1. City Council Special Meeting Agenda

    Documents:

        10-08-15 DRAFT AGENDA.PDF

2. City Council Special Meeting Packet

    Documents:

        REVISED CITY COUNCIL 10-8-15 SPECIAL MEETING PACKET.PDF

3. City Council Special Meeting Action Minutes

    Documents:

        10-08-15 ACTION MINUTES.PDF

CITY OF YPSILANTI
SPECIAL COUNCIL MEETING AGENDA
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197

THURSDAY, OCTOBER 8, 2015
7:30 A.M.

I. CALL TO ORDER –

II. ROLL CALL –

Council Member A. Brown	P A	Council Member Robb	P A
Council Member N. 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. AUDIENCE PARTICIPATION-

VII. REMARKS BY THE MAYOR –

IX. RESOLUTIONS/MOTIONS/DISCUSSIONS

1. Resolution No. 2015-231, granting an underground easement through Riverside Park to DTE Energy.

X. AUDIENCE PARTICIPATION -

XI. REMARKS BY THE MAYOR –

XI. ADJOURNMENT –

Resolution No. 2015-232, adjourning the Special Council Meeting.

REVISED – 10/7/15

CITY OF YPSILANTI
SPECIAL COUNCIL MEETING AGENDA
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197

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VII. REMARKS BY THE MAYOR –

IX. RESOLUTIONS/MOTIONS/DISCUSSIONS

1. Resolution No. 2015-231, granting an underground easement through Riverside Park to DTE Energy.

2. Resolution No. 2015-223, approving New Obsolete Property Rehabilitation Act Exemption for 13 N. Washington Street at First Reading.

X. AUDIENCE PARTICIPATION -

XI. REMARKS BY THE MAYOR –

XI. ADJOURNMENT –

Resolution No. 2015-232, adjourning the Special Council Meeting.

REQUEST FOR LEGISLATION

To: Mayor and Council

From: Ralph Lange, City Manager

Date: Thursday, October 1, 2015

Subject: DTE Underground Easement – Riverside

As you are likely aware, DTE Energy installed above-ground overhead electrical wires across the southern portion of Riverside Park this year due to an emergent situation with the system. The lines travel east to west from the substation behind the Riverside Arts Center across the Huron River. The City and DTE have been working diligently to provide for these lines to be placed underground as quickly as possible.

After much negotiation and discussion between the parties, please find a proposed easement attached for your review. Regarding the City's agreement to grant this easement, there are several concessions that DTE has provided the City. There are also several concessions that were granted holistically concerning the many goings-on between our organizations.

Particularly with the easement, the have agreed to complete work by a date certain before the festivals and events pick up next year – though both parties are eager and hopeful that this will be completed before the end of the year. They have also agreed to provide a $10,000 performance bond that assures the park will be returned to its original condition.

With regard to how this easement has played into the many other dealings the City has had with DTE, please find a letter from Derrick Sanborn, Project Manager for DTE, attached to this letter. In it, Mr. Sanborn does a good job explaining this, identifying the parts, and quantifying the results.

With all this being said, I have attached a proposed resolution authorizing the Mayor and City Clerk to enter into grant the attached easement, subject to approval by the City Attorney. I ask that you consider this request and adopt the resolution so work can begin as soon as possible.

RECOMMENDED ACTIONS: Approval

ATTACHMENTS:

-Proposed Resolution
-Proposed Easement
-Letter from Derrick Sandborn

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: _____

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2015 - 231
October 8, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, DTE Energy has installed above-ground, overhead electrical wires across the southern portion of City-owned Riverside Park due to an emergent situation with the system; and

WHEREAS, both the City and DTE Energy are interested in converting these temporary overhead wires to permanent underground lines; and

WHEREAS, both parties are interested in this work being completed as quickly and professionally as possible; and

WHEREAS, it is necessary that the City grant DTE Energy a permanent, non-exclusive, underground easement to begin and complete this work;

BE IT FURTHER RESOLVED THAT the Mayor and City Clerk are authorized to sign the attached easement on behalf of the City of Ypsilanti, subject to the approval of the City Attorney.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

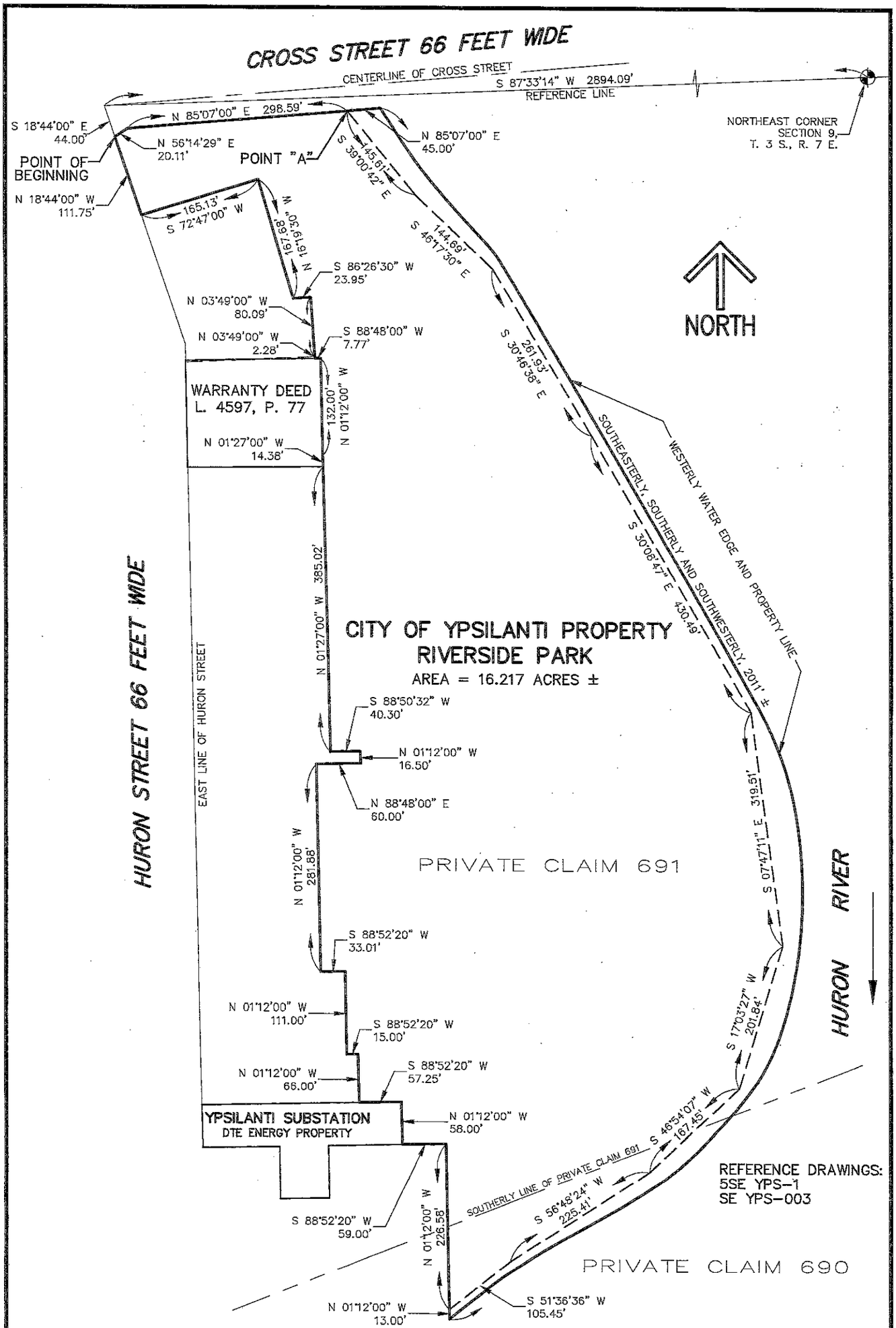
10.1.2015
Derrick Sanborn
DTE Project Manager

To whom it may concern,
I wanted to send a letter attachment to accompany our easement documentation. The acumen provided from city manager Ralph Lange to strengthen the relationship between DTE and The City of Ypsilanti has been prolific. We've worked to fortify our communication process when services are provided by DTE. Ralph has also manage to aid in the rigor involved in the conceptual design process for multiple city projects. With this added rigor gaps have been identified:

-We gave concessions on design standards to make Water St more affordable
Current Agreement $702,000 +/- Original Agreement $978,000 +/-
-we've approved a solar array which is in excess of our green currents portfolio
Increased potential for city taxes
-Made overnight construction arrangements for the riverside park bridge installation
$6500+/-
-Have assigned resources to manage city requests more efficiently
Derrick Sanborn, Paul Ganz, Dan Krzyske, & Lance Alley have been made available to facilitate questions, concerns, and expedite the information process

The easement through Riverside Park is the only hurdle left keeping DTE from removing the unsightly overhead utility lines and installing the more robust, up to date underground facilities. Our design teams have completed their prints for construction, resource management has reserved assets at the underground construction level, the site is free of festivals, and more importantly free of 4' of frost. I feel that mobilizing in the coming month to start construction and get the underground facilities built would benefit the City and DTE greatly.
In the past few months many individuals have worked hard to reinforce communication and prioritization of the City of Ypsilanti's projects. I want to extend a special thanks to Ralph Lange and Beth Ernat for making themselves available to our team at DTE. I sincerely request that we preserve the gained momentum while addressing the larger projects; Riverside Park & Water St development.
Thank you in advance for the considerations of the Easement,

Derrick Sanborn



DTE Energy
DTE Electric Company
CENTRAL DESIGN
SURVEYING SERVICES
545 SERVICE BUILDING

MAP AND DESCRIPTION

OF RIVERSIDE PARK, CITY OF YPSILANTI PROPERTY
PART OF PRIVATE CLAIMS 690 AND 691, CITY OF
YPSILANTI, WASHTENAW COUNTY, MICHIGAN

RIVERSIDE PARK

SHEET 1 OF 2

JOB NUMBER 201504114

SCALE	DRAWN BY	SURVEY ENGINEER	DATE OF DRAWING	DRAWING NO.
1 INCH= 160 FEET	C. ZBOCH	G.D. STEPHENS	6/2/2015	SE YPS-004

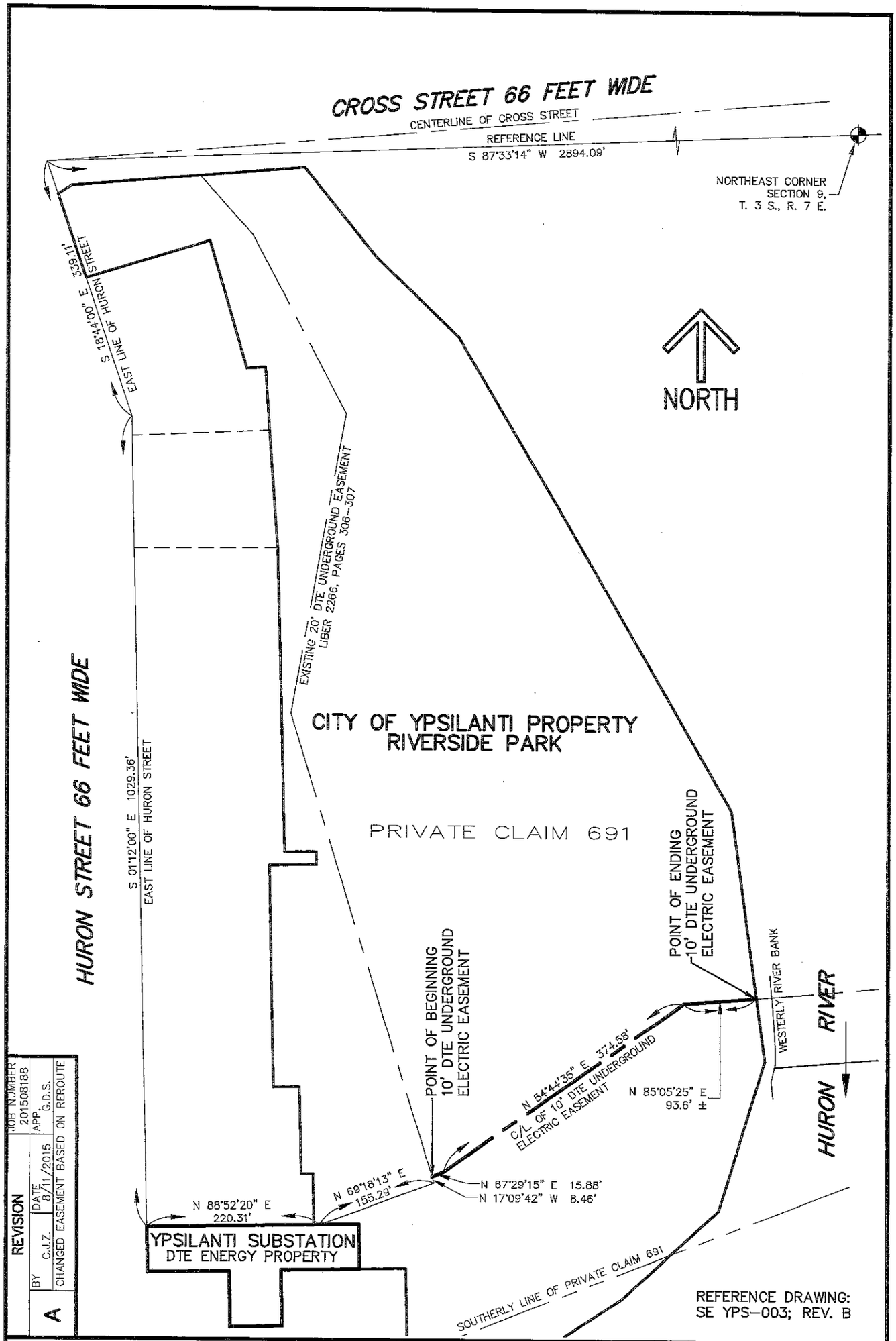
DESCRIPTION OF RIVERSIDE PARK OF YPSILANTI, MICHIGAN

Part of Private Claims 690 and 691 of the City of Ypsilanti (formerly Ypsilanti Township), Washtenaw County, Michigan.

Described as beginning at a point on the easterly line of Huron Street (66 feet wide), distant South 87°33'14" West, 2894.09 feet and South 18°44'00" East, 44.00 feet from the Northeast corner of Section 9, Town 3 South, Range 7 East; Thence North 56°14'29" East, 20.11 feet; Thence North 85°07'00" East, 298.59 feet, to a point to be known as Point "A" in this description; Thence continuing North 85°07'00" East, 45.00 feet, to the westerly edge of the Huron River; The last 3 courses being along the southerly line of Cross Street (66 feet wide); Thence southeasterly, southerly and southwesterly, 2011 feet along said westerly waters edge of the Huron River; Thence North 01°12'00" West, 13.00 feet to a point that is distant, South 39°00'42" East, 145.61 feet, South 46°17'30" East, 144.69 feet, South 30°46'38" East, 261.93 feet, South 30°08'47" East, 430.49 feet, South 07°47'11" East, 319.51 feet, South 17°03'27" West, 201.84 feet, South 46°54'07" West, 167.45 feet, South 56°48'24" West, 225.41 feet, South 51°36'36" West, 105.45 feet, from said Point "A"; The last nine (9) courses being a meander line along the westerly bank of the Huron River; Thence continuing North 01°12'00" West, 226.58 feet; Thence South 88°52'20" West, 59.00 feet; Thence North 01°12'00" West, 58.00 feet; Thence South 88°52'20" West, 57.25 feet; Thence North 01°12'00" West, 66.00 feet; Thence South 88°52'20" West, 15.00 feet; Thence North 01°12'00" West, 111.00 feet; Thence South 88°52'20" West, 33.01 feet; Thence North 01°12'00" West, 281.88 feet; Thence North 88°48'00" East, 60.00 feet; Thence North 01°12'00" West, 16.50 feet; Thence South 88°50'32" West, 40.30 feet; Thence North 01°27'00" West, 385.02 feet; Thence continuing North 01°27'00" West, 14.38 feet; Thence North 01°12'00" West, 132.00 feet; Thence South 88°48'00" West, 7.77 feet; Thence North 03°49'00" West, 2.28 feet; Thence continuing North 03°49'00" West, 80.09 feet; Thence South 86°26'30" West, 23.95 feet; Thence North 16°19'30" West, 167.68 feet; Thence South 72°47'00" West, 165.13 feet; to said easterly line of Huron Street (66 feet wide); Thence North 18°44'00" West, 111.75 feet, along said easterly line to the Point of Beginning.

Containing 16.217 acres of land.

DTE Energy DTE Electric Company CENTRAL DESIGN SURVEYING SERVICES 545 SERVICE BUILDING	MAP AND DESCRIPTION OF RIVERSIDE PARK, CITY OF YPSILANTI PROPERTY PART OF PRIVATE CLAIMS 690 AND 691, CITY OF YPSILANTI, WASHTENAW COUNTY, MICHIGAN RIVERSIDE PARK				SHEET 2 OF 2 JOB NUMBER 201504114
SCALE 1 INCH= N.A. FEET	DRAWN BY C. ZBOCH	SURVEY ENGINEER G.D. STEPHENS	DATE OF DRAWING 6/2/2015		DRAWING NO. SE YPS-004



REVISION	BY	DATE	APP
A	C.J.Z.	8/11/2015	G.D.S.
	CHANGED EASEMENT BASED ON REROUTE		

JOB NUMBER 201508188

REFERENCE DRAWING:
SE YPS-003; REV. B

DTE Energy
DTE Electric Company
CENTRAL DESIGN
SURVEYING SERVICES
545 SERVICE BUILDING

MAP AND DESCRIPTION

OF 10' DTE UNDERGROUND ELECTRIC EASEMENT IN PART OF PRIVATE CLAIM 691, CITY OF YPSILANTI, WASHTENAW COUNTY, MICHIGAN

YPSILANTI SUBSTATION

SHEET 1 OF 2

JOB NUMBER 201504114

SCALE	DRAWN BY	SURVEY ENGINEER	DATE OF DRAWING	DRAWING NO.
1 INCH= 150 FEET	C. ZBOCH	G.D. STEPHENS	5/29/2015	SE 0019-002

10' DTE UNDERGROUND ELECTRIC EASEMENT

A 10 foot wide Underground Electric Easement in part of Private Claim 691, City of Ypsilanti (formerly Ypsilanti Township), Washtenaw County, Michigan, described by its centerline as: Commencing at the Northeast Corner of Section 9, Town 3 South, Range 7 East, thence South 87°33'14" West, 2894.09 feet along a reference line from said Northeast Corner of Section 9 to the intersection of the centerline of Cross Street (66 feet wide) and the East line of Huron Street (66 feet wide) extended northerly, thence South 18°44'00" East, 339.11 feet along said East line of Huron Street and its extension, thence South 01°12'00" East, 1029.36 feet along said East line of Huron Street to the North line of DTE Energy's Ypsilanti Substation property, thence North 88°52'20" East, 220.31 feet along said North line of DTE Energy's Ypsilanti Substation property to centerline of an existing 20 foot wide Underground Electric Easement recorded in Liber 2266, Pages 306-307, Washtenaw County Records, thence North 69°18'13" East, 155.29 feet along said centerline, thence North 17°09'42" West, 8.46 feet along said centerline to POINT OF BEGINNING, thence North 67°29'15" East, 15.88 feet, thence North 54°44'35" East, 374.58 feet, thence North 85°05'25" East, 93.6 feet, more or less, to the Westerly bank of the Huron River and the POINT OF ENDING.

REVISION			JOB NUMBER 201508188
A	BY C.J.Z.	DATE 8/11/2015	APP. G.D.S.
	CHANGED EASEMENT BASED ON REROUTE		

DTE Energy
DTE Electric Company
CENTRAL DESIGN
SURVEYING SERVICES
545 SERVICE BUILDING

MAP AND DESCRIPTION
OF 10' DTE UNDERGROUND ELECTRIC EASEMENT IN PART OF PRIVATE CLAIM 691, CITY OF YPSILANTI, WASHTENAW COUNTY, MICHIGAN
YPSILANTI SUBSTATION

SHEET 2 OF 2

JOB NUMBER 201504114

SCALE	DRAWN BY	SURVEY ENGINEER	DATE OF DRAWING	DRAWING NO.
1 INCH= N.A. FEET	C. ZBOCH	G.D. STEPHENS	5/29/2015	SE 0019-002

REQUEST FOR LEGISLATION
October 8, 2015

From: Beth Ernat, Director of Community and Economic Development

Subject: Public Hearing for OPRA application for 13 N. Washington

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SUMMARY & BACKGROUND: The property under consideration is 13 North Washington, the former Smith Furniture Building. The property is located in the DDA OPRA District and in the Historic District. Parcel Number 11-11-40-484-018.

The 9,000 sf, 2-story building was purchased by North Washington LLC in February, 2015. The owners are seeking to invest and rehabilitate this property to create The Back Office Studio (BOS), a professional co-working office space.

The BOS would be a 9000 sf co-working space to support the growth of second stage businesses and the productivity of freelancers and professional service providers. The main tenant of the building will be Sensei Change, LLC . Sensei Change is owned and operated by three of partners in the North Washington LLC. Sensei Change is a graduate of Spark East and is a business partner to the MEDC.

The BOS coworking space supports the growth and expansion of second stage businesses such as Sensei Change, to retain them within the Ypsilanti and enable economic growth.

Proposed Redevelopment
North Washington LLC is seeking to rehabilitate this property into a relevant coworking office space. Conceptual costs for renovation are approximately $650,000, total projects costs are approximately $1.4 million.

Items for immediate rehabilitation are: electric, façade repair, façade improvement, HVAC, elevator repairs, and wall repairs. Work is expected to be completed within one-year of approval.

OPRA Application
The applicant is requesting an Obsolete Property Rehabilitation Act (OPRA) exemption for 12 years. The OPRA would effectively freeze the value of the improvements on the property at the current taxable value, approximately $86,664. Investment and improvements to the properties would not be taxed during the lifetime of the abatement. Initial estimates for renovation total over $1,400,000.

Staff is in receipt of a copy of the paid 2014 taxes and a copy of the deed verifying ownership.

DDA
The DDA is aware of the request and has been supportive of the application. The DDA will meet on October 15th and provide a resolution of support if they so agree.

Current work on the property
The applicants have already started work on the roof of the structure to stabilize the property. Work completed prior to the establishment of the district will not be exempted.

Staff Recommendation: Staff recommends approval of the First Reading of the OPRA request. Additional tax analysis will be provided prior to final approval. The property has been underutilized and blighted for over a decade and is a great opportunity to move forward improvements occurring on North Washington.

Staff additionally recommends that Council caveat approval with a reversion clause if the petitioners are unable to secure a Certificate of Occupancy for the building within 24 months of approval.

ATTACHMENTS: Business Plan, Improvement Plans, and tax information.

CITY MANAGER APPROVAL: _____ COUNCIL AGENDA DATE: _____

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____

Resolution No. 2015 - 223
October 8, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the Obsolete Property Rehabilitation Act, Public Act 146 of 2000 (the "Act"), provides for a tax incentive to encourage the redevelopment of obsolete buildings through the establishment of an Obsolete Property Rehabilitation District; and

WHEREAS, pursuant to PA 146 of 2000, the City of Ypsilanti is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the Council of the City of Ypsilanti legally established an Obsolete Property Rehabilitation District that includes parcel #11-11-40-484-018 (13 N. Washington) as part of a broader district including the three DDA districts on June 5, 2012 after a public hearing held on the same date as provided by section 3 of Public Act 146 of 2000; and

WHEREAS, the combined parcel at 13 N. Washington has been certified functionally obsolete by the City Assessor per P.A. 146 in February 2014; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Ypsilanti eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, the owners of the above referenced parcels, North Washington, LLC have submitted an application for an obsolete property as defined in section 2(h) of Public Act 146 of 2000 requesting an exemption for a period of 12 years as a function of the Act; and

WHEREAS, the application included all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate; and

WHEREAS, North Washington, LLC are not delinquent in any taxes related to the facility; and

WHEREAS, the owners of the above referenced parcel have proposed to rehabilitate currently vacant, blighted, and functionally obsolete structure into commercial co-working space; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Ypsilanti; and

WHEREAS the rehabilitation includes improvements aggregating approximately 100% of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

WHEREAS the completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, increase commercial activity, and revitalize urban areas in the community in which the facility is situated.

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on October 6, 2015; and

WHEREAS, the DDA has not opposed the issuance of OPRA certificate.

NOW, THEREFORE, BE IT RESOLVED THAT the Obsolete Property Rehabilitation Exemption for a period of 12 years for the real property, excluding land, located in the Obsolete Property Rehabilitation District which include parcel #11-11-40-484-018 (13 N. Washington) pursuant to the provisions of PA 146 of 2000, as amended, subject to completion of the renovations by July 31, 2016, the final approval of exemption certificates by the State Tax Commission, and to the taxes on the property being paid on time be approved on First Reading.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

General Property Information

City of Ypsilanti

[Back to Non-Printer Friendly Version] [Send To Printer]

Parcel: 11-11-40-484-018 **Unit:** CITY OF YPSILANTI

Property Address [collapse]

13 N WASHINGTON ST
YPSILANTI, MI 48197

Owner Information [collapse]

NORTH WASHINGTON ST LLC
13 N. WASHINGTON ST
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:**	$87,200
School District:	81020 - YPSILANTI SCHOOLS	**Taxable Value:**	$86,664
State Equalized Value:	$87,200	**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
2016	0.0000 %	-
2015	0.0000 %	0.0000 %

Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable
2014	$85,300	$85,300	$85,300
2013	$143,900	$143,900	$143,900

Land Information [collapse]

	Frontage	Depth
Lot 1:	52.50 Ft.	120.00 Ft.
Lot 2:	0.00 Ft.	0.00 Ft.
Lot 3:	0.00 Ft.	0.00 Ft.
Total Frontage:	52.50 Ft.	**Average Depth:** 120.00 Ft.

Total Acreage:	0.15		
Zoning Code:	C		
Total Estimated Land Value:	$51,800	**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 11-11-40-484-018 [collapse]

OLD SID 11 11-030-082-30 YPC 2W-122 N 52.5 FT OF E 120 FT OF LOTS 81&82 ORIGINAL PLAT RESERVING A R.O.W. 12 FT WIDE ACROSS THE W END OF SAID PREMISES & TOGETHER WITH THE USE IN COMMON OF TH R.O.W. 15 FT WIDE LYING S OF SAID LINE

Sales Information

6 sale record(s) found.

Sale Date	Sale Price	Grantor	Grantee	Terms Of Sale	Liber/Page
02/10/2015	$200,000.00	MICB-AACB RE HOLDINGS 111 LLC	NORTH WASHINGTON ST LLC	DISTRESS SALE	
06/11/2013	$0.00	MICHIGAN COMMERCE BANK	MICB-AACB RE HOLDINGS 111 LLC	NAL/RELATED PARTY	
12/30/2009	$0.00	13 N WASHINGTON, LLC	MICHIGAN COMMERCE BANK	FORECLOSURE	4820/464
04/09/2002	$150,000.00	TRI COUNTY INVESTMENTS , LLC	13 N WASHINGTON, LLC		4119-538
01/27/2000	$150,000.00	MC EACHERN, EDWARD J	TRI COUNTY INVESTMENTS	CONVENTIONAL	3927/0643
02/01/1990	$200,000.00	MCEACHERN	13 N WASHINGTON	BANK SALE USED	3342-635

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Privacy Policy

The Back Office Studio

13 N. Washington Street

Existing Streetfront

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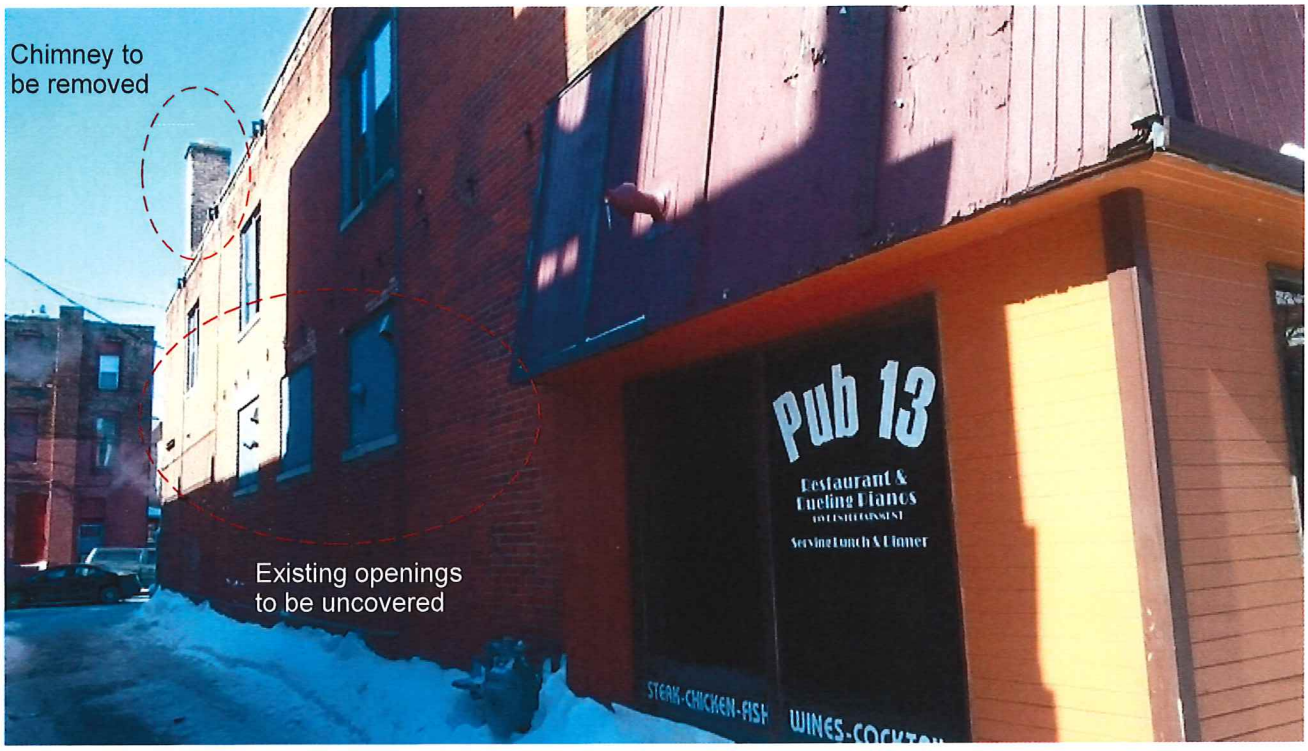
The Back Office Studio

13 N. Washington Street



Existing Alley View: note chimney and boarded-up windows

Interior View: note missing double-hung windows

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The Back Office Studio

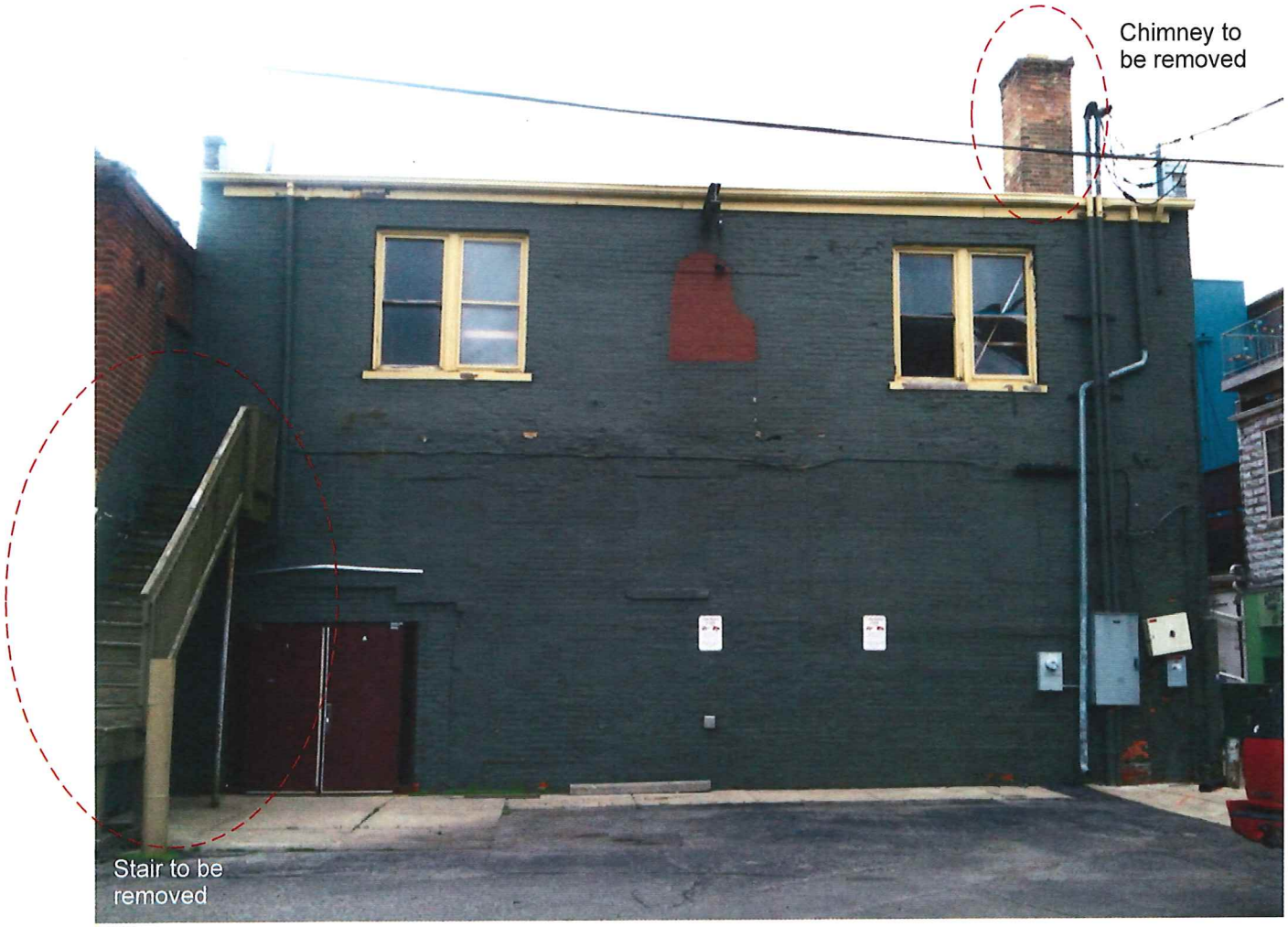
13 N. Washington Street

Existing Back View

Copyright © 2015 Damian Farrell Design Group, PLLC

The Back Office Studio

13 N. Washington Street



Existing Back View

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The Back Office Studio

13 N. Washington Street

Proposed Streetfront

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The Back Office Studio

13 N. Washington Street

Front Entry Detail

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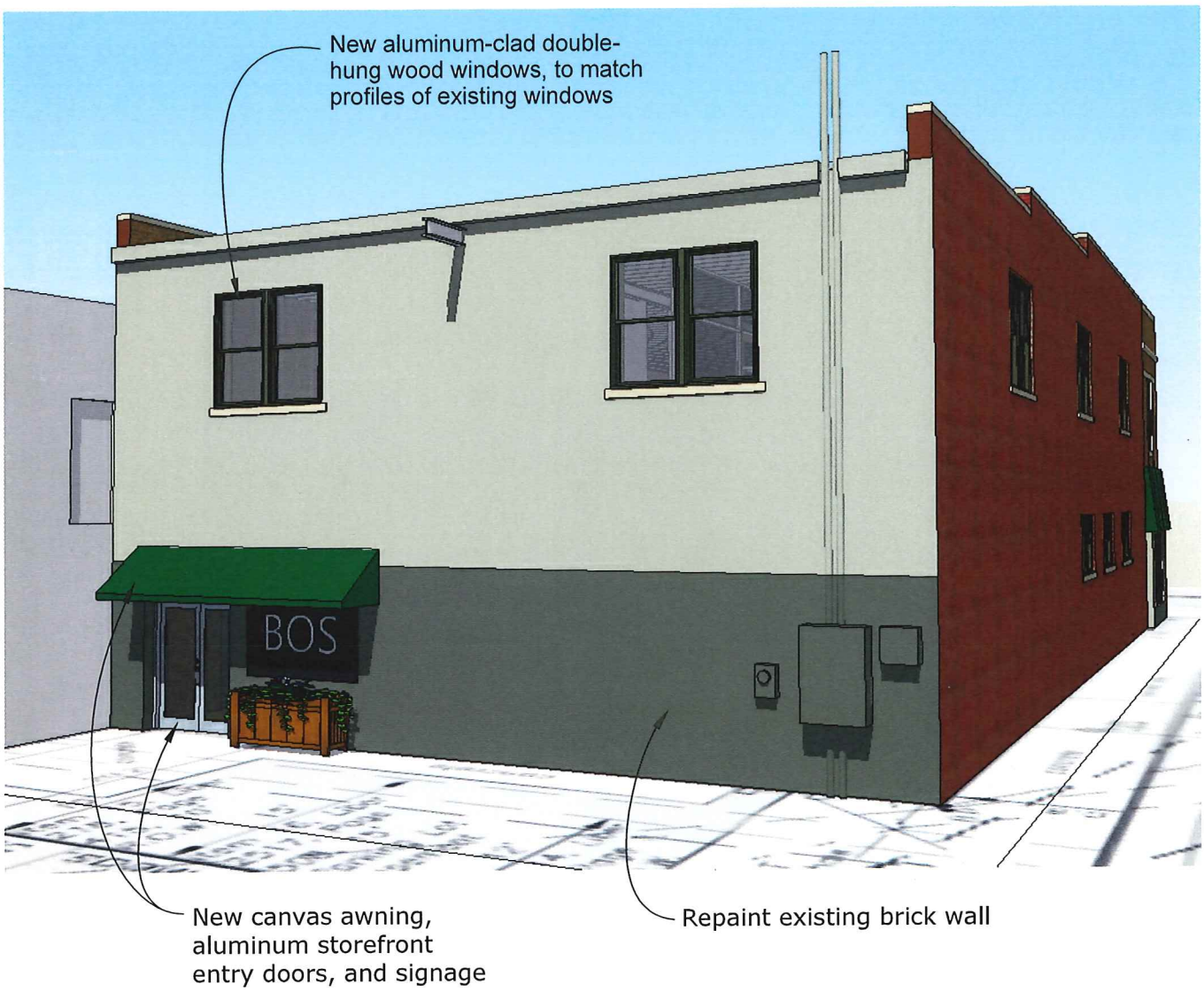
The Back Office Studio

13 N. Washington Street



Proposed Back Entry

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The Back Office Studio

13 N. Washington Street

Proposed East Elevation

Copyright © 2015 Damian Farrell Design Group, PLLC

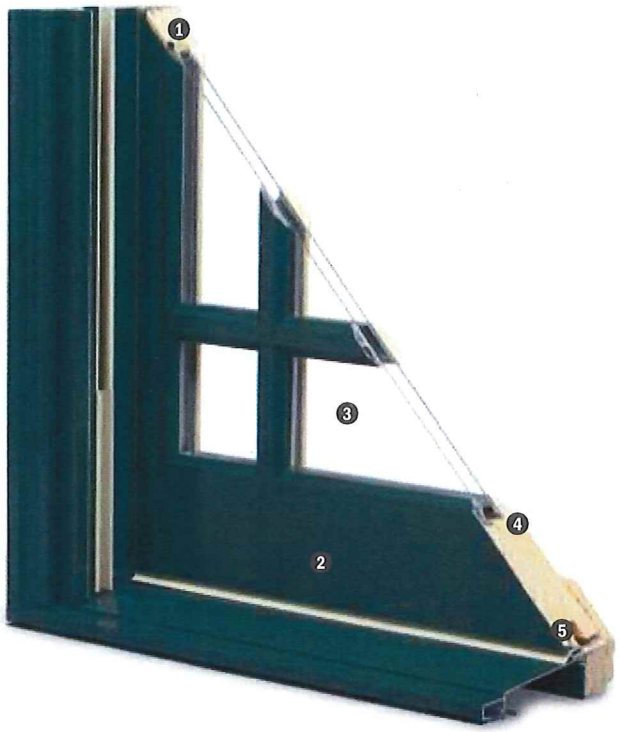
The Back Office Studio

13 N. Washington Street

Proposed West Elevation

Copyright © 2015 Damian Farrell Design Group, PLLC

Talon® **Double-Hung Windows**



Frame & Sash

❶ Select wood components are kiln dried, and treated with water/insect repellent and preservative. Interior wood surfaces are available in pine or mixed grain fir, or optional wood species including cherry, hickory, African mahogany, maple, oak, walnut, alder or vertical grain fir. Interior surfaces are available unfinished or factory primed. Optional factory-applied finishes are available in a variety of stains and basecoats.

❷ Wood components are fitted with aluminum extrusions on the exterior. 50 exterior colors that meet AAMA 2604 specifications are available, as well as custom colors. Also available is a selection of seven exterior anodized options.

Glazing

❸ High-performance Low-E4® glass with a low-conductance spacer. Triple insulated glass, tinted, clear IG, high-altitude glass and other special glazing options are available.

❹ Glass is fixed in place from the interior with wood stops that can be removed for easy reglazing if necessary. Glass stops available in colonial and contemporary profiles.

Weather Strip

❺ Compression bulb weather strip is applied on the bottom sash, head jamb, at the check rail and on side jambs for a maximum weather seal.

Hardware

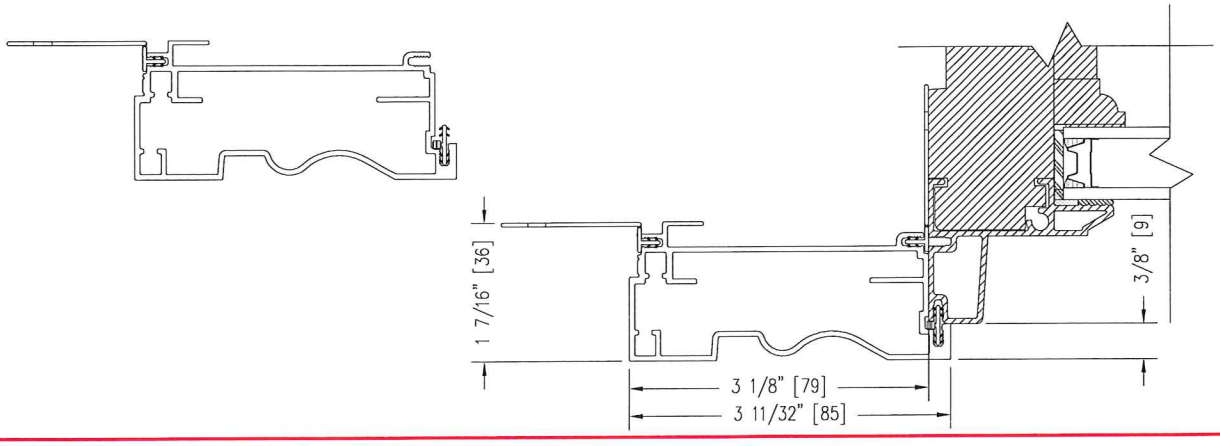
❻ Sash lock/tilt mechanisms and keepers give a slim, more traditional design and allow opening and tilting of the window in one operation. Tilting the sash from the inside for cleaning is effortless.

Optional surface mount sash lifts allow for easy operation. Units less than 3' wide use one lift. Units 3' wide and greater use two lifts.

Hardware is available in finishes of bronze, polished brass, gold, white, black, antique brass, pewter, oil-rubbed bronze, satin chrome and bright chrome.

EXTERIOR CASINGS

EXTERIOR CASING A756



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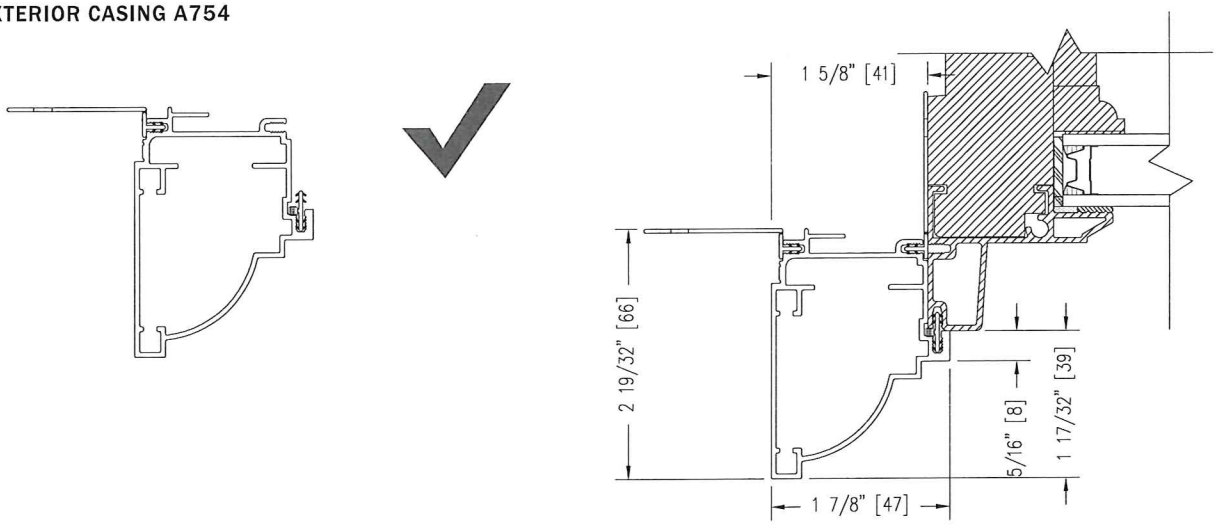

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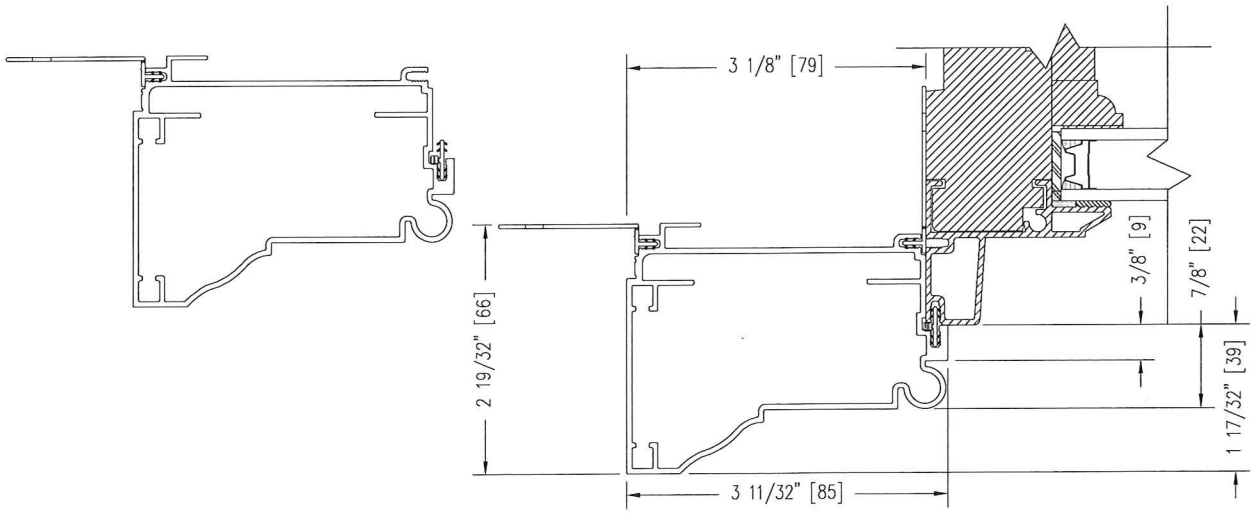

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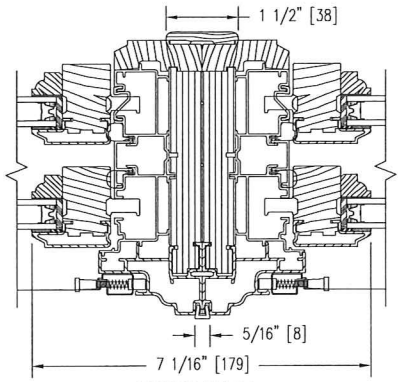
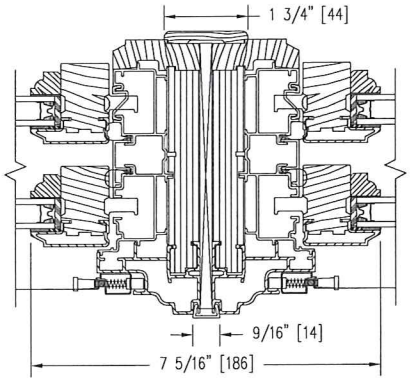
Eagle WINDOWS DOORS an Andersen Company

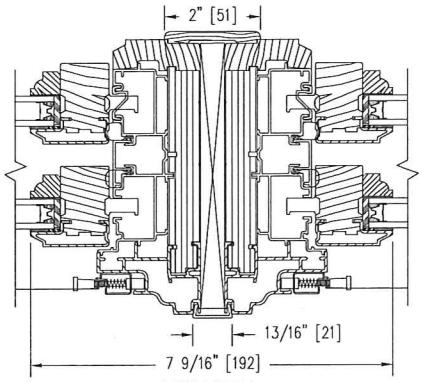
DOUBLE HUNG VERTICAL FACTORY MULLS



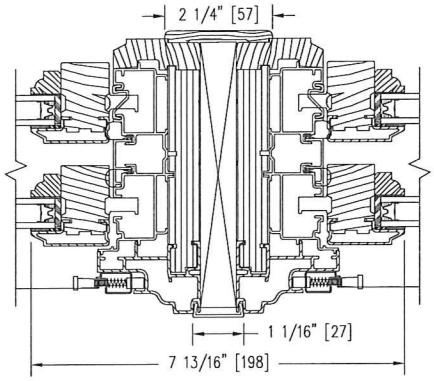
ZERO MULL



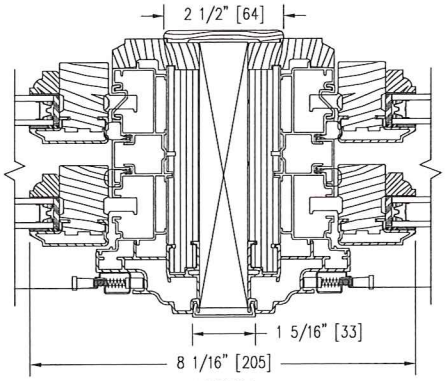
1/4" MULL



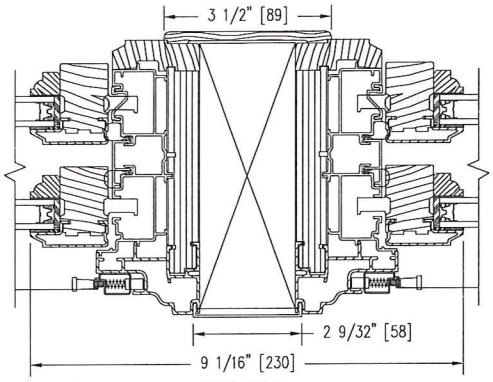
1/2" MULL



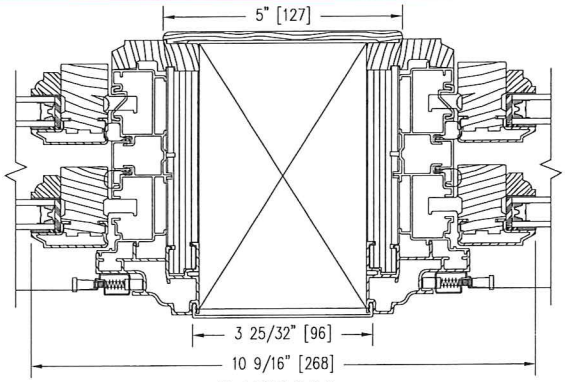
3/4" MULL



1" MULL



2" MULL



3 1/2" MULL

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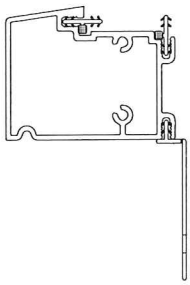
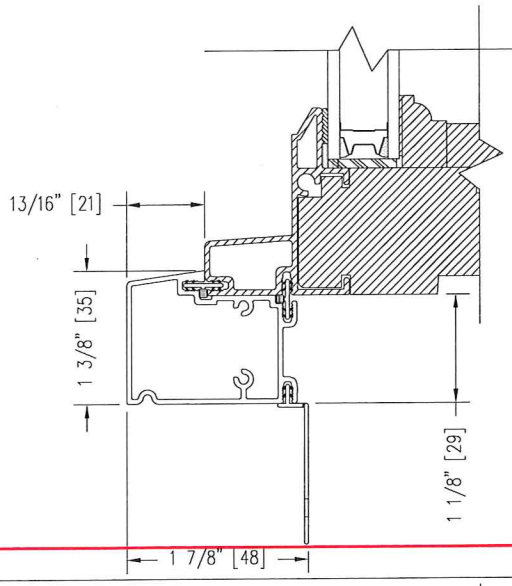
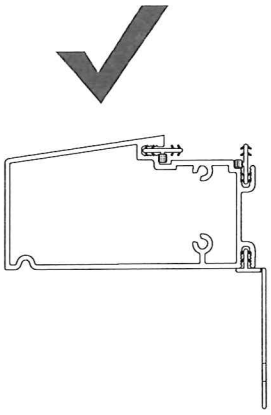
SILL NOSINGS

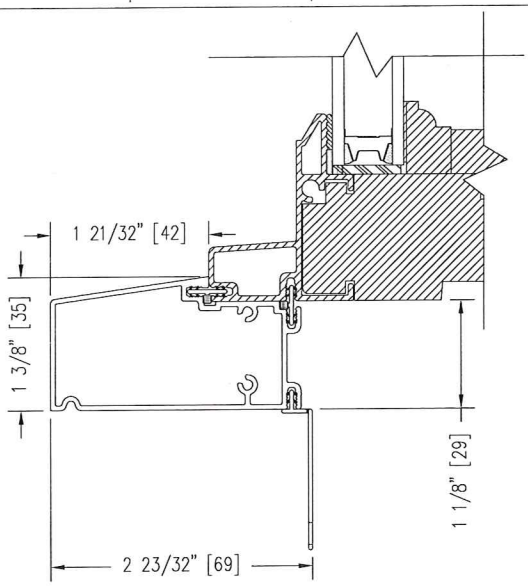
SILL NOSING A751



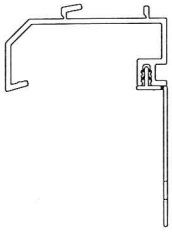


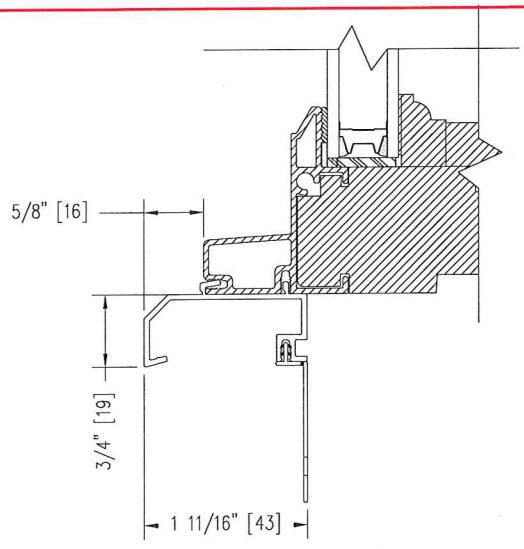
SILL NOSING A752





SILL NOSING A505
FOR USE WITH EXPANDABLE ACCESSORIES





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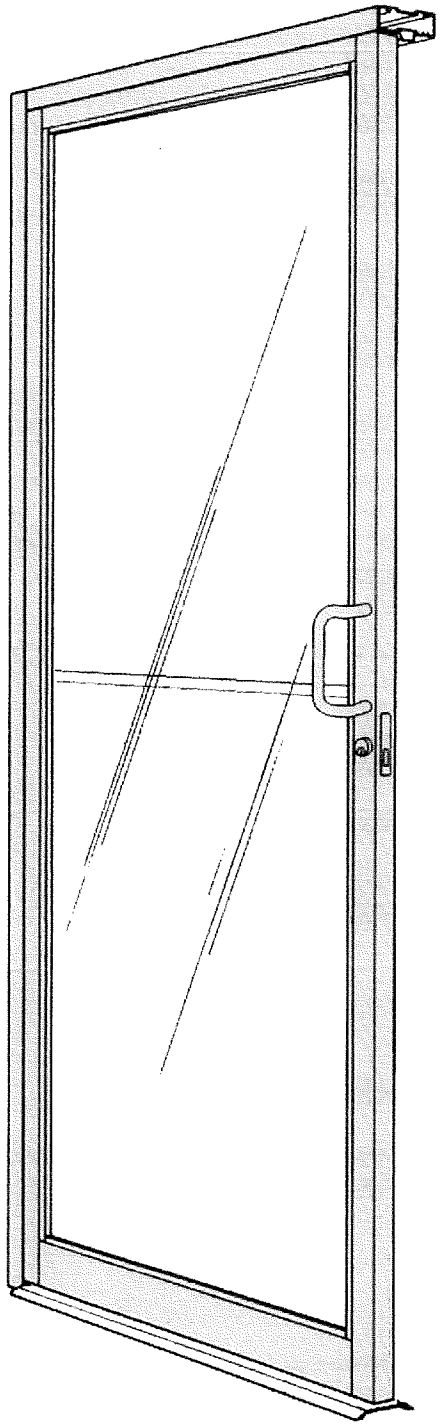
2.01
Standard Entrances
Description



Description

Tubelite Standard Entrances have an outstanding reputation for craftsmanship and strength. The Narrow Stile Door has a face dimension of 2 1/8" and is designed for average commercial use. Medium Stile (4") and Wide Stile (5") Doors provide extra durability for heavier usage and a greater variety of hardware options. Optional bottom rail heights of 7 1/2" and 10" are available for accessibility requirements. Snap-in glass stops provide for 1/4" or 1" glazing thicknesses.

Standard Entrances are furnished with mortised butt hinges, offset pivots or center pivots as specified. Standard deadbolt locks, concealed vertical rod or rim panic exit devices may also be selected. Standard pull handles have been designed for ADA access and have matching push bars.

The standard door frame has snap-in door stops to conceal frame anchors and provide an excellent weatherseal. Open-back vertical door jambs allow easy, fast assembly with the screw-spline head member. Snap-in vertical frame closures easily accommodate addition of sidelights and incorporation

Business Plan

September, 2015

Owners:

Dr. Wayne Millette, CEO & President	e: wmillette2000@gmail.com	c: 734-476-1196
Sun Chao, CFO	e: sunnycrowe@gmail.com	c: 734-276-5163
Dr. Diana J. Wong Partner	e: dianawongphd@gmail.com	c: 734-478-6030

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Executive Summary

The Back Office Studio (The BOS) is a 9000 square foot co-working space located in downtown Ypsilanti, MI. It supports the growth of second stage businesses and the productivity of freelancers and professional service providers such as lawyers, accountants, financial advisers, consultants, etc. Coworking members experience increase in well-being due to greater productivity, achievement, and prosperity.

The three partners are Wayne Millette, Sun Chao, and Diana Wong who work together at Sensei Change, LLC. As the founding CEO & President, Diana searched for a new facility to support the growth of the business as a second stage venture. The solution to her problem of wanting grow within a collaborative community arose with selecting the former Pub 13, a building in foreclosure for five years in downtown Ypsilanti, MI. The coworking solution for Sensei Change is also timely to address needs in the professional community of freelancers and local entrepreneurial Ypsilanti businesses entering into their second stage of development.

The BOS's coworking space supports the growth and expansion of second stage businesses to retain them within the Ypsilanti area as a means to enable economic vitality of the community. By rehabilitating a prominent historical building, formerly known as Pub 13 and the Spaghetti Bender, we seek to bring forward the historical character into the 21st century as a means to provide a cultural grounding in the local context of our work. The results of bringing together talent at The BOS to support second stage business growth are to contribute toward the economic base of Ypsilanti and promote the well-being of the community. The development of high quality relationships helps to embed trust in conducting business within Ypsilanti which strengthens both the social and economic fabric of the community. A subsequent result is the growth of high quality jobs that second stage businesses seek to achieve.

The business strategy is to create a community based on high quality relationships with support from a vibrant and dynamic coworking space. The target markets are freelance professionals and second stage businesses. Local competitors addressing the demand for coworking space from these two coworking spaces about 12 miles away around downtown Ann Arbor. Marketing strategy focuses on building strategic partnerships in the community and hosting events to bring key people into the space.

The revenue forecasts with an average 30% growth rate for The BOS is about $100,000 in year 1 to over $400,000 in year 5 with breakeven between year 2 and 3. A loan request is made for about $650K to finance the renovations and fulfill the requirements for obtaining an ADA form.

1. Background

Dr. Wayne Millette, Sun Chao, and Dr. Diana Wong created The Back Office Studio (The BOS) to build a coworking community with professional service providers, freelancers, and second stage businesses. Professional service providers include lawyers, accountants, financial advisers, consultants, etc. Freelancers are self-employed individuals who often seek an alternative arrangement to work outside of their home or an individual office location. The BOS's support for second stage businesses focuses on revenue positive businesses that are beyond the start-up stage, ready to graduate from an incubator, and revenue positive with goals for business growth. The BOS provides back end office services with an integrated network of professional service providers in a collaborative professional community. The business model is based on three revenue sources with estimations of 40% co-working space rental, 40% consulting and business services, and 20% special event activities and rentals.

The three co-owners work together in Sensei Change Associates, LLC which is a management consulting and talent development firm. As the business grew over the last ten years, a larger office facility is required to support the projected growth. After a two year search, a historical building in foreclosure for five years known as the former Pub 13 on 13 N. Washington St., Ypsilanti, MI provided a viable solution. The three co-owners purchased the building in February, 2015 and engaged the Damian Farrell Design Group for the architectural design and historical renovation process. John Newman, the General Manager, is hired on a part-time basis to support the co-owners.

Coworking is a global phenomenon that started in the late 1990s with hackers sharing spaces. Within southeast Michigan, there are 19 coworking spaces that were established within the last ten years. The closest ones to The BOS are the Workantile and Tech Brewery in Ann Arbor about 12 miles away. Both were founded in 2009. The others are located in Detroit and the surrounding suburbs of Detroit. The projected future demand for coworking in the Ypsilanti area and local region will likely grow beyond the existing available spaces as some already have waiting lists for membership.

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2. Vision

"The BOS is a dynamic coworking collaborative where talented professionals can work on what they love most."

We believe talented professionals can identify and create opportunities for their business growth based on doing their work within a community that enables the connections in a supportive network. The vision for The BOS is to bring talented professionals into contact with businesses that seek to grow and for growing businesses that need talented professionals. The increasing the frequency of contact and communication within a dynamic community space increases the probability of discovering these mutual engagements.

3. Mission

"We seek to build a community of positive energies for creating our great futures."

Our coworking business model is based on developing positive relationships between talent and business opportunities. This unfolds as a result of creating a proactive professional community that addresses economic, social, and psychological needs of business leaders who depend on trusted relationships to achieve positive results. Hence, The BOS fosters positive relationships not just within its own business network but also in proactively contributing to promote, advocate, and serve in the Ypsilanti community as a responsibility.

The values by which The BOS will live and operate by are

- Love work with higher purposes
- Develop positive collaborations
- Enjoy reaching summits
- Lead with cheer and good will
- Learn something new
- Be authentic
- Sustain positive fiscal responsibility

4. Company Background

The BOS is a new business that provides a solution to support the growth of the Founding Partner, Sensei Change Associates, LLC, a management consulting and training and development business. As a second stage business, Sensei Change is ready to move out of the SPARK East incubator space but did not want to be isolated in the traditional business office rentals away from a community of professionals and start-up businesses. The additional office space needs to encompass a flexible workspace for collaborations with a dynamic network of professional colleagues who seek to work in community.

Diana and Wayne are the founding partners of Sensei Change. It is a consulting business based on both of their careers; Diana is an Associate Professor of business strategy, entrepreneurship, and organization development and Wayne is an education leader and executive coach. When Diana created the Michigan Shifting Gears program in 2008 to support the career transition of talented professionals, SPARK East was the first location for delivering the program which helped to generate foot traffic onto the site and into Ypsilanti's downtown. Sensei Change moved into SPARK East as its first tenant and actively volunteer in its various programming activities.

Sensei Change was established in 2004 and has 4.5 employees along with a network of subcontracting independent consultants. Additional office space beyond the two work cubicles at the incubator would support the Sensei's business growth. The search for a new location started in 2013. After a review of several sites, an offer was put in for the former Pub 13 which was a historical structure in foreclosure for five years.

By solving the constraints to the growth of Sensei Change as a second stage business, The BOS is created to provide the same for others in the local Ypsilanti community. Sensei Change also has potential for synergy

5. Profile of the Coworking Industry

Coworking is a small very small segment in the commercial office rental industry. Traditionally, a comparable business model involves multiple businesses renting individual offices and sharing some basic services such as receptionists and secretarial services. Coworking entails a major shift in the business concept to more flexible, informal, dynamic, and collaborative workplace. An important underlying notion is being part of a community which is constantly emphasized in both the business model and the various coworking conferences that focus on the phenomenon, i.e. Global Coworking

Unconference Conference is the largest gathering as well as many others that are focused on regions or local national ones.

Many coworking communities focus on entrepreneurial start-ups and professionals. Some coworking spaces are based distinct themes such sustainability, women owned businesses, technology, etc. Members participate in a coworking community and have varying rental options by day, week, or month. Brian DeKoven coined the term "coworking" to facilitate collaborative work and business meetings, coordinated by computers. The productivity benefits of working in a coworking space are likely drivers of its growing popularity. Major advantages cited in a deskmag Oct. 11, 2012 article, "Advantages of Coworking Spaces Over Other Offices": for traditional office workers, they include increased in self-confidence among 90% of respondents; expansion of business network; update their knowledge; feeling healthier than being in a traditional office; less stress from shorter commutes. For former work from home members, the advantages included higher productivity and increased income. Usually, 7 out of 10 members plan to stay with their coworking spaces.

In 2010, about 600 coworking spaces were counted and the number grew to over 2500 in 2013 with operations in 23 languages around the world (source: www.deskmag.com). A coworking visa supports active members to different coworking spaces around the world for free for 1-3 days. Deskmag.com provides a significant source of information about the industry with key issues and forecasts of major trends. Based on the Coworking Forecast 2014, trends in the coworking industry indicate positive growth with 7 out of 10 coworking spaces unable to keep up with the general demand and the current need exceeds the available vacancy. About 60-65% of existing coworking spaces have plans for extension while 1 in 5 expect to plan expanding the existing location and every third one plan to open additional locations. An earlier survey in 2011 by deskmag.com indicated that 72% of all coworking spaces become profitable within two years in operations and 87% of privately run ones (excluding government or non-profits) become profitable in the same time period. Most achieve a profitable return between 1 and 2 years. About 70% of privately run coworking space for 50 or more members operate with a profit and the more established a space is over time, the more successful the business. Furthermore, 64% of full time operators of coworking spaces with less than 30 members can earn an income that is average or above average of the general working population.

According to deskmag.com, Feb. 1, 2012 "The Members of Coworking Spaces", about 60% of respondents use their coworking spaces 3 to 4 times per week; 33% about every day; and 90% pay on monthly plans while about 10% pay by day or by week. At the same

time, 66% use flexible desks that are vacated daily and 25% have dedicated permanent desks.

Alternatives to coworking spaces, such as Regus, are identified as business centers. They provide some supporting business administrative services. People leaving coworking spaces do not opt for a business center nor do they tend to leave a business center for a coworking space. About 58% of all coworkers come from working at home; 22% from regular offices, and about 4% from coffee shops. Globally, there is a strong preference for members to commute 20 minutes or less to a coworking space – 34% using public transport, 34% by car, 17% by bicycle, and 14% walk.

The closest competitors to The BOS are the Workantile and Tech Brewery, both of which are located in Ann Arbor and established in 2009. Both coworking spaces operate with a vibrant community of members. The Workantile is 3000 square feet with capacity for 100 members. Two thirds of their members are full time which reflects the deskmag.com survey results about the profile of coworking members. Tech Brewery focuses on technology start-ups with a listing of 16 start-ups and 25 desks. Both have a focus on building strong community for their members.

In sum, the global and local coworking phenomenon is on a growth curve with some important accumulated lessons for moving forward.

6. Goals and Objectives

The BOS seeks to build a coworking community that supports second stage business by creating a community of talented professionals. Our future goals are as follows:

- To complete building renovations of 13 N. Washington St. based on historical preservation requirements and municipal code regulations for obtaining a certificate of occupancy by January 1, 2016;
- To build a community of talented professionals and second stage businesses as coworking members of The BOS in the first year as follows: 30 members for flexible desks; 5 members for dedicated desks; and 2 team members;
- To provide one business networking event per month;
- To create one special community activity per quarter such as the stage reading of a play in July, 2015, a comedy monologue competition in August, 2015, and others that helps to promote the counter cultural creativity, innovation, and design interests local to Ypsilanti;

- To achieve monthly revenue of $12,000 by June, 2016 and annual revenue of $100,000 by December, 2016;
- To achieve average annual growth of 30% for the first five years of operations with a target revenue of $400,000 by year 5 with a breakeven target at $180,000.

Long term plans for The BOS is to provide back end office services that include administrative functions, marketing, strategic business planning, accounting, and related business functions to support the growth of second stage businesses by building an integrated network of professional service providers in a collaborative professional community. Beyond the coworking rental revenue, the future business model is based on three revenue sources with estimated revenue composition of 50% co-working space rental, 40% consulting and business services, and 10% special event activities and rentals.

7. Business Strategy

The BOS's business strategy is based on developing high quality business relationships to build a sustainable dynamic community. The quality of relationships provides the primary impetus for building the membership. The focus is to foster talented and experienced professionals who has the potential to support second stage businesses that seek to achieve their growth aspirations. The physical setting provides a flexible workspace for collaborations with diverse professional talents and second stage businesses. Strategic orientation for The BOS is to enable local innovative technologies with sustainable talent partnerships and global diversity.

8. Product/Service at The BOS

The BOS's primary service is the provision of a dynamic contemporary environment that enables the historical past of the community to support a coworking community. This requires both a conducive physical environment and socially organized purposeful activities. The physical environment will include a mix of open flexible desks for Community members, permanent desks for Dedicated members, café arrangements for conversations, brainstorming spots, private discussion spaces, thinking spaces, phone booths, conference rooms, and kitchen snack and meal spaces. Different spaces enable a variety of social interactions. Access to free wifi, coffee, bike racks, and some storage options are also available. Both formal and informal activities provide opportunities for mutually beneficial connections to be discovered.

An example of socially organized activities would professional development workshops to provide members with advancing and building their talent portfolio. Members also have

the opportunity to contribute and showcase their talent by providing workshops and presentations based on their expertise. The professional development activities can be used for internal promotions among members as well as community outreach to serve the Ypsilanti area.

Over the long term, The BOS will expand beyond space rental to provide back end office services such as administrative functions, marketing, strategic business planning, accounting, and related business functions by building an integrated network of professional service providers in a collaborative professional community. The future business model is based on three revenue sources with estimations of 40% co-working space rental, 40% consulting and business services, and 20% special event activities and rentals.

9. Marketing Strategy

The BOS's marketing strategy targets two major segments – freelancers or professional service providers and second stage businesses. Freelancers, including professional service providers, make up about 34% of the population which amount to 53 million Americans. But 14.3 million of them have regular full time jobs and freelancing provides a source of extra income. About 21.1 million are the traditional freelancers with temporary work on a project basis. The trend of freelancers grew as a result of corporate downsizings and new business models such as Uber, Lyft, oDesk, Task Rabbit, and Elance. Many entrepreneurs are also identified as freelancers. Hence, their transition to second stage business require further clarification of reported numbers.

Second stage companies are defined as growing past beyond the start-up stage by achieving $1 million in annual sales and up to $50 million and 10-99 employees.

To reach both groups, the marketing strategy encompasses two primary tactics – 1) building strategic partnerships and 2) hosting events in the form of community activities, professional workshops, and business networking. The strategic partnerships maybe with non-profit economic development agencies, chambers of commerce, and larger businesses in the local area. A strategic relationship with SPARK East and local government agencies actively engaged in economic development would be important for providing leads and referrals to our target market. Our membership in the Ann Arbor/Ypsilanti Chamber of Commerce provide multiple opportunities to build relationships with other business owners and promote The BOS among local businesses.

Hosting various types of events brings local community members into The BOS to experience the space and learn about the offerings. In June and July, two free community events with a staging a play reading brought in about 120 people and a comedy monologue competition brought in about 80 local community members to experience the space and build awareness about the The BOS. A variety of ideas for events include business networking for professional career transitions, sponsoring benefits and fund raisers for non-profits, professional development workshops, training and development classes, etc. The objectives for strategic event hosting are to increase awareness and knowledge about the coworking space and initiate relationships with high potential professional service providers. As a Founding Partner, Sensei Change has the capacity to deliver workshops and business networking events. As an example, the Michigan Shifting Gears program for high level professionals engaged in career transitions has over six hundred alumni that want to find a means to stay connected.

To building awareness, additional related promotional activities would be a membership referral program and free coworking days. These initiatives will be developed as part of The BOS's operation as well as a social media marketing campaign. Currently, a website in a brochure format is available to create a presence on the web. Both Facebook and Twitter are used for social media to keep people updated about events.

10. Description of the Management Team

Wayne and Diana formed a partnership with Sun Chao who is the Global Training and Development Manager for Sensei Change to purchase the building and create The BOS. Sun Chao has 50% ownership and Wayne and Diana has 50% ownership. Wayne, as the President, provides leadership and direction for The BOS; Sun Chao, as the Chief Financial Officer, manages the financial and accounting function; Diana's role as a Founding Partner contributes toward the governance of The BOS and as an anchor tenant with programming activities. According to deskmag.com, on average, 2.8 people team up to open a coworking space and larger spaces with more than 50 coworkers have on average four founders while a third of small coworking spaces are founded by one person. Hence, The BOS's ownership team and staff composition aligns with the findings.

John Newman, General Manager, is hired as the first employee for The BOS to deal with all daily operations. An Artist in Residence, Kristin Danko, will design and develop business networking and creative community events in exchange for her coworking rental fees.

11. Forecasted or Pro-Forma Financial Statements

Annual Rental/Year	Year 1	Year 2	Year 3	Year 4	Year 5
Community, $2400	37 mem $88,800	56 mem $134,400	78 mem $187,200	102 mem. 244,800	112 members, $268,800
Dedicated, $4200	8 mem $33,600	12 mem $50,400	17 mem $71,400	22 mem $92,400	24 members $100,800
Team, $14,400	1 $14,400	2 $28,800	2 mem $28,800	2 mem $28,800	3 members $43,200
Daily/weekly rentals					0
Revenue Total	$136,800	$213,600	$258,600	$366,000	$412,800
Estimated expenses	$184,00	$184,000	$195,000	$200,000	$200,000
Net Profit Before Taxes	($47,200)	$29,600	$63,600	$166,000	$212,800

12. The Loan or Investment Proposal

The total start-up costs are $_____. The three co-owners are investing $400,000 to date. The current additional loan request is for $ 1,000,000 to support the renovations of Pub 13 as quoted by contractor, Beal Properties.

Resolution No. 2015-232
October 8, 2015

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the City Council Special 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
SPECIAL COUNCIL MEETING ACTION MINUTES
CITY COUNCIL CHAMBERS – ONE SOUTH HURON ST.
YPSILANTI, MI 48197

THURSDAY, OCTOBER 8, 2015
7:30 A.M.

I. CALL TO ORDER –
The meeting was called to order at 7:35 a.m.

II. ROLL CALL –

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

(All Present)

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

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

V. INTRODUCTIONS –

VI. AUDIENCE PARTICIPATION-

VII. REMARKS BY THE MAYOR –

IX. RESOLUTIONS/MOTIONS/DISCUSSIONS

1. Resolution No. 2015-231, granting an underground easement through Riverside Park to DTE Energy.
   Approved: Yes – 7; No – 0; Absent - 0

2. Resolution No. 2015-223, approving New Obsolete Property Rehabilitation Act Exemption for 13 N. Washington Street at First Reading.
   Approved as Amended: Yes – 7; No – 0; Absent - 0

X. AUDIENCE PARTICIPATION -

XI. REMARKS BY THE MAYOR –

XI. ADJOURNMENT –

Resolution No. 2015-232, adjourning the Special Council Meeting.
The meeting adjourned at 8:30 a.m.