



Action Minutes

City Council

December 8, 2003

..Title

ANN ARBOR CITY COUNCIL MINUTES WORKING SESSION - MONDAY, DECEMBER 8, 2003

..Body

Mayor John Hieftje called the working session of the Ann Arbor City Council to order at 7:30 p.m. in the City Hall Council Chamber.

ROLL CALL OF COUNCIL

PRESENT : Council Members Kim Groome, Robert M. Johnson, Michael R. Reid, Jean Carlberg, Leigh Greden, Margie Teall, Christopher Easthope, Wendy A. Woods, Mayor John Hieftje, 9.

ABSENT : Council Members Joan Lowenstein, Marcia Higgins, 2.

WORK SESSION

UNIVERSITY OF MICHIGAN MASTER PLAN

Jim Kosteva, representing the University of Michigan, presented a slide presentation of the University's Master Plan.

RECESS FOR SPECIAL SESSION

With unanimous consent, the working session of December 8, 2003, was recessed at 8 p.m. to discuss items listed on the special session agenda.

Council Member Easthope moved, seconded by Council Member Woods that the working session of council be reconvened. On a voice vote, the Mayor declared the motion carried and the meeting reconvened at 9:30 p.m.

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WORK SESSION

DDA 2003 RETREAT PRESENTATION

Susan Pollay, Director, Downtown Development Authority, presented Council with the outcome of the October 14, 2003 DDA Retreat. (The outline is on file in the City Clerk's Office.)

ADJOURNMENT

There being no further business to come before Council, it was moved by Council Member Easthope that the meeting be adjourned. The meeting adjourned at 10:00 p.m.

Kathleen M. Root
Clerk of the Council

Anissa R. King
Recording Secretary
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ANN ARBOR CITY COUNCIL MINUTES
SPECIAL SESSION - MONDAY, DECEMBER 8, 2003

Mayor John Hieftje called the special session of the Ann Arbor City Council to order at 8:07 p.m. in the City Hall Council Chamber.

ROLL CALL OF COUNCIL

PRESENT : Council Members Kim Groome, Robert M. Johnson, Michael R. Reid, Jean Carlberg, Leigh Greden, Margie Teall, Christopher Easthope, Wendy A. Woods, Mayor John Hieftje, 9.

ABSENT : Council Members Joan Lowenstein, Marcia Higgins, 2.

NOTICE OF CALL OF SPECIAL SESSION

The notice of call of special session was read and ordered placed on file with the City Clerk.

PUBLIC COMMENTARY - RESERVED TIME

JIM MOGENSEN - YMCA

Jim Mogensen, 3780 Greenbrier Blvd., #354C, addressed Council regarding the purchase of the YMCA.

RICH BURKETT - CITY ADMINISTRATOR EXCEEDING HIS AUTHORITY

REGARDING PERMIT INVALIDATIONS

Rich Burkett, 2919 Brandywine, addressed Council regarding the city administrator exceeding his authority regarding permit invalidations.

RICHARD VOORMAN - PLYMOUTH ROAD PEDESTRIAN ISSUES

Richard Voorman, 2775 Greenbrier #326, addressed council regarding Plymouth Road pedestrian issues.

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APPROVAL OF AGENDA

AGENDA APPROVED WITH CHANGES

Council Member Reid moved, seconded by Council Member Teall that the agenda be approved with the following changes:

D - MOTIONS AND RESOLUTIONS

Add: D-2 Resolution Authorizing Installment Purchase - Ann Arbor YMCA Building Acquisition (Administration - Roger W. Fraser, City Administrator) (Added 12/8/03)

On a voice vote the Mayor declared the motion carried.

MOTIONS AND RESOLUTIONS

R-512-12-03 APPROVED AS AMENDED

(RESOLUTION FOR CONSIDERATION OF FINANCIAL PLAN
OF ACQUISITION OF THE YMCA)

Council Member Groome moved, seconded by Council Member Johnson that the resolution be adopted.

Council Member Groome moved, seconded by Council Member Teall to amend the resolution as follows:

Add New 3rd RESOLVED Clause

...RESOLVED, THE RECOMMENDED ACTION PLAN FOR THIS SITE WILL BE DEVELOPED JOINTLY BY MEMBERS OF THE CITY COUNCIL AND THE DDA PARTNERSHIPS COMMITTEE WITHIN 120 DAYS OF ADOPTION OF THIS RESOLUTION AND THIS RECOMMENDED ACTION PLAN WILL PRESERVE AT LEAST 100 EXTREMELY LOW INCOME UNITS IN THE CITY;...

Add New 4th RESOLVED Clause

...RESOLVED, THAT IF AND WHEN THE PROPERTY IS SOLD, FUNDS RETURNED TO THE DDA WILL BE ALLOCATED TO HOUSING INITIATIVES AND CITY COMMUNITY

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DEVELOPMENT FUNDS WILL BE ALLOCATED TO AFFORDABLE HOUSING INITIATIVES;...

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

The question being the resolution as amended, on roll call, the vote was as follows:

Yeas, Council Members, Carlberg, Greden, Teall, Easthope, Woods, Groome, Johnson, Reid, Mayor Hieftje 9;

Nays, 0.

The Mayor declared the motion carried.

The resolution as amended reads as follows:

(RESOLUTION FOR CONSIDERATION OF FINANCIAL PLAN
OF ACQUISITION OF THE YMCA)

Whereas, The Ann Arbor YMCA offered for sale the YMCA building and the related property and received an offer for purchase of \$3,500,000.00 from the Ann Arbor Transit Authority for the approximately 35,440 gross square feet of property;

Whereas, The Ann Arbor YMCA provided notice of its intent to sell the property to the City of Ann Arbor as required by previous contractual agreement of the parties;

Whereas, On October 16, 2003 the Mayor and Council adopted Resolution # R-434-10-03 to exercise the City's right of first refusal to purchase the YMCA through the Management Agreement between the YMCA and the City dated April 26, 1995 and the right of First Refusal Agreement, dated June 22, 1995;

Whereas, City Council directed the City Administrator to implement the adopted Resolution that resulted in the negotiation of a "Memorandum of Amendment" to the Sales Agreement, dated December 1, 2003;

Whereas, An appraisal of the YMCA building and property was completed on December 19, 1996 with an appraised value of \$7,000,000.00 and which is satisfactory to the City under Section 1:320 of the City Code; and

Whereas, Funding to purchase the YMCA building and property exists in a number of funds (such as but not limited to DDA, Housing Fund) and may be used to pay off the proposed five year loan;

RESOLVED, That City Council approves the purchase of the YMCA building and property at 350 South Fifth Avenue, Ann Arbor, Michigan owned by the Ann Arbor YMCA, described as follows:

land situated in the City of Ann Arbor, Washtenaw County, Michigan, and being more particularly described as Lots 3, 4, 5, and 6; also the South 6 feet of Lot 2, Block 3 South, Range 5 East, original plat of Ann Arbor. Commonly known as 350 South Fifth Avenue and more specifically described in the transfer deed.

under similar terms and conditions as the Agreement for Sale between the Ann Arbor YMCA and the Ann Arbor Transportation Authority, dated September 18, 2003, as Amended by the Memorandum of Amendment, dated December 1, 2003 (Attached), and all rights granted to the City separately under the Management Agreement, dated April 26, 1995;

RESOLVED, That the Mayor and Council authorize the City Administrator to arrange for a five year bank loan to finance the \$3,500,000.00 purchase price and approve of the terms that will not exceed 3.89% interest that will be paid off using the attached five year payment schedule utilizing the identified funding sources including participation from the DDA as confirmed by a Resolution of the DDA Executive Committee approved December 5, 2003 (attachment - Debt Repayment Schedule);

RESOLVED, That the Mayor and Clerk be directed to execute the purchase agreement consistent with the above referenced Management Agreement and the attached Agreement for Sale which has been approved as to form by the City Attorney;

RESOLVED , The recommended action plan for this site will be developed jointly by members of the City Council and the DDA Partnerships Committee within 120 days of adoption of this resolution and this recommended action plan will preserve at least 100 extremely low income units in the City;

RESOLVED , That if and when the property is sold, funds returned to the DDA will be allocated to housing initiatives and City Community Development funds will be allocated to affordable housing initiatives; and

RESOLVED, That the City Administrator, or designee, be authorized to act as the closing agent for the City with the authority to execute any closing documents and authorize or elect not to authorize any closing conditions set forth in said Agreement of Sale as necessary to complete the transaction.

R-513-12-03 APPROVED
(RESOLUTION AUTHORIZING INSTALLMENT PURCHASE AGREEMENT -
ANN ARBOR YMCA BUILDING ACQUISITION)

Council Member Woods moved, seconded by Council Member Easthope that the resolution be

adopted.

On roll call, the vote was as follows:

Yeas, Council Members Carlberg, Greden, Teall, Easthope, Woods, Groome, Johnson, Reid, Mayor Hieftje, 9;

Nays, 0.

The Mayor declared the motion carried.

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PUBLIC COMMENTARY - GENERAL

JIM MOGENSEN - YMCA

Jim Mogensen, 3780 Greenbrier Blvd., #354C, addressed Council regarding the YMCA.

ADJOURNMENT

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

On a voice vote, the Mayor declared the motion carried and the meeting adjourned at 9:17 p.m.

Kathleen M. Root
Clerk of the Council

Anissa R. King
Recording Secretary