



Memorandum

To: Mayor Schreiber and City Council Members

From: Edward B. Koryzno, City Manager

Date: March 31, 2011

Subject: Council Information Letter

CURRENT PROJECTS:

****Governor's Revenue Sharing Proposal:** Recently, council requested that I assess the Governor's Revenue Sharing Proposal and furnish my response. I have attached my assessment for your review.

****Parkview Update:** Attached is the latest update from Director Walter Norris on the status of Hamilton Crossing Development activities.

Commuter Rail Update: Event service was previously slated for the fall of 2010, when SEMCOG/MDOT were anticipating approval of both the environmental assessment as well as Federal Rail administration approval of the train set (engines and cars). Both approvals are still forthcoming. SEMCOG/MDOT is awaiting approval of the action plan related to environmental assessment. Once approved, public hearings will be held, prior to final review. Additionally SEMCOG/MDOT has contracted with Great Lakes Central railroad to test the seats, as well as the full train set, per Federal Railroad Authority (FRA) standards.

The state is expected to apply for High Speed Rail (HSR) funds refused by the State of Florida. That application is expected to be submitted by the end of the month.

Locally, SEMCOG is planning for a platform construction in Ypsilanti and Westland near the end of summer, after the environmental assessment is approved. SEMCOG reports that train cars will be available for a stationary display by the summer. Event service has been temporarily rescheduled for the Thanksgiving Day Parade on Thursday, November 24th, 2011. Staff has invited Carmine Palumbo of SEMCOG to present an update at the May 3, 2011 council meeting. The most recent SEMCOG update on the Detroit to Ann Arbor Commuter rail includes photos of the engines and cars: <http://www.semco.org/A2D2January2011Update.aspx>. If you have any questions contact Teresa Gillotti at 734-483-9646.

Parkridge Park Lease Update: Ms. McGrath has been working to secure signed leases from both the Ypsilanti Housing Commission (YHC) and the Ypsilanti Public Schools (YPS). The YHC has agreed to another 20 year lease and the YPS has agreed to a five year extension. Both leases are being processed in the City Attorney's office and Ms. McGrath has the intention of bringing both leases to the April 19, 2011 City Council meeting for City Council approval.

Clean Energy Coalition Grant: Staff submitted applications for three vehicles for this grant opportunity. The applications included two hybrid Ford Fusions for the Parking Enforcement Officers, the lease on their current vehicles expires in June 2011, and a hybrid Ford Escape to replace a 2002 Dodge Dakota pick-up truck. Due to computer connectivity problems (three days) staff was unable apply for a packer truck for Environmental Services and the signal/sign truck slated for replacement in FY 2011-12.

East and West Cross Streetscape Construction Timeline: Construction is scheduled to begin in Depot Town the week of April 20th. Message boards will be up a week prior to indicate when construction will begin. Traffic will be maintained in one direction during the term of the project. A more complete schedule including, the start date for West Cross, is expected in the next week or two.

GENERAL INFORMATION:

**Historic District Commission – City Council requested a list of addresses the HDC has placed on their watch list for 2010 and 2011. I have attached the list for your review.

**Begging: City Council expressed concerns about persons begging within the city and whether begging was allowed by State law or city ordinance. I previously asked the City Attorney to render an opinion as to what constitutes a violation of state law or city ordinance. His opinion is attached,

DDA Tax Increment Finance (TIF) Millage: Ms. Teamer reports that the 1.8282 mills levied for the DDA/TIFA was not billed on the summer 2010 tax bill. She discovered this on March 16 while working on her settlement. The TIF rates were set up in the computer program, but the millage did not attach to the districts. She contacted the County Treasurer's officials who said this has happened before with other communities and that a solution is available. Ms. Teamer will place this billing on the next summer tax bill. So, the 2011 summer bill will include the unbilled 1.8282 millage times the 2010 taxable value for DDA/TIFA and the 2011 DDA/TIFA millage will be billed in the winter tax bill. This way, residents of the district will not be faced with a double millage on one tax bill. Ms. Teamer will contact Mr. Colbeck so that this information can be shared with the affected property owners.

CDBG Funding: Mary Jo Callan and Jennifer Hall of the Washtenaw County Office of Community Development were queried regarding how Ypsilanti's population loss in Census 2010 might affect CDBG and HOME funding. They responded that the City's population drop is not much of a concern. However they are monitoring on behalf of Ypsilanti and especially Ann Arbor whether or not HUD follows through on the discussion of excluding students from the CDBG poverty formula. Not likely soon, but eventually this will result in a significant reduction of funds for the Urban County.

**Update on Brandy's Party Store: Attached is a brief update on Brandy's from Karl Barr.

Tax Credits for 400 N. River Street: Rob McKay provides support related to Federal Tax Credit applications for the State Historic Preservation Office (SHPO). Staff spoke to Mr. McKay at SHPO regarding state and federal historic tax credits. He confirmed that 400 N River qualified for both types of State Historic Tax Credits, the regular and enhanced, as well as Federal tax credits. All credits are still available to the applicant. Generally, credits are available until five years after the date of Part II application approval (around March of 2009). However, Mr. McKay noted that State enhanced credit does have a revocation

clause in the case that work does not occur on a building. As of staff's conversation earlier this month, the state and federal government are still expecting that the building will be restored as it was intended pre-fire.

YCUA 2010 Financial Report: Attached is the link to the Comprehensive Annual Financial Report for your review - <http://www.ycu.org/PDFs/YCUAAuditFYE08-31-2010.pdf>



Memorandum

To: Mayor Schreiber and Council Members

From: Edward B. Koryzno Jr., City Manager

Date: April 1, 2011

Subject: Governor's Revenue Sharing Proposal

I have been requested by council to assess whether we will comply with the Economic Vitality Incentive Program contained in the Governor's Special Message to the Legislature dated March 21, 2011. The message includes several areas that could have potential impact on the City finances.

The governor has proposed reducing statutory revenue sharing by one-third and distributing the remaining two-thirds to communities who meet the three criteria. Currently, the City receives \$1.2 million in statutory revenue sharing and a reduction in accordance with the governor's proposal would reduce our revenues by \$400,000.

The City could receive one-third of our funding for meeting each of the following three best practices.

- 1) "By October 1, 2011, produce a citizens guide to their finances and a performance "dashboard" that is readily available to the public". Based upon our past efforts to remain transparent with the city's residents, I do not foresee a problem with meeting this requirement;
- 2) By January 1, 2012 the City must develop a plan to consolidate services that will result in taxpayer savings. The plans should make a good-faith effort to estimate potential savings and costs associated with sharing critical services at the local level. As you know, the City has been collaborating with other units since 2006. Our first cooperative effort was with Washtenaw County to provide IT services in 2006. During 2008, Pittsfield Township began providing Building Inspection services, and during 2010, Washtenaw County and Huron Valley Ambulance began providing police and fire dispatch services respectively. Currently, we are exploring the possibility of creating a joint Police Authority with Ypsilanti Township and I hope our past efforts would not be discounted by the governor's office. I am confident that we can meet this requirement, as well.
- 3) By January 1, 2012, the City must begin to address employee compensation by including in any new, modified or extended contract with the following criteria: a) placing all new hires on a defined contribution plan or a hybrid retirement plan that caps annual employer contributions at 10% of base salary; b) where applicable, a 1.5% multiplier should be used to determine employee pensions. A 2% multiplier should be used for employees who are not eligible for social security benefits; c) implementing controls to avoid pension spiking such as using a three-year salary average that does not include more than a total of 240 hours of paid leave and

overtime to determine benefit levels; and d) if health care is offered, all new hires must be on an 80/20 employer- to-employee health care premium split. Alternatively, a dollar amount could be assigned to local health care plans and compared to the state healthcare plan if it is an HMO or includes other cost saving measures such as co-pays or deductibles. Our collective bargaining agreements contain cost sharing provisions, but are not currently at the levels required by the Governor.

TO: City of Ypsilanti Mayor and City Council
YHC Board of Commission

FROM: Walter Norris, Jr. Executive Director
Ypsilanti Housing Commission

RE: Update on Redevelopment of Hamilton Crossing

DATE: March 17, 2011

Progress on the redevelopment of Hamilton Crossing continues. As reported previously, Phase II of the project was awarded \$988,201 in Low-Income Housing Tax Credits in December of 2010 by the State of Michigan. The development team is working hard to bring the investor, Boston Financial Investment Management, into the partnership. MSHDA granted the project an extension of the closing deadline with this investor. This extension was based on reducing project risk, by, for example, giving time to allow pricing for the construction contract to be based upon more complete plans. A mid-April closing is targeted with the investor.

Applications for approval of a PUD for the site and a lot split was submitted to the City of Ypsilanti on March 16. The team has been working with the City's Planning Department and feedback from the City has been incorporated, including a landscaped berm along Hamilton and a lower fence around the property. The lender for Phase I is requiring separate tax parcels for each phase, thus necessitating the request to split the lot into two parcels. Construction will commence on Phase II first, once approvals are in place.

The debt financing for Phase I is a HUD 221d4 loan. The third party reports for that loan application are all underway (appraisal, plan and cost review and market study) and we have targeted May 1 for submission of that application. Based on HUD's approval and closing timeline, we are pushing for a third quarter 2011 construction commencement for Phase I.

Millenia Housing Management, Ltd., the property manager, continues work on a marketing plan and marketing materials. As a first step in repositioning the property, the new name of Hamilton Crossing has been selected for the property. The YHC is planning a ground breaking ceremony towards the end of April to celebrate the long awaited commencement of construction.

Ypsilanti Historic District Commission

Watch List Properties for 2010

Cross

6 E. Cross

- Front window sign installed without obtaining sign permit or HDC approval

107 E. Cross

- Case of demolition by neglect; on "Dangerous Buildings" list

208 E. Cross

- External grilles had not yet been installed

304 E. Cross

- Soil newly banked with piece of plywood resting over embankment

407 E. Cross

- Decking installed without HDC approval

Ferris

109 Ferris

- Existing shingles were roofed over and can vents were installed without HDC permit

218 Ferris

- Unapproved change to front steps

Forest

304 E. Forest

- Soil banking on property

330 E. Forest

- Porch piers painted and railings removed without HDC approval

Grove

302 N. Grove

- Installation of ramp without HDC approval

Hamilton

119 N. Hamilton

- Porch skirting changed and new windows installed without HDC approval

215 N. Hamilton

- Handrails installed without HDC approval

406 N. Hamilton

- Existing porch removed without HDC approval

505 N. Hamilton

- Porch collapsing

Huron

119 N. Huron

- Installation of railings without HDC approval

526 N. Huron

- Inappropriate doors installed without HDC permit

527 N. Huron

- Painting without HDC permit

Maple

301 Maple

- Installation of a satellite dish in the front yard

310 Maple

- Installed muntins were not painted as directed by the HDC in its approval of the feature

Michigan

120 W. Michigan

- Enclosure installed on rear door and upper rear windows removed without HDC approval

201 W. Michigan

- Door painted without HDC approval

224-226 W. Michigan

- Sign installed without obtaining sign permit or HDC approval

230 W. Michigan

- Sign installed without obtaining sign permit or HDC approval

Oak

320 Oak

- Installation of a picket fence without HDC approval

328 Oak

- Second story window replaced with smaller window, trim removed, and shutters added without obtaining HDC permit

Park

309 N. Park

- Unpainted siding

310 N. Park

- General improvements made to property without HDC approval; reports of vagrants on property

314 N. Park

- Building code issues

River

110 N. River

- Re-roofing and exterior painting without obtaining HDC permit

228 N. River

- Installation of ramp without HDC approval

601 N. River

- Installation of inappropriate front door

631 N. River

- Demolition permit was granted but owner had not demolished the building

Washington

215 S. Washington

- Porch altered without HDC approval

309 S. Washington

- Missing porch column and deteriorated cornice return

310 S. Washington

- Windows were approved for installation but were installed incorrectly

Woodward

114 Woodward

- Dangerous carriage house

Ypsilanti Historic District Commission

Watch List Properties for 2011

Oak

409 Oak

- Installation of vinyl windows without HDC approval

Cross

330 E. Cross

- Installation of two non-conforming wooden handrails without HDC approval



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## Memorandum

**To:** Edward Koryzno, Ypsilanti City Manager  
**From:** John M. Barr, Ypsilanti City Attorney  
**Date:** 3/17/2011  
**Re:** Begging

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You have requested that I set out the current state of the law regarding begging.

Begging, or asking for a donation of money has been determined by the courts to be a constitutionally protected act of free speech. Begging by displaying a sign has also been found to be constitutional.

The courts do allow some regulation of begging so long as the regulation is content neutral.

Begging is not legal if it impedes traffic or is on private property. Begging is permitted on city sidewalks with reasonable restrictions – the beggar can not impede pedestrian traffic, follow the targeted person, beg at an outdoor restaurant, etc. City code section 74-90.

Begging is not permitted on city streets because of the danger and impediment to vehicular traffic.



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MEMORANDUM

TO: Ed Koryzno Jr, City Manager

FROM: Karl A. Barr, Assistant Ypsilanti City Attorney

DATE: February 16, 2011

SUBJECT: City v Brandy's Party Store; City v Round Bottle Market / update

I have filed two separate actions against the owners of Brandy's seeking to padlock the premises. The first action is based on contempt of Court of a consent order previously agreed to by the owners. In order to avoid the potential argument that the consent order did not apply, I also filed a new action seeking to padlock the store on the basis of Statutory Nuisance. The fact that there are two cases has now become the thrust of the Defense raised by the Defendant store owners. I moved the court to consolidate the cases, and the Judge refused to rule on the motion.

The Defendant Store owners filed a motion to dismiss the more recent action asking on the basis that a prior action was pending. The Judge granted their motion prior to oral argument and cancelled oral argument. This is an unusual action taken by the Court and in my opinion not in accordance with the case law. Part of the reasoning the Judge did that was that I was late in filing my response as I did not have it filed 7 days before the hearing.

I have filed a motion requesting the court to reconsider its ruling on the dismissed case. The Judge has denied reconsideration. I would like to appeal on the basis that the Judge abused his discretion in cancelling oral argument and making a ruling prior to being apprised of our argument. The court has the discretion to dispense of oral argument when the trial court is "fully apprised" and each parties "argument is clear" Michigan Court Rule 2.119(E)(3). In this case, the Judge was not fully apprised of our argument. The case law supporting the court's dismissal of oral argument supports the above premise.

Our claim of appeal needs to be files by April 6. In filing that claim, we are not required to have our arguments fully briefed at that time. I would like to appeal this matter, but I am



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

April 1, 2011
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asking around for second opinions and will check back with you at the beginning of the week.

Also, our case for contempt based on violation of the former order continues. I expect to refine my plan of action with regards to that case and apprise you later this week as well.

jas
cc: Detective Cyrbok (by email)
City Manager (by email)