

**ANN ARBOR CITY COUNCIL MINUTES
REGULAR SESSION - TUESDAY, SEPTEMBER 5, 2006**

Mayor John Hieftje called the regular session of the Ann Arbor City Council to order at 7:00 p.m. in the City Hall Council Chamber, 100 N. Fifth Ave, Ann Arbor, Michigan.

Council stood for a moment of silence.

Mayor Hieftje led Council in the recitation of the Pledge of Allegiance.

ROLL CALL OF COUNCIL

PRESENT : Councilmembers John Roberts, Robert M. Johnson, Joan Lowenstein, Stephen Rapundalo, Jean Carlberg, Leigh Greden, Margie Teall, Marcia Higgins, Christopher Easthope, Wendy A. Woods (7:45 p.m.), Mayor John Hieftje, 11.

ABSENT : 0.

INTRODUCTIONS

City Attorney Stephen K. Postema read a statement about public speaking.

PUBLIC COMMENTARY - RESERVED TIME

BLAINE COLEMAN – PALESTINE

Blaine Coleman, P. O. Box 7038, addressed Council regarding divestment from Israel.

DAVID BOYLE – CITY COUNCIL AND BIG BUSINESS

David Boyle, member of the public, addressed Council regarding Metro 202. He urged Council to think very carefully about Metro 202 and to listen carefully to public comments before approving big business projects.

PETER HEYDON – METRO 202

Peter Heydon, 324 E. Washington St., spoke in opposition of the re-introduction of the Metro 202 site plan resolution.

**THOMAS PARTRIDGE – DEMOCRATIC REFORMS NEEDED TO PROTECT
“AMERICA’S MOST VULNERABLE”**

Thomas Partridge addressed Council regarding democratic reforms that are needed to protect “America’s Most Vulnerable” citizens.

PUBLIC HEARINGS

ZONING (ORDINANCE NO. 37-06)

A public hearing was conducted on the proposed amendment to Chapter 55, Sections 5:1 and 5:51 (Zoning) of Title V of the Code of the City of Ann Arbor regarding Definition of “High-Water Mark, Ordinary” and Addition of Word “Horizontally”. Notice of public hearing was published August 20, 2006.

There being no one present for comment, the Mayor declared the hearing closed.

ESTABLISH CITY APPLICATION FEE FOR EXTENDED HOURS – ENTERTAINMENT PERMIT

A public hearing was conducted on the Resolution to Establish City Application Fee for Extended Hours – Entertainment Permit in Conjunction with a Class C Liquor License. Notice of public hearing was published September 3, 2006.

There being no one present for comment, the Mayor declared the hearing closed.

APPROVAL OF AGENDA

AGENDA APPROVED WITH CHANGES

Councilmember Johnson moved, seconded by Councilmember Roberts, that the agenda be approved with the following changes:

MOTIONS AND RESOLUTIONS

Added After Newspaper Deadline:

Add: Resolution Encouraging Google, Inc., to Establish its Ad-Words Headquarters in the City of Ann Arbor’s Central Business District (Councilmembers Easthope and Lowenstein) **(Added 9/5/06)**

Add: Resolution To Rename The Downtown Implementation Strategies Committee To The A2D2 Ann Arbor Discovering Downtown (Councilmember Higgins) **(Added 9/5/06)**

Move: CLOSED SESSION TO DISCUSS PENDING LITIGATION AND ATTORNEY/CLIENT PRIVILEGED COMMUNICATION **(Consider after Consent Agenda)**

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

APPROVAL OF COUNCIL MINUTES

MINUTES OF AUGUST 21, 2006 APPROVED

Councilmember Lowenstein moved, seconded by Councilmember Teall, that the regular session minutes of August 21, 2006 be approved as presented.

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

CONSENT AGENDA

CONSENT AGENDA ITEMS APPROVED

Councilmember Carlberg moved, seconded by Councilmember Rapundalo, that the following Consent Agenda items be approved as presented:

R-388-9-06 APPROVED

RESOLUTION TO APPROVE A CONSTRUCTION CONTRACT WITH CAMERON CONTRACTING COMPANY IN THE AMOUNT OF \$94,126.94 FOR IMPROVEMENTS AT THE GALLUP PARK PLAY AREA, PER BID #3809, AND TO ESTABLISH A TOTAL CONSTRUCTION BUDGET OF \$103,539.00

Whereas, Gallup Park is identified in the Parks and Recreation Open Space Plan to receive upgrades and improvements in FY 2006-2007;

Whereas, Residents and Gallup Park facility users were invited to provide comment on the plan for improvements to the play area at Gallup Park;

Whereas, Competitive bids were sought by the Procurement Office with bids received on August 8, 2006 and Cameron Contracting Company was identified as the lowest responsible bidder;

Whereas, Funds for the project are included in the approved FY 2006-2007 Parks Rehabilitation and Development Millage budget for Gallup Park; and

Whereas, Cameron Contracting Company received Human Rights approval on August 10, 2006 and complies with the living wage and prevailing wage requirements;

RESOLVED, That City Council approve a construction contract, per bid #3809, with Cameron Contracting Company in the amount of \$94,126.94 for improvements at Gallup Park;

RESOLVED, That City Council approve a construction contingency in the amount of \$9,412.00 (10%) to cover potential contract change orders for a total construction project budget of \$103,539.00 for the life of the project without regard to fiscal year;

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution including the authority to approve change orders within the approved contingency; and

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the contract after approval as to substance by the City Administrator and approval as to form by the City Attorney.

R-389-9-06 APPROVED

RESOLUTION TO APPROVE A CONTRACT WITH HOMEPLACE COMMUNITY LAND TRUST (HCLT) FOR ADMINISTERING PERMANENTLY AFFORDABLE HOMEOWNER UNITS FOR THE OFFICE OF COMMUNITY DEVELOPMENT

Whereas, The Office of Community Development currently administers HOME, CDBG, AAHTF funds and permanently affordable units created by private developers; and

Whereas, A fair and structured process is needed to administer owner units within perpetuity covenants;

RESOLVED, That the Mayor and City Council approve the allocation of \$15,500.00 in Ann Arbor Housing Trust funds to contract with Homeplace Community Land Trust to administer the affordable homeownership units within perpetuity covenants;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to execute this contract with Homeplace Community Land Trust consistent with this resolution subject to approval as to substance by the City Administrator and approval as to form by the City Attorney with funds to be available until expended without regard to fiscal year; and

RESOLVED, That the City Administrator, or his designee, be authorized to take necessary administrative actions and to execute any documents necessary to complete this transaction and to implement this resolution.

R-390-9-06 APPROVED

RESOLUTION TO APPROVE THE TRANSFER OF
112-114 GLENDALE FROM COMMUNITY HOUSING ALTERNATIVES
TO GLENDALE NONPROFIT HOUSING CORPORATION

Whereas, The City of Ann Arbor approved a loan for \$150,000.00 to Community Housing Alternatives for 112-114 Glendale in 2002;

Whereas, The City of Ann Arbor's Housing Affordability Agreement, Mortgage and Note are signed with the legal entity of Community Housing Alternatives;

Whereas, The Michigan State Housing Development Authority is required under MCL 125.1444 to approve funding for a specific type of subrecipient, in this case, a nonprofit housing corporation;

Whereas, The City's Housing Affordability Agreement requires Community Housing Alternatives to receive permission from the City to transfer these properties; and

Whereas, Aside from the lien position with MSHDA, the underlying obligations will not be changed by the transfer of these properties from Community Housing Alternatives to Glendale Nonprofit Housing Corporation;

RESOLVED, That City Council approve the transfer of 112-114 Glendale from Community Housing Alternatives to Glendale Nonprofit Housing Corporation;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to execute a revised Housing Affordability Agreement, Mortgage, and Note, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator, or designee, be authorized to take necessary administrative actions and to execute any supporting documents necessary to complete this transaction and to implement this resolution.

R-391-9-06 APPROVED

RESOLUTION TO APPROVE THE TRANSFER OF
100-102 GLENDALE FROM COMMUNITY HOUSING ALTERNATIVES
TO GLENDALE NONPROFIT HOUSING CORPORATION

Whereas, The City of Ann Arbor approved a loan for \$150,000.00 to Community Housing Alternatives for 100-102 Glendale in 2002;

Whereas, The City of Ann Arbor’s Housing Affordability Agreement, Mortgage and Note are signed with the legal entity of Community Housing Alternatives;

Whereas, The Michigan State Housing Development Authority is required under MCL 125.1444 to approve funding for a specific type of subrecipient, in this case, a nonprofit housing corporation;

Whereas, The City’s Housing Affordability Agreement requires Community Housing Alternatives to receive permission from the City to transfer these properties; and

Whereas, Aside from the lien position with MSHDA, the underlying obligations will not be changed by the transfer of these properties from Community Housing Alternatives to Glendale Nonprofit Housing Corporation;

RESOLVED, That City Council approve the transfer of 100-102 Glendale from Community Housing Alternatives to Glendale Nonprofit Housing Corporation;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to execute a revised Housing Affordability Agreement, Mortgage, and Note, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator, or designee, be authorized to take necessary administrative actions and to execute any supporting documents necessary to complete this transaction and to implement this resolution.

R-392-9-06 APPROVED

RESOLUTION TO APPROVE A CONTRACT WITH FRISBIE MOVING AND STORAGE COMPANY FOR THE COMMERCIAL STORAGE AND TRANSPORTATION OF VOTING EQUIPMENT, BID NO. 3767

Whereas, The City Clerk requires a vendor for commercial storage and transportation of voting equipment;

Whereas, Frisbie Moving and Storage is able to provide the City Clerk's Office with a private office for use by election personnel, as well as floor space for testing and election preparation, in addition to long-term storage and transportation;

Whereas, Frisbie Moving and Storage Company, the City's current vendor for voting equipment storage, was the only respondent to Bid No. 3767; and

Whereas, Frisbie Moving and Storage Company received Human Rights approval on July 31, 2006, and complies with the City's living wage requirements;

RESOLVED, That City Council approve the contract with Frisbie Moving and Storage Company in the amount of \$134,850.00 for five years to perform the work specified in Bid No. 3767; and

RESOLVED, That the Mayor and City Clerk be authorized to execute the contract after approval as to substance by the City Administrator and approval as to form by the City Attorney:

R-393-9-06 APPROVED

RESOLUTION TO ACCEPT BOARD OF INSURANCE ADMINISTRATION MEETING MINUTES OF JULY 28, 2006

RESOLVED, That the attached Board of Insurance Administration Minutes of July 28, 2006 be accepted and that the recommended course of action therein, including payments, be approved and authorized.

MINUTES
CITY OF ANN ARBOR BOARD OF INSURANCE ADMINISTRATION
July 28, 2006

PRESENT: Joan Lowenstein, Councilmember
Matthew Horning, Treasurer
Robert West, Assistant city Attorney
Jack Tallerico, Arthur J. Gallagher & Company
Sarah Singleton, Management Assistant

OLD BUSINESS
Appeal by Claimant

CC034-06 David Sponseller
Vehicle Damage
Board discussed appeal and recommends denial

NEW BUSINESS

CLAIMS APPROVED BY INSURANCE BOARD

CC051-06 Lauren Whithead
Vehicle Damage
Discussed by Sarah Singleton, Management Assistant

CC049-06 Margaret Watrous
Georgetown Commons South Condo Assoc.
Property Damage
Discussed by Sarah Singleton, Management Assistant

CLAIMS DENIED BY INSURANCE BOARD

CC048-06 Peizhe Tong
Vehicle Damage
Discussed by Sarah Singleton, Management Assistant

CC053-06 Molly Mason
Vehicle Damage
Discussed by Sarah Singleton, Management Assistant

CLAIMS APPROVED BY CHIEF FINANCIAL OFFICER

CC052-06 Janice Stumpf
 Vehicle Damage
 Discussed by Sarah Singleton, Management Assistant

CLAIMS DENIED BY CHIEF FINANCIAL OFFICER

CC050-06 Carol Guido
 Personal Injury
 Discussed by Sarah Singleton, Management Assistant

Prepared by: Sarah Singleton, Management Assistant
Date: September 5, 2006

R-394-9-06 APPROVED

RESOLUTION TO APPROVE SECOND AMENDMENT TO LEGAL SERVICES
CONTRACT WITH UFER & SPANIOLA, P.C.

Whereas, Section 5.2(c) of the Ann Arbor City Charter authorizes City Council, on the recommendation of the City Attorney, to retain special legal counsel to assist the City Attorney;

Whereas, Continued representation by the firm of Ufer & Spaniola, P.C. relating to matters involving the Broadway Village at Lower Town project is in the best interests of the City at this time based on James C. Adams' expertise in development matters;

Whereas, The cost of services rendered by Ufer and Spaniola, P.C. have been and will continue to be reimbursed to the City of Ann Arbor by the developer; and

Whereas, Ufer and Spaniola, P.C. received Human Rights and Living Wage approval on August 25, 2006;

RESOLVED, That City Council approve an appropriation to the revenue budget for \$75,000.00 for reimbursable project costs from the developer, Strathmore Development Company;

RESOLVED, That the City Council approve an increase in the revenue and expenditures budget in the General Fund Attorney Services budget in the amount of \$75,000.00 with source of funds from the developer;

RESOLVED, That the City Council approve the second amendment to the contract for legal services with the law firm of Ufer and Spaniola, P. C. in a total amount of \$75,000.00, without regard to fiscal year; and

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the contract amendment with Ufer & Spaniola, P.C. after approval as to form and substance by the City Attorney.

The question being the foregoing Consent Agenda items as presented, on a voice vote, the Mayor declared the motion carried.

RECESS FOR CLOSED SESSION

Councilmember Greden moved, seconded by Councilmember Carlberg, that the regular session of Council be recessed for a closed session to discuss pending litigation, attorney client privileged communication and land acquisition.

On roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Greden, Teall, Higgins, Roberts, Johnson, Lowenstein, Rapundalo, Mayor Hieftje, 9;

Nays, Councilmember Easthope, 1;

Absent, Councilmember Woods, 1.

The Mayor declared the motion carried and the meeting recessed at 7:29 p.m.

The meeting reconvened in Open Session at 7:37 p.m.

ORDINANCES - SECOND READING

52-05 DEFEATED

**HISTORIC PRESERVATION
(LOWER TOWN HISTORIC DISTRICT)**

An Ordinance to Amend the Code of the City of Ann Arbor by Adding a New Title XV to the Ann Arbor Register of Historic Places of Section 8:407 of Chapter 103 of Title VIII of the Code of the City of Ann Arbor

(The complete text of Ordinance 52-05 is on file in the City Clerk's Office.)

Councilmember Johnson moved, seconded by Councilmember Higgins, that the ordinance be adopted at second reading.

Councilmember Carlberg moved, seconded by Councilmember Johnson, to postpone the ordinance until March 5, 2007.

(Councilmember Woods arrived at 7:45 p.m.)

On roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Teall, Johnson, Lowenstein, 4;

Nays, Councilmembers Rapundalo, Greden, Higgins, Easthope, Woods, Roberts, Mayor Hieftje, 7.

The Mayor declared the motion failed.

The question being the ordinance as presented, on roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Teall, Woods, Johnson, Lowenstein, 5;

Nays, Councilmembers Rapundalo, Greden, Higgins, Easthope, Roberts, Mayor Hieftje, 6.

The Mayor declared the motion failed and the ordinance defeated.

37-06 APPROVED**ZONING**

An Ordinance to Amend Sections 5:1 and 5:51 of Chapter 55 (Zoning)
of Title V of the Code of the City of Ann Arbor

(The complete text of Ordinance 37-06 is on file in the City Clerk's Office.)

Councilmember Carlberg moved, seconded by Councilmember Easthope, that the ordinance be approved at second reading.

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

ORDINANCES - FIRST READING

None.

MOTIONS AND RESOLUTIONS**R-395-9-06 APPROVED****RESOLUTION TO NOMINATE A MEMBER OF THE CITY OF ANN ARBOR
ENVIRONMENTAL COMMISSION**

Whereas, The appointment of members of the Environmental Commission is a prerogative of the City Council;

Whereas, D. Malama Chock's term on the Environmental Commission expired on March 17, 2006;

Whereas, D. Malama Chock has expressed a continued interest in serving on the Environmental Commission and would accept re-appointment; and

Whereas, D. Malama Chock was nominated for re-appointment on August 21, 2006;

RESOLVED, That D. Malama Chock be appointed to serve another term as a member of the Environmental Commission for a term beginning September 6, 2006 and expiring September 5, 2009.

Councilmember Carlberg moved, seconded by Councilmember Teall, that the resolution be

adopted.

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

REQUEST APPROVED

REQUEST TO RECONSIDER METRO 202 PLANNED PROJECT SITE PLAN AND DEVELOPMENT AGREEMENT, 0.20 ACRE, 202 SOUTH DIVISION STREET

Whereas, I, Stephen Rapundalo, a member who voted on the prevailing side, a nay vote, on Resolution D-4 at the August 21, 2006 meeting;

I move to reconsider the vote on Metro 202 Planned Project Site Plan and Development Agreement, 0.20 Acre, 202 South Division Street.

Councilmember Rapundalo moved, seconded by Councilmember Teall, that the request to reconsider Metro 202 Planned Project Site Plan and Development Agreement be approved.

Councilmember Greden recused himself from discussion of the request to reconsider and the resolution if reconsidered.

Note: Councilmember Rapundalo cast a “NO” vote from the August 21, 2006 Regular Session regarding the Metro 202 Site Plan Resolution, which was a part of the prevailing vote of that resolution and therefore is able to request that Council reconsider the proposed Metro 202 Site Plan resolution, per the City Council’s rules.

On roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Teall, Higgins, Easthope, Woods, Roberts, Johnson, Lowenstein, Rapundalo, 9;

Nays, Mayor Hieftje, 1;

Abstention, Councilmember Greden, 1.

The Mayor declared the motion carried and the previously defeated Metro 202 Planned Project Site Plan and Development Agreement was placed on the table for consideration.

RESOLUTION TO APPROVE METRO 202 PLANNED PROJECT SITE PLAN AND DEVELOPMENT AGREEMENT, 0.20 ACRE, 202 SOUTH DIVISION STREET

Whereas, Division Street Parking, LLC, has requested site plan approval in order to construct a nine-story, 53,454-square foot building for retail/commercial uses on the first floor and 44 residential units on the remaining floors;

Whereas, Division Street Parking, LLC, has also requested planned project modifications from the front setback requirements of Chapter 55 (Zoning);

Whereas, A development agreement has been prepared to address public and private utilities, on-site storm water management, a park contribution, footing drain disconnections, the provision of 27 off-site parking spaces, periodic settlement surveys of adjacent historic buildings, and performance of video or other form of documentation of the foundation or other visible structural elements;

Whereas, The Ann Arbor City Planning Commission, on January 19, 2006, recommended approval of said request;

Whereas, The contemplated development will comply with all applicable state, local and federal law, ordinances, standards and regulations;

Whereas, The development would limit the disturbance of natural features to the minimum necessary to allow a reasonable use of the land, applying criteria for reviewing a natural features statement of impact set forth in Chapter 57; and

Whereas, The development would not cause a public or private nuisance and would not have a detrimental effect on the public health, safety or welfare;

RESOLVED, That City Council approve the Development Agreement, substantially in the form of that on file in the City Clerk's Office, dated March 8, 2006;

RESOLVED, That the Mayor and City Clerk be authorized and directed to sign the Development Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That City Council approve the Metro 202 Site Plan and planned project modifications from the front setback requirements of Chapter 55, upon the conditions that (1) the Development Agreement is signed by all necessary parties, (2) all terms of the Development Agreement are satisfied, and (3) a study of the impacts to the downstream sanitary sewer system as a result of this development is completed.

Councilmember Carlberg moved, seconded by Councilmember Higgins, to adopt the

resolution.

On roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Teall, Higgins, Easthope, Woods, Roberts, Lowenstein, Rapundalo, 8;

Nays, Johnson, Mayor Hieftje, 2.

Abstention, Councilmember Greden, 1.

The Mayor declared the motion carried.

RESOLUTION NOT CONSIDERED

RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF
ORDINANCE NO. 52-05 – AN ORDINANCE TO AMEND THE CODE OF
THE CITY OF ANN ARBOR BY ADDING A NEW TITLE XV TO THE ANN ARBOR
REGISTER OF HISTORIC PLACES OF SECTION 8:407 OF CHAPTER 103
(HISTORIC PRESERVATION) OF TITLE VIII OF THE CODE OF
THE CITY OF ANN ARBOR (LOWER TOWN HISTORIC DISTRICT)

Whereas, Section 7.4 of the City Charter authorizes the publication by summary of ordinances over 500 words in length;

RESOLVED, That the publication of Ordinance 52-05 shall be by the following summary:

Ordinance 52-05 adds a new Title XV to the Ann Arbor Register of Historic Places of Section 8:407 of Chapter 103 of Title VIII of the Code of the City of Ann Arbor by establishing a Lower Town Historic District to preserve the integrity of the individual properties, maintaining the settlement patterns and diverse building styles prevalent in the historic structures included in the proposed boundaries. The new Lower Town Historic District will consist of 209 resources: 206 buildings and Plymouth Park, Fairview Cemetery and the stone gutters on Wright Street.

This resolution was not considered due to the fact that Ordinance No. 52-05 was defeated earlier in the meeting.

POSTPONED

RESOLUTION TO APPROVE CVS PHARMACY PLANNED PROJECT SITE PLAN

Whereas, CVS Pharmacy has requested site plan approval in order to construct a 12,900-square foot, one-story pharmacy at 2100 West Stadium Boulevard;

Whereas, CVS Pharmacy has also requested planned project modifications from the front setback requirements of Chapter 55 (Zoning);

Whereas, The Ann Arbor City Planning Commission, on June 6, 2006, reviewed said request;

Whereas, The contemplated development will comply with all applicable state, local and federal law, ordinances, standards and regulations;

Whereas, The development would limit the disturbance of natural features to the minimum necessary to allow a reasonable use of the land, applying criteria for reviewing a natural features statement of impact set forth in Chapter 57; and

Whereas, The development would not cause a public or private nuisance and would not have a detrimental effect on the public health, safety or welfare;

RESOLVED, That City Council approve the CVS Pharmacy Site Plan and planned project modifications from the front setback requirements of Chapter 55, subject to the approved land division of 2100 West Stadium Boulevard prior to issuance of building permits.

A communication was received from the Planning Commission transmitting its recommendation of denial of the proposed Resolution to Approve CVS Pharmacy Planned Project Site Plan, 1.78 Acres, located at 2100 West Stadium Boulevard.

Councilmember Carlberg moved, seconded by Councilmember Roberts, that the resolution be adopted.

Councilmember Carlberg moved, seconded by Councilmember Easthope, to postpone the resolution until September 18, 2006.

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

R-398-9-06 APPROVED

RESOLUTION TO APPROVE THE PURCHASE OF AND APPROPRIATE FUNDS FOR THE ACQUISITION OF THE PROPERTY OWNED BY THE NED SHURE A/K/A NED GARRETT SHURE TRUST, DATED AUGUST 4, 1995, AS RESTATED NOVEMBER 25, 1995, (COMMONLY KNOWN AS THE JANICE B. ONDER SITE) FROM THE OPEN SPACE AND PARKLAND PRESERVATION BOND PROCEEDS IN THE AMOUNT OF \$499,200.00

Whereas, Purchase of parkland may be funded through the Open Space and Park Land Preservation bond proceeds;

Whereas, The Janice B. Onder site is approximately 4.75 acres, is adjacent to City-owned Huron Parkway Right-of-Way, which will provide connection from the property to Leslie Park;

Whereas, The property has been appraised as required by Section 1:320 of the Ann Arbor City Code with a fair market value \$480,000.00; and

Whereas, There are sufficient funds in the Open Space and Parkland Preservation bond proceeds to match the total purchase price, plus estimated closing costs, including the Phase I Environmental Site Assessment and a boundary survey;

RESOLVED, That City Council approve the real estate and sales agreement for the purchase of the property owned by the Ned Shure a/k/a Ned Garrett Shure Trust, dated August 4, 1995, as restated November 25, 1995 (commonly known as the Janice B. Onder Site), and described as:

Legal Description:

Commencing at the East ¼ Corner of Section 17, T2S, R6E, Township of Ann Arbor, Washtenaw County, Michigan; thence S 00° 20' 25" E 695.91 feet along the East line of said section and the West line of Huron Highlands, a subdivision as recorded in Liber 15 of Plats, page 35. Washtenaw County Records to a point on the Easterly right on way line of the US-23 Freeway, said point being the POINT OF BEGINNING; thence continuing S 00° 20' 25" E 706.17 feet along said East line and said West line to the Northwest corner of Winters Park, a subdivision as recorded in Liber 15 of Plats, page 42, Washtenaw County Records; thence N 87° 46' 00": W 409.75 feet along the North line of said Winters Park; thence N 39° 25' 45" E 218.74 feet; thence N 18° 52' 05" E 105.05 feet; thence N 05° degrees 39' 30" E 58.45 feet thence N 11° degrees 51' 45" W 72.17 feet; thence N 81° 18' 10" W 207.64 feet to a point on the Easterly right of way line of the US-23 Freeway; thence along said right of way line Northeasterly 537.13 feet along the arc of a 572.55 foot radius circular curve to the right, through a central angle of 53° 45' 00" having a chord which bears N 59° 38' 25" E 517.64 feet to the Point of Beginning, being a part of the Southeast ¼ of Section 17, T2S, R6E. Township of Ann Arbor, Washtenaw County, Michigan.

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the purchase and sales agreement after approval as to form by the City Attorney; and

RESOLVED, That City Council appropriate funds from the Open Space and Parkland Preservation bond proceeds and establish a project budget for the acquisition of the property in the amount of \$499,200.00 to cover the costs of acquisition, closing, and incidental costs to be available for expenditure without regard to fiscal year.

Councilmember Carlberg moved, seconded by Councilmember Roberts, that the resolution be adopted.

On roll call, the vote was as follows:

Yeas, Councilmembers Carlberg, Greden, Teall, Higgins, Easthope, Woods, Roberts, Johnson, Lowenstein, Rapundalo, Mayor Hieftje, 11;

Nays, 0.

The Mayor declared the motion carried unanimously, thus satisfying the eight-vote requirement.

R-399-9-06 APPROVED

RESOLUTION TO APPROVE THE SECOND AMENDMENT TO THE OPTION AGREEMENT FOR THE PURCHASE OF LAND AT 350 S. FIFTH AVENUE

Whereas, On June 20, 2005, City Council selected HDC, LLC/Hope Network's proposal for the purchase and redevelopment of 350 S. Fifth Avenue (old YMCA building) ("Property");

Whereas, HDC's proposal for the purchase of the property included financial proposals for funding the purchase, which were based in part on its application for Low Income Housing Tax Credits;

Whereas, HDC submitted an application for Low Income Housing Tax Credits to the Michigan State Housing Development Authority ("MSHDA") which was not awarded credit during the September 15, 2005 round of funding;

Whereas, HDC's application for the March 15, 2006 funding round is still being considered for Low Income Housing Tax Credits from the MSHDA;

Whereas, HDC and the City continue to negotiate in good faith the purchase of the property and redevelopment of the site; and

Whereas, In anticipation of receipt of tax credits from the March 15, 2006 funding round or the need to apply for funding of tax credits for the September 15, 2006 funding round, it is necessary to approve a Second Amendment to the Option Agreement approved by Council Resolution R-42-2-06 to extend the term of the Option to satisfy MSHDA’s requirements for evidence of land control;

RESOLVED, That City Council approve the Second Amendment to the Option to Purchase Agreement for 350 S. Fifth Avenue with HDC, LLC subject to the terms and conditions stated in the attached Second Amendment to the Option extending the agreement until January 31, 2007;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Second Amendment to the Option to Purchase Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this Resolution.

Councilmember Woods moved, seconded by Councilmember Teal, that the resolution be adopted.

On a voice vote, the Mayor declared the motion carried unanimously, thus satisfying the eight-vote requirement.

R-400-9-06 APPROVED

RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF ORDINANCE NO. 37-06 – AN ORDINANCE TO SECTIONS 5:1 AND 5:51 OF CHAPTER 55 (ZONING) OF TITLE V OF THE CODE OF THE CITY OF ANN ARBOR

Whereas, Section 7.4 of the City Charter authorizes the publication by summary of ordinances over 500 words in length;

RESOLVED, That the publication of Ordinance 37-06 shall be by the following summary:

Ordinance 37-06 amends Sections 5:1 and 5:51 of Chapter 55 of Title V of the Code of the City of Ann Arbor to clearly delineate the measurement of natural features open space and further clarify the intent of the City Code.

The addition of a definition of “High-Water Mark, Ordinary” in Section 5:1 will result in using the same text as the State of Michigan and the addition of the word “horizontally” in Section 5:51 will clearly indicate how to determine the natural features open space measurement.

Councilmember Greden moved, seconded by Councilmember Carlberg, that the resolution be adopted.

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

R-401-9-06 APPROVED

RESOLUTION TO RENEW CONTRACTS WITH WASHTENAW COUNTY FOR MANAGEMENT SERVICES AND LEASING OFFICE SPACE FOR THE OFFICE OF COMMUNITY DEVELOPMENT

Whereas, The Office of Community Development currently administers CDBG, HOME, and General Fund programs for the City and County;

Whereas, A design team of City and County managers met from November, 2003 to April, 2004 and determined that the combined knowledge of City and County community development staff would provide a better understanding of community needs, streamline administrative processes, and encourage innovation in community programming and technical assistance to non-profits;

Whereas, The joint City/County Office of Community Development was authorized by the Ann Arbor City Council and Washtenaw County Board of Commissioners in October, 2004; and

Whereas, The Office of Community Development has been working with many successes since October, 2004;

RESOLVED, That the Mayor and City Council approve the renewal of contracts with Washtenaw County, for a total amount not to exceed \$157,730.00 (\$66,170.00 in FY 06-07 and \$91,560.00 in FY 07-08), for management services and the lease of office space to the Office of Community Development for twenty-one months, from October, 2006 through June, 2008;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to execute these contracts with Washtenaw County consistent with this resolution, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to execute on behalf of the City any action necessary to implement this resolution.

Councilmember Woods moved, seconded by Councilmember Easthope, that the resolution be adopted.

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

R-402-9-06 APPROVED

RESOLUTION TO ESTABLISH CITY APPLICATION FEE FOR EXTENDED HOURS – ENTERTAINMENT PERMIT IN CONJUNCTION WITH A CLASS C LIQUOR LICENSE

Whereas, The Michigan Liquor Control Commission has established a new permit to allow for the extension of hours for entertainment for Class C Licensed Businesses;

Whereas, The City has received its first request for approval of an Extended Hours permit to allow for Dance Entertainment between 2:30 and 4:00 a.m.;

Whereas, There is currently no application fee established by City Council for these permits; and

Whereas, A public hearing on establishing the application fee for an Extended Hours – Entertainment permit was held on September 5, 2006;

RESOLVED, That the City application fee for an Extended Hours – Entertainment permit, in conjunction with a Class C licensed business be set at \$500.00 to be consistent with current City practice; and

RESOLVED, That a public hearing be held for each application to allow for public comments and input and that notification of the application and hearing be sent to all property owners within 100 feet of the applicant's Class C business.

Councilmember Johnson moved, seconded by Councilmember Teall, that the resolution be adopted.

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

R-403-9-06 APPROVED

RESOLUTION ACCEPTING EASEMENT FOR PUBLIC UTILITIES FROM
MVP LIMITED DIVIDEND HOUSING ASSOCIATION, LLC
(MAPLE VIEW APARTMENTS – 900 S. MAPLE ROAD)

Whereas, MVP Limited Dividend Housing Association, LLC, a Michigan limited liability corporation, is the owner in fee simple of property located in the City of Ann Arbor, Washtenaw County, Michigan as described in the Washtenaw County Records at Liber 4474, Page 224, recorded April 27, 2005;

Whereas, An Authorization Resolution of MVP Limited Dividend Housing Association, LLC, with an effective date of July 21, 2006, authorizes the execution and delivery of a perpetual easement for public utilities to the City of Ann Arbor;

Whereas, MVP Limited Dividend Housing Association, LLC, has delivered an easement to the City for public utilities to run with the land to burden and encumber the respective property perpetually, being more particularly described as follows:

40-foot wide water main:

Commencing at the Northeast Corner of Section 36, Township 2 South, Range 5 East, Ann Arbor, Washtenaw County, Michigan; thence N88°22'30"W 33.00 feet; thence S01°19'00"E 7.11 feet for a PLACE OF BEGINNING; thence continuing S01°19'00"E 55.50 feet; thence S88°41'00"W 192.00 feet; thence N01°19'00"W 40.00 feet; thence N88°41'00"E 152.00 feet; thence N01°19'00"W 15.50 feet; thence N88°41'00"E 40.00 feet to the Place of Beginning; and

Whereas, It is in the City's best interest to execute a Consent and Joinder in connection with the City's HOME Program Mortgage to protect the City's easement interests in the unlikely event of a mortgage foreclosure action.

RESOLVED, That the City hereby accept said grant of easement; and

RESOLVED, That the Mayor and Clerk be authorized to execute a Consent and Joinder in an appropriate form approved by the City Attorney, and that said document be recorded at the Washtenaw County Register of Deed's Office as soon as practicable following approval of this resolution.

Councilmember Carlberg moved, seconded by Councilmember Woods, that the resolution be adopted.

On a voice vote, the Mayor declared the motion carried unanimously, thus satisfying the eight-vote requirement.

R-404-9-06 APPROVED

RESOLUTION ENCOURAGING GOOGLE, INC., TO ESTABLISH ITS ADWORDS HEADQUARTERS IN THE CITY OF ANN ARBOR’S CENTRAL BUSINESS DISTRICT

Whereas, Google, Inc. (“Google”), has announced its desire to establish a new office in the Ann Arbor area for its AdWords division, directly employing up to 1,000 individuals, and indirectly employing hundreds of additional individuals in “spin-off” and supporting industries;

Whereas, The establishment of Google’s AdWords office in the Ann Arbor area would result in significant economic and social benefits for the entire Ann Arbor community and the State of Michigan, including the creation of thousands of new jobs; an increase in tax revenues to local and state governments; an increase in potential customers for the City of Ann Arbor’s locally-owned businesses; and partnerships with the University of Michigan and local technology firms;

Whereas, Ann Arbor’s Central Business District provides numerous benefits to Google that are not available in other locations outside the City of Ann Arbor, including easy access to dining, shopping, entertainment and cultural events; proximity to the University of Michigan; ample parking; proximity to a wide range of housing options; environmentally-friendly utilization of land resources; and access to existing high-quality infrastructure;

Whereas, In recognition of the positive economic and social benefits that Google’s expansion would create for the Ann Arbor area and the State of Michigan, the Michigan Economic Development Corporation (“MEDC”) has offered Google over \$30 million in tax incentives to encourage Google to locate its office in the Ann Arbor area;

Whereas, Michigan law provides that Google will not be eligible for such tax incentives from the State of Michigan unless the local jurisdiction in which Google locates its new office also offers special tax incentives; and

Whereas, Governor Jennifer Granholm has publicly endorsed efforts by local and State governments to offer incentives to Google to locate its AdWords office in the Ann Arbor area;

RESOLVED, That the Ann Arbor City Council enthusiastically supports Google’s decision to establish its AdWords office in the Ann Arbor area, and encourages Google to locate its AdWords office in the City of Ann Arbor’s Central Business District because of the numerous benefits offered by the Central Business District that are not available outside the City of Ann Arbor;

RESOLVED, That the Ann Arbor City Council is committed and eager to work in partnership with Google to provide the necessary parking, tax incentives, and planning processes to ensure that Google can create its AdWords headquarters in the City of Ann Arbor’s Central Business District in a cost-effective and expeditious manner.

Councilmember Easthope moved, seconded by Councilmember Lowenstein, that the resolution be adopted.

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

R-405-9-06 APPROVED

RESOLUTION TO RENAME THE DOWNTOWN IMPLEMENTATION STRATEGIES COMMITTEE TO THE A2D2 ANN ARBOR DISCOVERING DOWNTOWN

Whereas, Council created the Downtown Implementation Strategies Committee to continue work of Calthorpe Report;

Whereas, Committee wishes to change the name of the committee;

RESOLVED, That the name of the committee be changed to A2D2, Ann Arbor Discovering Downtown.

Councilmember Higgins moved, seconded by Councilmember Rapundalo, that the resolution be adopted.

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

REPORTS FROM COUNCIL COMMITTEES

Ann Arbor, MI 48104
Term: 9/05/06- 9/05/09

Councilmember Carlberg moved, seconded by Councilmember Teall, that Council concur with the recommendations of the Mayor.

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

NOMINATIONS PLACED ON TABLE

Mayor Hieftje placed the following nominations on the table for approval at a later date:

Ann Arbor Transportation Authority Board

Charles Griffith (Replacing Colleen McGee)
1500 Dhu Varren Rd.
Ann Arbor, MI 48105
Term: September 18, 2006 – May 1, 2011

Nancy Shore (Replacing James Salberg)
2020 Winewood
Ann Arbor, MI 48103
Term: September 18, 2006 – May 1, 2011

COMMUNICATIONS FROM THE CITY ADMINISTRATOR

REPORTS SUBMITTED

City Administrator Roger Fraser submitted the following reports for information of Council:

1. July 2006 Investment Portfolio Report
2. Annual Report of Potential Lien Assessments for Delinquent Water Utility Accounts

(Reports are on file in the City Clerk's Office.)

COMMUNICATIONS FROM THE CITY ATTORNEY

None.

COMMUNICATIONS FROM COUNCIL

None.

CLERK'S REPORT OF COMMUNICATIONS, PETITIONS AND REFERRALS

The following communications were referred as indicated:

1. Communication from Department of Environmental Quality (DEQ) regarding approval of a renewal request of a Clean Corporate Citizen (C3) designation for NSK Corporation
2. Communication from the National League of Cities regarding Submission of Resolutions and Policy Amendments to the National League of Cities National Municipal Policy
3. Communication from S.E.M.C.O.G. regarding their SEMCOG Regional Update, Vol. 11, No. 17 for August 21, 2006
4. Communication from Attorney General Mike Cox regarding approval of the City's proposed charger amendment to Sections 8.19 and 8.22 for park maintenance and capital improvements for the period from 2007 to 2012
5. Communication regarding McKinley Zoning Turn Down for Zoning

The following minutes were received for file:

1. Employees' Retirement System Board – July 20, 2006
2. Retiree Health Care Board of Trustees – July 20, 2006
3. Ann Arbor Transportation Authority Board (AATA) – June 21, 2006
4. Downtown Development Authority Board – June 7, 2006

Councilmember Teall moved, seconded by Councilmember Lowenstein, that the Clerk's Report be accepted.

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

PUBLIC COMMENTARY - GENERAL**JIM MOGENSEN – EXTENSION FOR THE OLD YMCA SITE**

Jim Mogensen, 3780 Greenbrier Blvd., #354C, addressed Council with concerns regarding the redevelopment of the former YMCA building. He also expressed concerns about traffic roundabouts in the City.

THOMAS PARTRIDGE – AMERICA’S MOST VULNERABLE

Thomas Partridge addressed Council regarding “America’s Most Vulnerable” citizens.

ADJOURNMENT

There being no further business to come before Council, it was moved by Councilmember Rapundalo that the meeting be adjourned.

On a voice vote, the Mayor declared the motion carried and the meeting adjourned at 8:41 p.m.

Jacqueline Beaudry
Clerk of the Council

Anissa R. Bowden
Recording Secretary