

**EXECUTIVE SESSION - AUGUST 29, 1994**

The Executive Session of the Ann Arbor City Council was called to order at 6:30 p.m. by Mayor Ingrid B. Sheldon.

**ROLL CALL OF COUNCIL**

Present: Councilmembers Patricia Vereen-Dixon, Peter Fink, Jane Lumm, Ulrich Stoll, Peter Nicolas, Julie Creal, Christopher Kolb, David Stead, Mayor Ingrid B. Sheldon, 9

Absent: Councilmembers Tobi Hanna-Davies, Haldon Smith, 2

The purpose of the Executive Session was to discuss bond counsel's written opinion regarding Economic Development Corporation Financing of the YMCA.

There being no further business, Councilmember Stead moved that the Executive Session be adjourned.

On a voice vote, the Mayor declared the motion carried unanimously and the meeting was adjourned at 7:55 p.m.

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**SPECIAL SESSION - AUGUST 29, 1994**

The special session of the Ann Arbor City Council was called to order at 7:55 p.m. by Mayor Ingrid B. Sheldon.

**ROLL CALL OF COUNCIL**

Present: Councilmembers Patricia Vereen-Dixon, Peter Fink, Jane Lumm, Ulrich Stoll, Peter Nicolas, Julie Creal, Christopher Kolb, David Stead, Mayor Ingrid Sheldon, 9

Absent: Councilmembers Tobi Hanna-Davies, Haldon Smith, 2

**READING OF ORDER AND NOTICE OF CALL OF SPECIAL SESSION**

The order and notice of call of the special session was read and filed with the City Clerk.

**PUBLIC COMMENTARY - RESERVED TIME****PATTRICE MAURER - RENTAL HOUSING**

Patrice Maurer, 417 Skydale Dr., said that the Ann Arbor Y claim of innkeeper status is the most serious issue to be addressed at this time in the deliberations on the pending loan agreement. As innkeepers, the Y cannot provide adequate housing because its policies violate the city's rental ordinance.

**AUDREY JACKSON - HUMAN RIGHTS COMMISSION**

Audrey Jackson, 2557 Sandalwood, commented on a recent citizen comment regarding a perceived employment discrimination matter within the Parks Department. She said that the nature of the information delivered on these allegations was disturbing because it appeared that the roll of the Human Rights Commission was usurped by an individual whose goal was not to find effective reprimand, but revenge. (A complete copy of the text was filed with the City Clerk.)

**JOHN NORTON - MENTAL HEALTH**

John Norton, 1010 Arbordale, #9, said that he was recently appointed to the Human Rights Commission, and that he serves on numerous other committees related to the rights and dignities of people, as a means of contributing and returning to the community some of the benefits and assistance that he has received.

**PUBLIC HEARINGS****PROPOSED CHARTER AMENDMENT - TAX FOR HOUSING**

A public hearing was conducted on the proposed Ann Arbor City Charter Amendment authorizing a tax for housing.

The following persons spoke at this public hearing:

Renuka Uthappa, Housing Action Committee member, said that HAC would reserve comment on this issue until further details were available.

These being no one else to speak, the Mayor declared the public hearing closed.

**APPROVAL OF AGENDA**

Councilmember Lumm moved that the agenda be approved with the following changes:

**MOTIONS AND RESOLUTIONS**

Proposed Substitute: Resolution Ordering Election and Determining Ballot Questions for Charter Amendment (**Substitute resolution submitted by Councilmember Lumm**)

Proposed Substitute: Resolution Ordering Election and Determining Ballot Questions for Charter Amendment (**Substitute resolution submitted by Councilmember Nicolas**)

On a voice vote, the Mayor declared the motion carried unanimously.

## MOTIONS AND RESOLUTIONS

### SUBSTITUTED, REVISED AND POSTPONED

#### RESOLUTION ORDERING ELECTION AND DETERMINING BALLOT QUESTION FOR CHARTER AMENDMENT AUTHORIZING A TAX FOR HOUSING

Councilmember Stead moved that the resolution be approved to provide for a two-year annual, one-half mill tax levy on all taxable real and personal property to provide funds for financing the development and redevelopment of non-publicly owned housing, including the funding or refinancing of the Ann Arbor Y.

Councilmember Lumm moved that a substitute resolution be approved to provide for a 1 year, one-half mill tax levy on all real and personal property for the purpose of providing funds for the funding or refinancing of the Ann Arbor YMCA exclusively.

On roll call on the substitute resolution offered by Councilmember Lumm, the vote was as follows: Yeas, Councilmembers Fink, Lumm, Creal, 3  
Nays, Councilmembers Vereen-Dixon, Stoll, Nicolas, Kolb, Stead, Mayor Sheldon, 6

The Mayor declared the motion defeated.

Councilmember Nicolas moved that a substitute resolution be approved to provide for a 2-year, one-half mill tax levy on all taxable real and personal property for the purpose of providing funding in the following manner: 50% funding, financing or refinancing of the Ann Arbor YMCA residence program, 25% funding dedicated solely to provide assistance to organizations that provide emergency shelter, and 25% funding dedicated solely to financing the development or redevelopment of non-publicly owned housing which will benefit households earning less than 60 percent of the Ann Arbor median income. Language establishing entities to administer the funds and directing development of criteria and procedures for the administration, was included as part of the resolution revision by

Councilmember Stead.

Councilmember Stead moved that the resolution as revised be tabled until later in the meeting for further deliberation.

On a voice vote, the Mayor declared the motion carried and the resolution tabled.

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R-421-8-94 APPROVED

RESOLUTION WAIVING ATTORNEY-CLIENT PRIVILEGE

RESOLVED, That the attorney-client privilege is hereby waived as to the following two documents:

- The August 9, 1994 letter opinion of Dennis R. Pollard
- The August 12, 1994 transmittal memorandum of City Attorney Elizabeth Schwartz

Councilmember Fink moved that the resolution be approved.

On a voice vote, the Mayor declared the motion carried with Councilmember Stoll dissenting.

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R-422-8-94 APPROVED AS AMENDED

RESOLUTION REGARDING ANN ARBOR YMCA

Councilmember Kolb moved that the resolution be approved.

Council unanimously agreed that the sale of the EDC bonds would be for the purpose of covering outstanding future debt.

Councilmember Stead moved that the resolution also stipulate that prior year losses are to be paid out of excess funds in the Ann Arbor Y line-of-credit account for this fiscal year, and that payment of the remainder of the prior year debt is to be paid over the next two fiscal years through a general fund budget line-item.

On roll call, the vote was as follows: Yeas, Councilmembers Vereen-Dixon, Stoll, Nicolas,

Creal, Kolb, Stead, Mayor Sheldon, 7  
Nays, Councilmembers Fink, Lumm, 2

The Mayor declared the motion carried.

Following is the resolution as approved by Council:

R-422-8-94

RESOLUTION REGARDING ANN ARBOR YMCA

RESOLVED, That Dennis Pollard is retained to represent the City in resolving outstanding legal issues in connection with the Ann Arbor YMCA and the proposed EDC bond sale and related agreements;

RESOLVED, That the contract for these professional services shall be paid from the proceeds of the EDC bond sale; and

RESOLVED, That it is understood that sale of EDC bonds is to cover outstanding future debt; and

RESOLVED, That prior year losses are to be paid out of excess funds in the Ann Arbor YMCA line-of-credit account for this fiscal year, and that payment of the remainder of the prior year debt be paid over the next two fiscal years through a general fund budget line-item.

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REVISED SUBSTITUTE RESOLUTION POSTPONED

RESOLUTION ORDERING ELECTION AND DETERMINING  
BALLOT QUESTION FOR CHARTER AMENDMENT  
AUTHORIZING A TAX FOR HOUSING

Councilmember Creal moved that the resolution be taken from the table and postponed until September 7, 1994, and that the City Administrator and Community Development Director provide Council with development procedures similar to those of the Housing Policy Board, that the City Attorney or City Administrator provide mechanisms for the disbursement and management of the funds, that the City Clerk provide information on time limits for putting the question on the ballot, that the City Administrator provide an estimate of yield from the proposed millage, and a statement of administrative costs.

On a voice vote, the Mayor declared the motion postponed with Councilmember Kolb dissenting.

Following is the substitute resolution as amended and postponed:

## NICOLAS SUBSTITUTE

### RESOLUTION ORDERING ELECTION AND DETERMINING BALLOT QUESTION FOR CHARTER AMENDMENT

IT IS RESOLVED, That the Ann Arbor City Council proposes that the City Charter be amended by adding Section 8:21 which shall read as follows:

#### **Funds for Housing**

##### Section 8.21

Section 8.21. In addition to any other amount which the City is authorized to raise by general tax upon real and personal property situated in the City, by this Charter or any other provision of law, the City shall, in the years 1995 through 1996, annually levy a tax of one-half mill on all taxable real and personal property situated in the City for the purpose of providing funds for housing. Fifty percent of the funds collected shall be dedicated solely to the funding, financing or refinancing of the Ann Arbor YMCA Residence Program. Twenty-five percent of the funds collected shall be dedicated solely to provide assistance to organizations that provide emergency shelter. Twenty-five percent of the funds collected shall be dedicated solely to financing the development or redevelopment of non-publicly owned housing which will benefit households earning less than 60 percent of the Ann Arbor median income. Such funds shall be used only for public purposes as authorized by state law.

IT IS FURTHER RESOLVED, That November 8, 1994 is designated as the day for holding an election on the proposed Charter amendment;

IT IS FURTHER RESOLVED, That the Clerk shall transmit a copy of the proposed amendment to the Attorney General and Governor of Michigan and shall perform all other acts required by law for holding an election;

IT IS FURTHER RESOLVED, That a proposed Charter amendment shall appear on the ballot in the following form, together with the following statement of purpose:

**ANN ARBOR CITY CHARTER AMENDMENT  
AUTHORIZING A TAX FOR HOUSING**

Shall the Charter be amended to authorize the City to annually levy a one-half mill tax (0.5000 per \$1,000 of SEV) upon taxable real and personal property within the City, in the years 1995 through 1996, to provide funds for housing (50% for the YMCA Residence Program, 25% for emergency shelter, 25% for the development or redevelopment of housing which will benefit households earning less than 60 percent of the Ann Arbor median income), which will raise in the first year of the levy the estimated revenue of \$1,261.799?

\_\_\_ Yes

\_\_\_ No

**PURPOSE OF AMENDMENT**

The amendment will permit the City to assist, as authorized by State law, in the funding or refinancing of The Ann Arbor YMCA, funding for emergency shelter, and development or redevelopment of housing which benefits households earning less than 60 percent of the Ann Arbor median income;

IT IS FURTHER RESOLVED, That the proposed Charter amendment and proposed ballot question, along with the statement of purpose, shall be published in full not fewer than two times in the Ann Arbor News;

IT IS FURTHER RESOLVED, That the revenues from the millage be used to provide funds to the Economic Development Corporation or other entities authorized by State Law for the purpose of funding, financing or refinancing: First, the Ann Arbor YMCA and, Second, affordable housing projects and emergency shelters; and

IT IS FURTHER RESOLVED, That the Administrator be directed to propose to Council within 30 days, criteria and evaluation procedures similar to the procedures used by the Housing Policy Board and the Community Development Department for use by the Economic Development Corporation and other entities authorized by State Law, to improve profits for non-profits organizations.

**REPORTS FROM COUNCIL COMMITTEES**

Councilmember Lumm reported on the status of the police communication tower proposed to be located on Dhu Varren Road.

Councilmember Stead said that the Treehouse Condominiums Task Force is still awaiting requested information from the project developer that will aid in a decision on this project at the next meeting.

### **COUNCIL PROPOSED BUSINESS**

September 7, 1994:

Resolution Regarding the Fuller/Oak Way Intersection (Councilmembers Stoll, Smith, Hanna-Davies)

### **COMMUNICATIONS FROM THE MAYOR**

Mayor Sheldon said that the Community Development Department received recognition from the Ann Arbor Trailblazers for its efforts on their behalf.

### **COMMUNICATIONS FROM THE CITY ADMINISTRATOR**

There were no communications from the City Administrator. Administrator Gatta received requests from Councilmembers for information on various subjects.

### **COMMUNICATIONS FROM THE CITY ATTORNEY**

None.

### **COMMUNICATIONS FROM COUNCIL**

None.

### **CLERK'S REPORT OF COMMUNICATIONS, PETITIONS AND REFERRALS**

None.

### **PUBLIC COMMENTARY - GENERAL**

None.

### **ADJOURNMENT**

There being no further business, Councilmember Stead moved that the meeting be adjourned.

On a voice vote, the Mayor declared the motion carried unanimously, and the meeting was adjourned at 11:20 p.m.

Linda J. Wise  
Acting Clerk of the Council  
Recording Secretary