISLATION

DATE: January 19, 2015

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Water Street Flats – Second Amendment to Purchase Agreement

SUMMARY/BACKGROUND

The last time City Council was presented with legislation concerning the proposed Water Street Flats development was at its meeting on September 2, 2014. At that meeting it was discussed that the project's developer, Herman & Kittle, had received and accepted a \$2.1 million allocation from MSHDA to finance the project, but that this amount was about half of the amount requested. At that meeting, City Council voted to approve an amendment to the purchase agreement which extended the deadline by which the purchaser had to inform the City that it had received the required allocation to March 31, 2015. To elaborate, the purchase agreement entered into on March 10, 2014, is contingent upon the developer receiving and accepting a sufficient allocation from MSHDA to finance the project.

Since that meeting, the developer has applied for 9 percent Low Income Housing Tax Credits based on the argument that the project would be part of the downtown core and should also be considered a strategic investment for the State in order to help off-set future debt obligations. This application was not funded because MSHDA did not consider the project part of the downtown core nor a strategic investment for the State. However, after a preliminary application in October, the developer has submitted a second-round application for tax exempt bonds and HOME Funds. Herman & Kittle believe this application is more competitive than their October application because the Water Street Redevelopment Area is now located in a Qualified Census Tract and eligible for a 30 percent boost in tax credits, thus allowing the ratio of HOME Funds to permanent mortgage to be decreased.

The commitment of HOME Funds will not be made until April 23, 2015. This requires a one-month extension of the current March 31, 2015 deadline under the purchase agreement. The attached resolution, if approved by Council, would authorize the Mayor and Clerk to execute the attached Second Amendment to the Purchase Agreement, which would provide for such an extension.



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

January 30, 2015
Page 2

ATTACHMENTS: -Proposed Resolution
 -Second Amendment to Purchase Agreement

RECOMMENDED ACTION: Review and Consideration

DATE RECEIVED:_____ AGENDA ITEM NO.

CITY MANAGER COMMENTS:

FOR AGENDA OF:_____ FINANCE DIR. APPROVAL

COUNCIL ACTION TAKEN:



Resolution No. 2015-028
February 3, 2015

Resolution to amend Agreement to Purchase Real Estate with Water Street Flats LDHA Limited Partnership in order that the term of the Agreement be extended one month

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI that:

WHEREAS, the City Council for the City of Ypsilanti adopted Resolution No. 2014-058 on March 4, 2014, which permitted the Mayor and City Clerk to enter into an Agreement to Purchase Real Estate with Herman & Kittle Properties for the sale and development of 3.14 acres of the Water Street Redevelopment Area; and

WHEREAS, Agreement to Purchase Real Estate was entered into by the parties on March 10, 2014 and was contingent upon the developer receiving and accepting a sufficient allocation from MSHDA to finance the project by August 15, 2014; and

WHEREAS, Herman & Kittle Properties was awarded and received a \$2.1 million allocation from MSHDA for the project but this was about half of the amount requested; and

WHEREAS, City Council then Resolution No. 2014-210, which authorized the Mayor and City Clerk to enter into a First Amendment to the Agreement to Purchase Agreement, on September 2, 2014; and

WHEREAS, this First Amendment, which extended the date to which the developer was required to inform the City that it had received the required allocation to March 31, 2015, was executed on September 15, 2015; and

WHEREAS, the Agreement to Purchase Real Estate was assigned by Herman & Kittle Properties to the Water Street Flats LDHA Limited Partnership on September 12, 2014; and

WHEREAS, on January 15, 2015, Water Street Flats has submitted a second-round application for tax exempt bonds and MSDHA HOME Funds; and

WHEREAS, the commitment of HOME Funds will not be made until April 23, 2015; and

WHEREAS, both the City and Water Street Flats wish to amend the Agreement to further extend the date that the City must be notified that the purchaser has received the required allocation to April 30, 2015;

NOW, THEREFORE, BE IT RESOLVED THAT the Mayor and City Clerk are authorized to enter into the attached Second Amendment to Agreement to Purchase Real Estate between the City of Ypsilanti and Water Street Flats LDHA Limited Partnership, in conjunction with and subject to the review and approval of the City Attorney.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

SECOND AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This SECOND AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE is entered into as of this ____ day of _____, 2015, between the City of Ypsilanti, a Michigan home rule city having an address of 1 S. Huron Street, Ypsilanti, MI 48197, ("City"), and Water Street Flats Limited Dividend Housing Association Limited Partnership, a Michigan limited partnership having an address of 500 East 96th Street, Suite 300, Indianapolis, Indiana 46240 ("Purchaser").

WHEREAS, the City and Herman & Kittle Properties, Inc. entered into an Agreement to Purchase Real Estate dated March 10, 2014 (the "Original Agreement"); and

WHEREAS, the Original Agreement was assigned to Purchaser by an Assignment of Purchase Agreement dated September 12, 2014; and

WHEREAS, the Parties amended the Original Agreement by a First Amendment to Agreement to Purchase Real Estate dated September 15, 2014 (the "First Amendment"); and

WHEREAS, the Parties now wish to amend the Agreement in order to modify the terms contained therein.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the agreements of the Parties hereto, Buyer and Seller mutually agree as follows:

1. Paragraph 2 of the First Amendment is amended to read as follows:

2. Extended Allocation Date. The date by which Purchaser must inform City that Purchaser has received a Required Allocation on terms and conditions acceptable to it is hereby extended from the date stated in Section 6(a) of the Original Agreement to 5:00 p.m. EST on Thursday, April 30, 2015 ("Extended Allocation Date").

2. Except as otherwise amended herein, all other terms and conditions set forth in the Original Agreement and First Amendment remain the same and in full force and effect.

IN WITNESS WHEREOF, the Parties have read and understand this SECOND AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE, have agreed to its terms and conditions as of the date written above, and acknowledge receiving a copy.

IN THE PRESENCE OF:

CITY OF YPSILANTI, a Michigan municipal corporation

BY: _____

Amanda Edmonds
Mayor

Dated: _____

and

BY: _____

Frances McMullan
City Clerk
Dated: _____

IN THE PRESENCE OF:

WATER STREET FLATS LIMITED DIVIDEND
HOUSING ASSOCIATION LIMITED
PARTNERSHIP, a Michigan limited partnership

BY: _____

BY:
ITS:
Dated: _____



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

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

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

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

**REQUEST FOR LEGISLATION**

DATE: January 20, 2014

FROM: John M. Barr, Ypsilanti City Attorney

SUBJECT: Join amicus brief in same sex marriage case

**SUMMARY/BACKGROUND**

Mayor Edmonds, and Councilmen Murdock and Vogt have requested that Council consider a resolution to join the amicus brief in the United States Supreme Court in support of the U.S. District Court, Eastern District, Southern Division order in the case of Deboer et al v Richard Snyder, Civil Action 12-CV-10285, Hon. Bernard A. Friedman, that found that the "Michigan Marriage Amendment" Article 1, Section 25 of the Michigan Constitution that prohibits same sex marriages is in violation of the Equal Protection Clause of the U.S. Constitution, and in opposition to the opinion of the United States Court of Appeals for the Sixth Circuit, upholding the "Michigan Marriage Amendment" Article 1, Section 25 of the Michigan Constitution

A proposed resolution is attached that sets out the rationale of the matter.

If the resolution is approved, Council is expressing support for the amicus brief but would not, according to plaintiff-appellant's attorney, incur any costs of the litigation.

ATTACHMENTS: Proposed Ordinance

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

CITY MANAGER COMMENTS:

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

COUNCIL ACTION TAKEN:



Resolution No. 2015-029  
February 3, 2015

**Resolution Authorizing Ypsilanti City Council to File or  
Join amicus briefs in the litigation captioned  
Deboer v Snyder and Schuette  
currently on appeal in the United State Supreme Court  
for the purpose of supporting plaintiff's position that the "Michigan  
Marriage Amendment" Article 1, Section 25  
of the Michigan Constitution is Unconstitutional**

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

Whereas the voter approved "Michigan Marriage Amendment" (MMA), Article 1, Section 25 of the Michigan Constitution, prohibits same-sex marriages, and

Whereas Article 1, Section 25 of the Michigan Constitution (MMA) was determined to be unconstitutional by the United States District Court, Eastern District of Michigan, Southern Division, on March 21, 2014, in the case of April Deboer et al v Richard Snyder, et al, Civil Action No. 12-CV-10285, Hon. Bernard A. Friedman, finding that the MMA impermissibly discriminates against same-sex couples in violation of the Equal Protection Clause of the U.S. Constitution because the MMA does not advance any conceivable legitimate state interest and

Whereas defendant appealed the decision to the United States Court of Appeals for the Sixth Circuit, case number 6th Cir#14-1341 ED Mi #12-civ-10285, and

Whereas the Sixth Circuit reversed the lower court and upheld the Michigan Marriage Amendment, and

Whereas plaintiffs have appealed to the United States Supreme Court, and the Court granted Certiorari on January 16, 2015, Order 14-571, and

Whereas parties supporting plaintiff's position are filing an amicus brief in the United States Supreme Court appeal in support of the lower District court decision and have requested that the City Council of the City of Ypsilanti join in the amicus brief, and

Whereas the Council of the City of Ypsilanti are in support of the findings and holding of the lower court that the MMA, Article 1, Section 25 of the Michigan Constitution is unconstitutional,



NOW THEREFORE, permission is given for the City of Ypsilanti to file or join amicus brief in the appeal litigation.

Further that the City Clerk shall forward a certified copy of this resolution to attorney Cameron R. Getto, Zausmer, Kaufman, August & Caldwell, P.C., attorney at law to take all appropriate action to add the City of Ypsilanti to the amicus brief in the Supreme Court in support of the position that the MMA, Article 1, Section 25 of the Michigan Constitution is unconstitutional.

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

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

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

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

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

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

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

YES:            NO:            ABSENT:            VOTE:

**City of Ypsilanti  
Board & Commission Nominations**

**January 2015**

**Historic District Commission  
ERIKA LINDSAY—Reappointment  
Term Ends:**

Waiting on statement of interest.

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**Historic District Commission  
RONALD RUPERT—Reappointment  
Term Ends:**

Waiting on statement of interest.

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**Human Relations Commission  
TERESA SAUNDERS – NEW Appointment  
Term Ends:**

Waiting on application.

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**Human Relations Commission  
KRISTA NORDBERG- Reappointment  
Term Ends:**

I hope to be reappointed to the Human Relations Commission for the City of Ypsilanti. I have been an active member of the HRC and in 2014 was involved in the planning and implementation of the Latino Forum. I have lived in Ypsilanti for over 15 years and have had 2 children attend Ypsilanti Public Schools from kindergarten to high school graduation. I work for the Washtenaw Health Plan and my office is in the County Human Services building on Towner Street. The WHP provides health care for the uninsured and also assists County residents apply for and obtain health insurance and other public benefits. I am committed to principles of social justice and health equity and to building a community where all can prosper.

---

**Human Relations Commission  
SUE MELKE – NEW Appointment  
Term Ends:**

See application submitted online, attached.

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**Huron River Watershed Council**  
**SALLY LUSK- Reappointment**  
**Term Ends:**

**Sally L. Lusk, PhD, RN, FAAN, FAAOHN**  
Professor Emerita, The University of Michigan

**EDUCATION, BACKGROUND, AND EXPERIENCE:**

Dr. Lusk, an Ypsilanti resident, is a Professor Emerita in the University of Michigan School of Nursing. She earned her Bachelor of Science in Nursing from Indiana University, and her Master's of Public Health and PhD in Educational Psychology degrees from the University of Michigan. During her 34 years at the School of Nursing she conducted research to promote worker health and safety, taught courses to all levels of students, and directed the BSN Completion program and the Occupational Health Nursing MS program.

Her Master's in Public Health program included a focus on water quality and environmental health. She resides on the river, thus continually observing the river and its inhabitants. She has a personal investment in and concern for water quality and the health of the river.

**GOALS (for 2014 – 2017 Term):**

- Keep Ypsilanti officials and community informed regarding pertinent issues related to the
- Huron River's passage through our city, as well as the actions of the HRWC.
- Promote actions, and enactment of relevant ordinances, to protect and enhance quality of the River.
- Inform the HRWC regarding concerns and interests of Ypsilanti's citizens and officials.
- Promote recognition of the Huron River as a wonderful recreational and esthetic resource for the city.

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**Millennial Mayors**  
**ERICA MOONEY – Reappointment**  
**Term Ends:**

I want to continue to represent my home, the city of Ypsilanti, in our regional Millennial Mayors Congress. Plugging into conversations of how to empower citizens and cultivate stronger communities is my passion. The opportunity to continue working with the Michigan Suburbs Alliance with this program provides practice straddling the professional and personal worlds of political strategy, local governance, and progressive improvements. I appreciate the platform MMC offers to engage youth and move forward a metropolitan identity - and look forward to helping steer our group towards actionable tactics. Being involved strengthens my sense of place and purpose, plus MMC connects me with a group that I can learn with about how to work together to build capacity for a healthier and thriving future.

---

**Millennial Mayors**  
**GRETA BOLHUIS – Reappointment**  
**Term Ends:**

I am a recent graduate of Eastern Michigan University with a degree in Urban and Regional Planning and minors in General Business and Historic Preservation. I currently work for the City of Plymouth as the Community Development Coordinator and I assist with zoning, code enforcement, planning issues and questions, as well as communication with residents, appraisers, real estate agents, builders, and developers. Through my position in Plymouth I have learned a lot about small town government and the necessity for collaboration between departments and community members to tackle issues that the community faces. This translated to my desire to be involved more in Ypsilanti and the metro Detroit area through MMC because I have seen firsthand what collaboration can accomplish for a small city. I believe that by giving Millennials a voice in their communities allows lawmakers and administrators to invest in the future of their cities while also maintaining and attracting entrepreneurs and creative thinkers to live in and love their cities. MMC opens that door, allowing for those conversations to be had and those ideas to be shared. I'm really excited to be a part of this opportunity to serve with MMC!

---

**Parks & Recreation Commission**  
**DELOIS WILSON- New Appointment**  
**Term Ends:**

See Application submitted online, attached.

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**Review and Tax Assessment Board**  
**ANDY FANTA- Reappointment**

My skill set (to use a contemporary term) is that I have a J D and a PhD in sociology. I know the city well, its neighborhoods as well as many individuals who make up those neighborhoods. I am linked to the city because of being a school board member for 14 years as well as previous service on the board of review. I am an excellent listener and very gentle in my questions and/or suggestions that I may make. Being sensitive to others and their concerns has never diminished me in any role that I have been able to share with others in terms of public service. In terms of legal services I have represented a wide range of folks in the city, many in effect "pro bono" or at very moderate rates. Making others feel valued and sometime using the occasion as a "teaching moment" to me is a hallmark of trying to be a good member of our community. I would continue this role in the future if reappointed.

---

**Review and Tax Assessment Board**  
**CRAIG HUPY- Reappointment**

I am interested in being re-appointed to the Board of Review. That being said, I understand that the appointment is a mayoral discretion and would understand not being re-appointed.

What I bring to the Board of Review is a listening, caring and compassionate ethos. That is balanced with an understanding of the requirements and regulations of municipal government. I have been a resident of the City of Ypsilanti for 22+ years. Attached is a resume that covers my professional experience.

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**Review and Tax Assessment Board**  
**ZACHARY FINEBERG- Appointment**

See Email attached for Statement of interest.

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**Ypsi Community Utilities Authority**  
**JON ICHESCO – NEW Appointment**  
**Term Ends: December 1, 2015**

See application submitted online.

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**Ypsilanti Housing Commission**  
**CLARENCE HOLLIFIELD – Reappointment**  
**Term Ends:**

Statement of interest being dropped at City Hall.

## Frances McMullan

---

**From:** support@cityofypsilanti.com  
**Sent:** Saturday, December 27, 2014 9:04 PM  
**To:** Frances McMullan  
**Subject:** City of Ypsilanti Boards and Commissions Citizen Participation Resume

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

**Name:**  
DeLois

**last name:**  
Wilson

**Address:**  
418 Ainsworth Circle

**address2:**

**city:**  
Ypsilanti

**state:**  
Michigan

**zip:**  
48197

**Years in Community:**  
50

---

**Phone:**  
734-483-4874

**Email:**  
[pearldelois@hotmail.com](mailto:pearldelois@hotmail.com)

**Education:**

**Occupation:**  
Retired

**Employer:**

BOARD OF INTEREST:  
Recreation Commission

Applicatory Experience:

Attendance Requirement:  
Yes

Signature:  
Yes

----- Forwarded message -----

From: **S. Zachary Fineberg** <[zachary@finebergwealth.com](mailto:zachary@finebergwealth.com)>

Date: Mon, Dec 22, 2014 at 9:40 PM

Subject: Regarding a Role as Volunteer

To: [mayor@cityofypsilanti.com](mailto:mayor@cityofypsilanti.com)

Amanda,

I appreciate the call this evening. Per our conversation, here is a summary of my skillset and goals regarding my role as a potential volunteer for the city.

I own an investment management practice in Ann Arbor (now with a home office in Normal Park!). Please check out the website: <http://www.finebergwealth.com>.

My wife, a current volunteer at Growing Hope, teaches art at a Montessori school in Ann Arbor.

I am formally educated in finance and capital budgeting but specialize in personal financial planning for clients with complex situations. I spent time working for large brokerage firms before going out on my own in order to fully align my interests with my clients. Never looked back!

I have experience and feel confident:

- Speaking publicly
- Speaking privately ☺
- Using analogies to explain complex concepts

I am knowledgeable about:

- Capital Markets, Investment Portfolio Management, Banking, and Real Estate,
- Entrepreneurship
- Architecture
- Audio Recording and Production

Through this volunteering opportunity I hope to:

- Have the opportunity to lead in some capacity
- Engage directly with people

Thanks Amanda. I'm looking forward to working together.

Have a relaxing holiday!

Zachary Fineberg



## Frances McMullan

---

**From:** support@cityofypsilanti.com  
**Sent:** Wednesday, January 28, 2015 8:28 AM  
**To:** Frances McMullan  
**Subject:** City of Ypsilanti Boards and Commissions Citizen Participation Resume

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

Name:  
Jon

last name:  
Ichesco

Address:  
1218 Pearl Street

address2:

city:  
Ypsilanti

state:  
Michigan

zip:  
48197

Years in Community:  
50

Ward:  
2

Phone:  
734-482-0353

Email:  
[ypsifiremarshal@yahoo.com](mailto:ypsifiremarshal@yahoo.com)

Education:  
Associate degree Fire Science

Occupation:  
Retired Fire Chief

Employer:

Retired

BOARD OF INTEREST:

YCUA

Interest:

Continue to serve the public

Applicatory Experience:

In addition to serving the public as a fire fighter, fire marshal, and fire chief, i found serving on the Local Emergency a Planning Committee, Ypsilanti Zoning Board of Appeals, and the Nuisance Abatement Team rewarding. I am currently serving on Highland Cemetery Board, Michigan Fire House Museum Board, and the Washtenaw 100 board. I believe my past experience working with YCUA as Firemarshal and Fire Chief meeting the needs of the City as well as the requirements of YCUA to provide uninterrupted service a positive experience. If appointed I would continue to work towards an effective and efficient service for Ypsilanti.

Attendance Requirement:

Yes

Signature:

Yes

## Frances McMullan

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**From:** blueeyedpupil melke <smelke@msn.com>  
**Sent:** Thursday, January 29, 2015 12:12 PM  
**To:** Frances McMullan  
**Subject:** RE: Board or Commission Appointment

---

From: [smelke@msn.com](mailto:smelke@msn.com)  
To: [amandaforypsi@gmail.com](mailto:amandaforypsi@gmail.com)  
Subject: RE: Board or Commission Appointment  
Date: Thu, 29 Jan 2015 12:10:43 -0500

hello amanda and frances,

i resubmitted the form but i think its not working. my current phone number is 734 657 3410. Below is my short paragraph about me and why i'm interested in serving on the human relations commission

i have been a resident of the first ward of ypsilanti for 8 years. i have attended a number of city meetings and have spoken to the officials and residents. i think ypsis' most valuable asset is its incredibly diverse population. i was involved with WEFD and with the ypsilanti tenants' rights association. i am currently the president of the Chidester place resident council. And have met with city officials and spoken at council meetings in that capacity. As a resident of a subsidized apartment and a person with mobility impairment i believe i can bring those voices to the commission. i also want to help bring other voices that may not be being heard to the city officials.

Before i became disabled i had worked since i was 14. my last position was as a data analyst at Bowne, the worlds largest financial printer.

if you have other questions just let me know,  
regards,

Susan Melke

ps my keyboard is having a hard time with upper case letters sorry

---



Resolution No. 2015-030  
February 3, 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, February 3, 2015  
7:00 p.m.

I. **CALL TO ORDER –**  
**Called to order at 7:08 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    | (7:20) 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**

Add: Resolution No. 2015-031, authorizing the City of Ypsilanti to join the intervention by the municipal coalition regarding the recent DTE petition to the Michigan Public Service Commission (MPSC) to change the rate charged to municipalities for electricity, including street lighting, increasing the cost of operating LED street lights while decreasing the cost of conventional High Pressure Sodium (HPS) Lights (Rate Case U-17767).

**(Moved and Heard Under Section XIII, Resolution/Motions/Discussion)**

VII. **PRESENTATIONS –**

VIII. **AUDIENCE PARTICIPATION –**

IX. **REMARKS BY THE MAYOR –**

X. **MINUTES –**  
Resolution No. 2015-019, approving the minutes of January 20, 2015  
**Minutes were approved as submitted**

XI. **PUBLIC HEARINGS –**

1. Public hearing to consider a resolution to convey, by quitclaim deed, city-owned parcels to the Ypsilanti Housing Commission for the rehabilitation and/or redevelopment of existing units, and continued operation as low-income housing in the City.
  - A. Resolution No. 2015-020, determination  
**Approved: Yes – 7; No – 0; Absent – 0**
  - B. Open public hearing
  - C. Resolution No. 2015-021, close public hearing  
**Approved: Yes – 7; No – 0; Absent – 0**
  
2. Public hearing to consider a request by Mishigama Craft Brewing, Inc. for new Micro-Brewery/Small Wine Maker license to be located at 124 Pearl #100, Ypsilanti, MI 48197. ***Published 1/27/2015***
  - A. Resolution No. 2015-022, determination  
**Approved: Yes – 7; No – 0; Absent – 0**
  - B. Open public hearing
  - C. Resolution No. 2015-023, close public hearing  
**Approved: Yes – 7; No – 0; Absent – 0**

## **XII. ORDINANCES – FIRST READING**

### ***Ordinance No. 1240***

1. An ordinance titled “Ypsilanti Tax Exemption Ordinance – Water Street Flats” to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with an Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act"). ***Published 1/27/2015***
  - A. Resolution No. 2015-024, determination.  
**Approved: Yes – 4; No – 3 (Murdock, Robb, Vogt); Absent - 0**
  - B. Open public hearing.
  - C. Resolution No. 2015-025, close public hearing.  
**Approved: Yes – 7; No – 0; Absent – 0**

### ***Ordinance No. 1241***

2. An ordinance to amend Section 78-100 of the Ypsilanti City Code to include electronic vaporizing and nicotine delivery systems with prohibited smoking in the City’s tot-lot playgrounds. ***Published 1/27/2015***
  - A. Resolution No. 2015-026, determination.  
**Approved: Yes – 7; No – 0; Absent – 0**

- B. Open public hearing.
  - C. Resolution No. 2015-027, close public hearing.
- Approved: Yes – 7; No – 0; Absent – 0**

**XIII. RESOLUTIONS/MOTIONS/DISCUSSIONS –**

1. Resolution No. 2015-028, approving amendment to the Agreement to Purchase Real Estate with Water Street Flats LDHA Limited Partnership in order that the term of the Agreement be extended one month.

**Approved: Yes – 6; No – 1 (Robb); Absent – 0**

2. Resolution No. 2015-029, authorizing Ypsilanti City Council to file or join amicus briefs in the litigation in the United State Supreme Court for the purpose of supporting plaintiff's position that the "Michigan Marriage Amendment" Article 1, Section 25 of the Michigan Constitution is unconstitutional.

**Approved: Yes – 6; No – 1 (Richardson); Absent – 0**

3. Resolution No. 2015-031, authorizing the City of Ypsilanti to join the intervention by the municipal coalition regarding the recent DTE petition to the Michigan Public Service Commission (MPSC) to change the rate charged to municipalities for electricity, including street lighting, increasing the cost of operating LED street lights while decreasing the cost of conventional High Pressure Sodium (HPS) Lights (Rate Case U-17767).

**Approved: Yes – 7; No – 0; Absent – 0**

**XIV. 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 –**

Nominations to Boards/Commissions:

**Historic District Commission**

Erika Lindsay - Reappointment  
Ronald Rupert - Reappointment

**Human Relations Commission**

Teresa Saunders – Appointment  
Krista Nordberg - Reappointment  
Sue Melke – Appointment

**Huron River Watershed Council**

Sally Luske – Reappointment

**Millenial Mayors**

Erica Mooney – Reappointment

Greta Bolhuis – Appointment

**Parks and Recreation Commission**

Delois Wilson – Appointment

**Review and Tax Assessment Board**

Andy Fanta - Reappointment

Craig Hupy – Reappointment

Zachary Fineberg – Appointment

**Ypsilanti Community Utilities Authority**

Jon Ichesco – Appointment

**Ypsilanti Housing Commission**

Clarence Hollifield - Reappointment

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

**XVII. AUDIENCE PARTICIPATION –**

**XVIII. REMARKS FROM THE MAYOR –**

**XIX. ADJOURNMENT -**

Resolution No. 2015-030, adjourning the City Council meeting.

**The meeting adjourned at 10:26 p.m.**