

**MINUTES OF THE VIRTUAL & IN-PERSON  
REGULAR MEETING OF THE HIGHLAND PARK CITY COUNCIL**

**October 17, 2022**

Council convened at 7:02 p.m. with Council President Clyburn presiding.

Present: Councilmember McDonald, Councilmember Bates, Councilmember Armstrong, and Council President Clyburn (4).

Absent: Council Pro Tem Patrick (1).

A quorum being present, Council was declared in session.

\*\*\*

**APPROVAL OF AGENDA**

Moved by Councilmember Bates  
Supported by Councilmember Armstrong

To approve the agenda with the following change: remove items VIII b - h from Community Development. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**APPROVAL OF MINUTES**

Moved by Councilmember Armstrong  
Supported by Councilmember McDonald

To approve the minutes of the In-Person and Virtual Workshop meeting held October 3, 2022. Yeas (4), Nays (0), Absent (1) Patrick.

\*

Moved by Councilmember Armstrong  
Supported by Councilmember McDonald

To approve the minutes of the In-Person and Virtual Regular meeting held October 3, 2022. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**VETO  
10-17-22 V**

The following veto was received from the Mayor.

Pursuant to Section 6-3 of the City Charter, Veto of Council Action, the purpose of this letter is to veto and therefore suspend the operation of Council's vote on October 3, 2022, wherein Council voted to adopt a Resolution requesting the Michigan Secretary of State Jocelyn Benson to provide official State Monitors to oversee, monitor and intervene, when needed, the movements and decisions made by The City

of Highland Park Election Commission prior to, during and Post-Election Cycle for the upcoming November 8, 2022 General Election. My reasons for vetoing Council's action are set forth below:

1. The facts presented in the Resolution are disingenuous and a misrepresentation of the facts. The Election Commission itself approved a request for the State to provide oversight during the November 8, 2022 election.
2. There are Four members if the Election Commission. The City Attorney is only "one" vote. The Election Commission made the decision complained of. The Resolution contains gross misrepresentation of Facts, appear to be defamatory on the face and expose the City to avoidable litigation.
3. The Statement of Facts of which what occurred on May, 2021 is inaccurate.
4. The removal of ineligible candidates was done consistent with a Court Order from the Wayne County Circuit Court, which was not appealed to the Court by Candidate Bates.
5. Council did not submit the Resolution to the Legal Department for its review before voting to adopt it. Council is therefore in violation of section 7-5a (6) of the City Charter, which states:

a. The administrative head of the Department of Law shall be the City Attorney. He shall be appointed by the Mayor. The duties of the Department shall include, but shall not be limited to, the following:

(6) Prepare or *review all ordinances*, contracts, bonds, and other written instruments which are submitted by the City Council or by the officers and boards in matters of legal nature relating to the affairs of the City. (Emphasis added.)

I am hereby exercising my authority, pursuant to Charter Section 6-3, to veto the ordinance adopted by Council on October 3, 2022 regarding Resolution requesting the Michigan Secretary of State Jocelyn Benson to provide official State Monitors to oversee, monitor and intervene, when needed, the movements and decisions made by The City of Highland Park Election Commission prior to, during and Post-Election Cycle for the upcoming November 8, 2022 General Election.

Once again, this Resolution was not reviewed by the Legal Department. For the reasons stated, this Resolution is VETOED pursuant to Section 6-3 of the Highland Park City Charter.

Moved by Councilmember Bates  
Supported by Councilmember Armstrong

To override the Mayor's veto. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**ORDINANCE**  
**10-17-22 VI a**

The following ordinance was submitted for final reading and adoption.

Moved by Councilmember McDonald  
Supported by Councilmember Bates

**ORDINANCE NO. 894.11**

**WHEREAS** the City of Highland Park adopted Ordinance 894.07 on November 9, 1993, which was later superseded by Ordinance 894.11, adopted November 10, 1997 and titled "Manchester Place Residential Development for the Manchester Place I and II authorization of a Payment in Lieu of Taxes or PILOT"; and

**WHEREAS**, Ordinance 894.11 established and approved an annual Payment in Lieu of Taxes (PILOT) at an annual service charge rate of four percent (4%) of annual net shelter rents for the Manchester Place I and II developments, consisting of 144 low-rise multifamily rental housing units and 56 low-rise multifamily rental housing units, which combined provide 200 units of affordable family housing development located at 14350 Second Ave. in the City of Highland Park ("the Development"); and

**WHEREAS**, at the time of adoption of Ordinance 894.11, the Development was sponsored by the McCormack-Barron Associates, a Delaware corporation, which created two separate ownership partnerships, known as Manchester Place I Limited Dividend Housing Association Limited Partnership and Manchester Place II Limited Dividend Housing Association Limited Partnership; and

**WHEREAS**, since the adoption of the Ordinance 894.11, certain definitions have now become obsolete and require amended language; and

**WHEREAS**, in 2022, both phases of the Development will be combined and the Development will be refinanced using an allocation of low income housing tax credits from the Michigan State Housing Development Authority (the "Authority") and will be subject of a mortgage loan (the "Mortgage Loan") from the Authority which will require the conveyance of the Development to Manchester Place Apartments Limited Dividend Housing Association, LLC, as the new owner; and

**WHEREAS** this Amendment to Ordinance 894-11 reaffirms the following Sections: (b) Class of Housing, (d) Contractual Effect of the Ordinance, (e) Payment of Service Charge, (g) Modification or Rescission of Section, (h) Housing Projects Currently Exempt from Taxation and (i) Waiver for PILOT.

**NOW THEREFORE, THE CITY OF HIGHLAND PARK ORDAINS:**

Ordinance 894-11 is hereby amended as follows:

1. Section (a) is hereby amended as follows:

(a) Offer of Sponsor. The City acknowledges that ~~McCormack-Barron Associates, a Delaware Corporation, has offered,~~ MANCHESTER APARTMENTS LIMITED DIVIDEND HOUSING ASSOCIATION, LLC, A MICHIGAN LIMITED LIABILITY COMPANY, subject to the receipt of a mortgage loan from the Michigan State Housing Development Authority, to construct a THE MORTGAGE LOAN, WILL BE REHABILITATING THE housing development identified KNOWN as Manchester Place APARTMENTS Residential Development on certain property, the legal description of which is ATTACHED HERETO AND INCORPORATED BY REFERENCE provided in original Ordinance 1181, passed November 15, 1993, from which this section was derived.

In addition, ~~McCormack-Barron Associates~~ MANCHESTER APARTMENTS LIMITED DIVIDEND HOUSING ASSOCIATION, LLC has offered to pay to the City, on account of said housing development, an annual service charge for public service in lieu of all taxes.

2. Section (c) is hereby amended as follows:

(c) Establishment of Annual Service Charge. The housing development identified as Manchester Place Residential Development/McCormack Barron Associates and the property on which it IS shall be situated shall be exempt from all AD VALOREM property taxes in the tax year following the filing of the ~~certificate and notification~~ NOTIFICATION of eExemption required by Section 15(a)(1) of the Act with the local assessing official. The City, acknowledging that the Manchester Place Residential ~~Development/McCormack Barron Associates~~ and the Authority have established the economic feasibility of the ~~housing development~~ PROJECT in reliance upon the enactment and continuing effect of this section, the qualification of the ~~housing development~~ PROJECT for exemption from all AD VALOREM property taxes and a payment in lieu of taxes as established herein, and in consideration of the offer by Manchester Place LIMITED DIVIDEND HOUSING ASSOCIATION, LLC ~~Residential Development/McCormack Barron Associates~~, subject to the receipt of a ~~m~~Mortgage ~~l~~Loan from the Authority, to construct REHABILITATE, own and operate said housing ~~development~~ PROJECT, hereby agrees to accept payment of an annual service charge for public services in lieu of property taxes. The annual service charge shall be equal to four percent of the difference between eContract ~~r~~Rents actually collected and ~~u~~Utilities.

3. Section (f) is hereby amended as follows:

(f) Duration. This section shall remain in effect and shall not terminate so long as the ~~m~~Mortgage ~~l~~Loan remains outstanding and unpaid or HUD or the Authority has any interest in the property, which the City understands to be a period of thirty years, provided that construction of the ~~housing development commences within one year from the effective date of this section.~~

4. The remainder of Ordinance 894-11 shall remain unchanged.

5. The City Clerk is hereby authorized and directed to publish this Ordinance within seven (7) days of the date hereof in the *Michigan Chronicle*, a newspaper of general circulation in the City.

6. The effective date of this Ordinance shall be \_\_\_\_\_, 2022, which shall be published in a newspaper of general circulation in the City of Highland Park and shall become effective on the later of fifteen (15) days after adoption hereof or the publication of the Ordinance.

Moved by Councilmember Bates  
Supported by Councilmember Armstrong

This shall be the 2<sup>nd</sup> reading and adoption of an amendment to Ordinance 874.11. Yeas (4), Nays (0), Absent (1) Patrick.

\*

**10-17-22 VI b**

The Clerk stated this was the 1<sup>st</sup> reading of the following ordinance.

Moved by Councilmember McDonald  
Supported by Councilmember Bates

**ORDINANCE NO. 208.11**

An ordinance to amend the Highland Park Administrative Code, Chapter 208, by adding section 208.11 to adopt policies and procedures for the sale of real property, other than vacant lots.

WHEREAS, the City of Highland Park desires to amend a local ordinance by adopting policies and procedures for the sale of real property, other than vacant lots; and

WHEREAS, the Charter for the City of Highland Park provides that the City Council has the authority to enact all ordinances they deem necessary for the safety, order, and good government of the City and the general welfare of its inhabitants.

**NOW, THEREFORE, THE CITY OF HIGHLAND PARK ORDAINS:**

208.11 POLICY RE THE PURCHASE, SALE, GIFT OR LEASE OF REAL PROPERTY

- (a) Whenever city real estate is no longer required for corporate or public purposes, except any park, or part thereof, except where a park is no longer required under an official master plan, such real estate may be sold or leased upon the affirmative vote of four or more members of the City Council. The City may sell or lease city-owned real property using one or more of the following methods: public auction, negotiated sale, listing with real estate broker pursuant to guidelines established by the Administration, solicitation of sealed bids, or request for proposals. In all cases, the Administration may develop the disposition strategies, policies, and procedures to facilitate the sale of city-owned real estate.
- (b) Private Property under City Control. The City shall acquire by purchase, gift, condemnation, tax reversion or otherwise, real property, and interests in real property, within the corporate limits of the City, for any public use, purpose, improvement or service within the scope of its powers and to encumber or dispose of the same.
- (c) *Auctions.* The City may auction residential property owned by the City as the need arises.
  - a. Individuals may bid on no more than three (3) residential properties per auction, and highest bidder shall become the Purchaser.
  - b. The City shall have the right to negotiate with the Purchaser a minimum sum to be spent on rehabilitation.
  - c. The Purchaser must board up and otherwise secure the property within 14 days of purchase and keep secure before, during and up to the completion of any project.
  - d. Rehabilitation of each property must commence within six (6) months of the date of purchase, and the entire rehabilitation completed within one (1) year from the date of purchase. If Purchaser does not complete the residential renovations within one (1) year, the property will automatically revert to the City, unless the City, at its sole discretion, grants an extension to Purchaser.
  - e. Residential lots with structures - Residential lots with existing structures are categorized in two classifications:
    - i. Demolish - Residential lots have structures on them that require demolition may be purchased. Within 30 days after closing the purchaser must:
      - 1. Provide the City a copy of an executed demolition contract from a licensed contractor showing that the structure will be demolished within 180 days after closing.
      - 2. Provide a copy of a demolition permit from the State of Michigan.
      - 3. After completion of demolition, secure and maintain the property thereafter.
    - ii. Rehabilitation - Residential lots that have structures on them that will be purchased for personal residential living are subject to the following:

1. They will be required to enter into a purchase agreement.
  2. They will be required to secure the property and remove any debris within 14 days after closing.
  3. They will be required to provide the City proof of a certificate of occupancy within 12 months after closing. Where proof of significant repair progress has been made, but work is not complete, with reasonable proof and explanation, the City may, at its sole discretion, extend the 12-month deadline.
  4. Violation of the purchase agreement of any kind may subject the property to revert back to the City
- f. Commercial lots with structures - Commercial lots with existing structures are categorized in two classifications:
- i. Demolish - Commercial lots that have structures on them that require demolition may be purchased. Within 30 days after closing the purchaser must:
    1. Provide the City a copy of an executed demolition contract from a licensed contractor showing that the structure will be demolished within 180 days after closing.
    2. Provide a copy of a demolition permit from the State of Michigan.
    3. After completion of demolition, secure and maintain the property thereafter.
  - ii. Rehabilitation - Commercial lots that have structures on them that will be purchased for commercial uses are subject to the following:
    1. They will be required to enter into a purchase agreement.
    2. They will be required to secure the property and remove any debris within 14 days after closing.
    3. They will be required to provide the City proof of a certificate of occupancy within 12 months after closing. Where proof of significant repair progress has been made, but work is not complete, with reasonable proof and explanation, the City may, at its sole discretion, extend the 12-month deadline.
    4. Violation of the purchase agreement of any kind may subject the property to revert back to the City
- g. For individuals/businesses purchasing commercial lots with structures, the following conditions apply:
- i. The Purchaser must submit an Offer to Purchase Application and pay a \$25 non-refundable fee.
  - ii. The Purchaser shall submit to the Real Estate Division at the time of his or her request for purchase a notarized statement of a development plan. The purchaser shall also be in compliance with Zoning and Community Development Policy.
  - iii. Purchaser must maintain the commercial lot with structure in accordance with city ordinance.
  - iv. Purchasers cannot owe personal or corporate past due taxes, unpaid blight bills nor unpaid water bills; and/or any other indebtedness to the City.
  - v. Not have any code violations within the past 18 months.
  - vi. Secure the lot with structure, remove debris and maintain the land within 14 days after closing;
  - vii. If not current, Purchaser must pay the annual taxes on the property and stay current on water bills after purchase.
  - viii. Commercial property located in strategic areas, or properties that the City expects will be in high demand or receive more than one bid are

generally publicly marketed or packaged as part of a Request for Proposals (RFP). During the public marketing or RFP process, the City's real estate committee will make disposition decisions based on offered purchase price, the use proposed, and the determined capacity of the potential purchaser.

- h. Upon completion, the City shall certify the property prior to allowing occupancy or resale.
  - i. Purchaser is not eligible to purchase property if any of the following conditions exist:
    - i. Previously owned the property.
    - ii. Currently owes property taxes or other indebtedness to the City (i.e., water bills, tickets, tax liens, etc.)
    - iii. Failure to maintain property.
    - iv. Has outstanding code, policy or ordinance violations
- (d) Development Agreements. The City may enter into development agreements to renovate residential properties with any developer seeking to purchase a minimum of twenty-five (25) properties.
- a. Developer must provide a project plan that the City deems suitable for the benefit of the public's interest.
  - b. Developer must invest a minimum of \$30,000 - \$100,000 into each property, as determined by the Administration and approved by the City Council. If the approved investment is not realized, the City may fine the Developer an agreed-upon amount, unless good cause is shown.
  - c. Developer shall provide adequate proof of funds equal to fifty percent (50%) of the total projected cost of the rehabilitation prior to signing a development agreement.
  - d. Any properties subject to a development agreement shall be excluded from any city auctions.
  - e. The City may support the development project with letters of support and grant applications to government entities; however, the City shall not incur any financial obligation or liability.
  - f. Once ownership of the property is finalized, all taxes, water and sewerage bills become the responsibility of the Developer.
  - g. Development and rehabilitation on each property shall commence within six (6) months of purchase and must be completed within two (2) years from the date of purchase. Residential renovations not completed within two (2) years will automatically revert to the City, unless the City, at its sole discretion, grants an extension to Developer.
  - h. Once rehabilitation is complete, Developer may only sell or rent the property to owner- occupants.
  - i. Developer may request an Option to hold property from being sold for a due diligence period starting at 3 months not to exceed 6 months. When, after recommendation by the Administration, the City Council determines that it is not a detriment to the City, Developer may pay a non-refundable fee of \$500, to hold the property. If an Option is granted, Developer must secure and maintain the property by:
    - i. Boarding all broken or missing windows and doors of structural improvements, if any;

- ii. Securing all openings of structural improvements, if any, to prevent entry of unauthorized persons;
  - iii. Clearing the property of trash and debris and continuing to remove such trash and debris as needed;
  - iv. Ensuring that the grass is neatly edged and does not exceed 6 inches;
  - v. Trimming all trees, shrubs, and other plant life as needed; and
  - vi. Maintaining all sidewalks and other paved portions of the vacant lot clear of snow and ice in a manner that makes it safe for pedestrians and within the timeframe currently required under City regulations.
  
- (e) When, after recommendation by the Administration, the City Council determines that it is in the best interest of the City, real property acquired by the City through tax reversion may be disposed of by one, or a combination of more than one, of the following methods, as determined appropriate by the Administration, on a case-by-case basis: listing with real estate broker; auctions; solicitation of sealed bids; negotiated sale; or request for proposals. The Administration shall submit the offer, which he or she deems to be in the best interests of the City, together with his or her recommendation, to the City Council for action.
  
- (f) This section shall not apply to real estate purchased pursuant to a United States Department of Housing and Urban Development program.
  
- (g) All sales of real estate shall be for cash, except that the City may sell on executory land contract if four or more members of the City Council shall vote in favor thereof, provided that in no case shall the contract be for a term of more than five (5) years, nor for less than thirty (30%) percent down; and provided further that the balance owing on the contract shall be paid in monthly or quarterly installments, whichever the City Council shall approve, and shall bear interest at a rate to be determined by the City Council on the unpaid balance. Such contract shall have such other provisions, as the City Council shall approve on the advice of the City Attorney.
  
- (h) Transactions involving the purchase, sale, gift or lease of real property shall be authorized by City Council resolution. Offers to purchase and proposals to sell city-owned property shall be reviewed by the City Attorney and a recommendation made concerning:
  - a. The sufficiency of the consideration.
  - b. The public purpose involved in the land transaction.
  
- (i) The following factors shall be considered and identified by the Administration and approved by the City Attorney prior to making any recommendation to the City Council for the purchase, sale or lease of real property:
  - a. Purchase
    - i. Identification of the public purpose involved in the proposed land transaction.
    - ii. At a price which shall be not less than its market value, as determined and certified by the Assessor.
    - iii. Determination of value as reflected by any recent comparable sales in the immediate area.
    - iv. Obtaining an outside appraisal or opinion of value if recommended by the City Attorney or requested by the City Council.



- v. Transaction upon a negotiated purchase price or through condemnation, if authorized by separate Council resolution.
- b. Sale
- i. Identification of the public purpose involved in the proposed land transaction.
  - ii. At a price which shall be not less than its market value, as determined and certified by the Assessor.
  - iii. Advertising and/or posting the property if two or more persons have indicated an interest in the property, the property has a general utility, or the City Council requests the property be advertised.
  - iv. Examining the use to which the property can or will be put and the cost of acquisition, demolition and improvement.
  - v. Sale to the highest bidder. Consideration to include dollar offer and such other items as identified by the City Attorney that represent a legal obligation to the City and value assigned thereto. The City shall reserve the right to reject all bids.
- c. Lease
- i. Identification of the public purpose involved in the proposed land transaction.
  - ii. At a price which shall be not less than its market value, as determined and certified by the Assessor.
  - iii. As lessor, advertising and/or posting the property if two or more persons have indicated an interest in the property or the property has general utility or the City Council requests that the property be advertised.
  - iv. As lessee, the lease fee should be based upon the above indicators of value through a negotiated lease fee procedure.

These rules of procedure shall be construed liberally in recognition of the unique character of land transactions and the requirement that all real property transactions shall be authorized by City Council resolution. All land transactions involving city officers or employees shall be governed by applicable provisions of state law and city charter on conflicts of interest and, in any event, shall require a full disclosure of the officer or employee's interest and non-voting of the officer involved.

\*

**10-17-22 VI c**

The Clerk stated this was the 1<sup>st</sup> reading to amend Street Vending Ordinance sections 874.02, 874.04, 874.07 and 874.10.

**874.02 LOCATION**

All vendors, after being approved by City Council, are allowed to vend city wide except for the following zoned areas: R-1(Single-Family Residential), R-UV (Urban Village), and R-IH (Historical Residential).

*\*Licensed vendors may be allowed at Block Club Party's.*

**874.03 LICENSE REQUIRED**

No person shall engage in the business of a street vendor in the City without first obtaining a license from Council, this includes vending on both public and private property.

**874.04 LICENSE APPLICATIONS; INVESTIGATIONS**

An application for a **new license or to renew a license** required by section **874.03** shall be made in writing to Council upon forms furnished by the City and shall be filed with the City Clerk. The application shall

give all such information as may be deemed necessary for the proper enforcement of this chapter including:

1. Vendor's Application
2. Copy of Driver's License/State ID
3. Police Clearance/Background Check (at vendor's expense)
4. A brief description as to what will be sold
5. Food Handlers Certification, if applicable
6. A \$1000.00 Bond, if you are a Non-Food & Beverage Vendor
7. Commercial General Liability Insurance that names the City of Highland Park as an additional insured in an amount not less than one million dollars (\$1,000,000.00). Additional insured language must agree to defend, indemnify, and hold harmless the City of Highland Park, its officials, officers, employees, and agents against liability, claims, causes of action, judgments or expenses, including reasonable attorney fees, resulting directly or indirectly from any act or omission of the license, its employees, its subcontractors and anyone for whose acts or omissions they may be held liable, arising out of the license's use or occupancy of the public street, highway or public parking space.

#### **874.06 LICENSE ISSUANCE; FEES**

When a license under this chapter has been granted, the City Clerk shall issue the same upon payment by the applicant to the City Treasurer of the following fees;

- (a) For a street vendor who uses a **food truck or food trailer**; a non-refundable fee of \$50.00 for a \$550.00 license
- (b) For a street vendor who uses a handcart, pushcart, or kiosk; a non-refundable fee of \$25 for a \$225.00 license

#### **874.07 CONTENTS OF LICENSE**

A street vendor's license shall contain the applicant's name **and may contain the following**:

1. The current business address and telephone number
2. Current government-issued identification document with photo of the applicant and any designated agent or person proposed to conduct mobile vending
3. The name under which the mobile vendor will be doing business
4. A brief description of the nature of the mobile vending operation and the items to be sold, including whether the licensee will be selling food products.
5. County health permit, if applicable
6. A description of all vehicles to be used in the mobile vending operation, including the Michigan license plate number(s) and a complete copy of the current Michigan vehicle registration(s) and proof of vehicle insurance for each proposed mobile vending unit or mobile food vending unit.
7. Whether the applicant has ever had a mobile vendor license revoked or suspended and the date and jurisdiction of the denial, suspension or revocation.

#### **874.10 EXPIRATION OF LICENSE; HALF FEES**

- (a) **A license issued under this chapter shall expire on April 30th of each year unless sooner revoked by Council for cause shown.**
- (b) **A license shall be issued under this chapter, after City Council approval, after May 1<sup>st</sup> of each year.**

- (c) Such a license shall be issued for the last six months or less of the license year upon payment by the applicant of one-half the annual license fee.

Moved by Councilmember Armstrong  
Supported by Councilmember McDonald

This shall be the first reading to amend Street Vending Ordinance sections 874.02, 874.04, 874.07 and 874.10. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**CITY ADMINISTRATOR**  
**10-17-22 VII**

The following resolution was submitted for approval.

**RESOLUTION AMENDING AND RESTATING**  
**RESOLUTION APPROVING MANCHESTER PLACE REHABILITATION REQUESTS**

Moved by Councilmember McDonald  
Supported by Councilmember Bates

**WHEREAS**, the City of Highland Park Tax Increment Finance Authority (the “TIFA”) has received a proposal (the “Proposal”) from Communities of Hope, Inc., which is the limited member of the original developer and current owner of the Facility (defined below), Manchester Place Limited Dividend Housing Association Limited Partnership (the “Owner”), describing a proposed \$17 million rehabilitation (the “Project”) of the developments known as Manchester Place I, consisting of 144 low-rise multifamily rental housing units) and Manchester Place II, consisting of 56 low-rise multifamily rental housing units) (together, the “Facility”); and

**WHEREAS**, the Facility was originally financed in a two phase, multi-layered financing package, consisting, in relevant part, of (1) a loan from the TIFA to the Owner in the amount \$3,244,000 (the “TIFA Loan A”), which was secured by a note and mortgage, to be used to pay part of the cost of Manchester Place I; (2) a \$1,000,000 loan (the “Devco Loan”) from HP Devco to the Owner which was secured by a note and mortgage, to be used to pay part of the cost of Manchester Place I; and (3) a cash flow loan from the TIFA to the Owner of \$564,630 (the “TIFA Loan B” and together with TIFA Loan A, the “TIFA Loans” and collectively with the Devco Loan, the “City Loans”), which was secured by a note and mortgage, to be used to pay part of the costs of Manchester Place II; and

**WHEREAS**, each of the City Loans were capitalized with the proceeds of an Urban Development Action Grant (“UDAG”) from the United States Department of Housing and Urban Development (“HUD”) to the City pursuant to an Urban Development Action Grant Agreement (the “UDAG Agreement”), which was received in August 1989; and

**WHEREAS**, each of the City Loans is on a subordinated security basis to other project debt, including one or more loans from the Michigan State Housing Development Authority (the “Original MSHDA Loans”); and

**WHEREAS**, according to the Owner, the City Loans were only to be repaid from excess cash flow; and

**WHEREAS**, to date, no principal or interest due on the City Loans has been repaid; and

**WHEREAS**, the Owner is now proposing to invest roughly \$84,711 per unit to rehabilitate Manchester Place I and II; and

**WHEREAS**, the Request consists of the following components: (1) the satisfaction and release of the City Loans in consideration of a one-time aggregate payment of \$225,000 (“Satisfaction Request”); (2) the amendment and extension of the current payment in lieu of taxes ordinance (the “PILOT Request”); and (3) the clearance of various title issues which were part of the Development Agreement but which were never perfected, consisting of (a) a quit claim deed from the City to the Owner of a single parcel (the “Manchester Place Parcel”) that was not conveyed during the original development, and (b) the issuance and recording of a certificate of completion (the “Certificate of Completion”) of the City showing the original development was completed pursuant to the original Agreement to Purchase and Develop Land by and between City of Highland Park Tax Increment Finance Authority and the Owner, dated May 17, 1994 (the “Development Agreement”); and

**WHEREAS**, the Owner is requesting two letters from the City in support of its application for the New MSHDA Loan: (1) a letter stating that no site plan changes are necessary for the Project (the “Site Plan Letter”) and (2) a letter stating that no zoning changes are necessary for the Project (the “Zoning Letter”); and

**WHEREAS**, HP Devco was dissolved by operation of law in 2015 for failure to file required annual reports; and

**WHEREAS**, the City is hereby requesting the Board of Directors of HP Devco to approve the assignment and/or sale of the Devco Loan to the TIFA for purposes of winding down the affairs of HP Devco and to allow the TIFA to accept the Owner’s offer of satisfaction; and

**WHEREAS**, the Board of Directors of HP Devco has approved the assignment and/or sale of the Devco Loan to the TIFA; and

**WHEREAS**, in light of such assignment, all of the City Loans are now TIFA Loans; and

**WHEREAS**, the City has requested permission from HUD to accommodate the Satisfaction Request; and

**WHEREAS**, HUD has approved the City’s acceptance of the Satisfaction Request, subject to the inclusion of specific language in this Resolution related to the use of any amounts paid in satisfaction of the City Loans; and

**WHEREAS**, the City has requested permission from the Michigan Department of Treasury (“Treasury”) to enter into the contemplated transactions; and

**WHEREAS**, Treasury has determined it does not need to approve the contemplated transactions; and

**WHEREAS**, based upon information provided by the Owner, it does not appear the Facility, in the absence of the Project and the corresponding incentives and adoption of a new or amended PILOT, would be financially sustainable in light of the revenues generated from the operation, and the maintenance requirements, of the Facility; and

**WHEREAS**, this Resolution amends and restates in its entirety the Resolution Approving Manchester Place Rehabilitation Requests previously adopted by this City Council on September 6, 2022.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The transfer by the TIFA to the Owner of Manchester Place Parcel is hereby approved.
2. Subject to the approval of HUD and Treasury, the offer of the satisfaction of the City Loans in the total amount of \$225,000 (the “Settlement Proceeds”) is hereby accepted on behalf of the City. This

includes the City's acceptance to satisfy the HP Devco Loan to the extent it is the successor in interest to the assets of HP Devco as the lender of the Devco Loan.

The TIFA is hereby authorized to accept the offer of satisfaction from the Owner for the TIFA Loans, including the Devco Loan. In light of the assignment or sale of the Devco Loan to the TIFA, all of the proceeds of the satisfaction amount shall be distributed to the TIFA, which must be used subject to the provisions of this Resolution.

The Settlement Proceeds will be treated as UDAG miscellaneous revenues under applicable law. The UDAG miscellaneous revenues must be spent on economic development activities that are eligible under the UDAG program, or on any Community Development Block Grant ("CDBG") eligible activities under section 105 of the Housing and Community Development Act of 1974, as amended. While these funds must be spent on either UDAG or CDBG eligible activities, they are not subject to any other requirements in 24 CFR Part 570, including cross-cutting requirements.

The Mayor, City Clerk, and City Administrator (each, an "Authorized Officer") and any officer of the TIFA are each hereby authorized to execute such agreements, releases, and other documents as are necessary to memorialize such satisfaction and to cause such documents as are necessary to be filed with the Register of Deeds to reflect the release of each of the City Loans. The forms of Satisfaction and Release of lien are attached hereto as Exhibit A. These forms may be amended as necessary to memorialize the satisfaction of City Loans, as approved by the City Attorney and/or Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield").

3. Upon confirmation by City staff that no site plan or zoning changes are necessary for the Project, each Authorized Officer or other City employees and staff are hereby authorized to issue the Site Plan Letter and Zoning Letter.

4. Any appropriate City employees or staff, on behalf of the City and the TIFA, are hereby authorized to cause the Certificate of Completion, in form substantially similar to that attached hereto as Exhibit B with such changes as are approved by the City Attorney and/or Miller Canfield, such Certificate to be issued and recorded with the Register of Deeds.

5. The approvals contained in this resolution are effectively immediately as a result of the approval from HUD of the Satisfaction Request and the review from Treasury.

6. This Resolution is given immediate effect. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**COMMUNITY DEVELOPMENT  
10-17-22 VIII a**

The following resolution was submitted for approval.

**RESOLUTION TO SELL THE VACANT COMMERCIAL LOT AT 1406 E. AVON RD. IN  
ROCHESTER HILLS TO ELVIS LOGU**

Moved by Councilmember McDonald  
Supported by Councilmember Armstrong

**WHEREAS**, The City of Highland Park holds in its inventory a surplus of City-owned parcels that are not producing a taxable, habitable and general benefit to the City and its residents; and

**WHEREAS**, it is the goal of the City to decrease the number of city-owned parcels and return them to productive use; and

**WHEREAS**, the City of Highland Park is the owner of the vacant commercial lot at 1406 E Avon Rd which is known as "The Tree Farm"; and

**WHEREAS**, The Tree Farm contains two contiguous Parcels No. 70-15-24-100-050 and 70-15-24-100-021; and

**WHEREAS**, on November 4, 2014, the ELECTORS of the City of Highland Park approved the Sale of Parcel No. 70-15-24-100-050; and

**WHEREAS**, the City attempted to sell this land as part of the entire plot, but that buyer declined, purchasing only the more desirable portion, leaving this section remaining; and

**WHEREAS**, the City has a Protective Purchaser for Parcel No. 70-15-24-100-050; and

**WHEREAS**, a Real Estate Purchase Agreement and Addendum have been executed; and

**WHEREAS**, the Sale is contingent upon Approval by the Highland Park City Council; and

**WHEREAS**, the City of Highland Park had an appraisal done and it was determined that the market-value of the subjected property was \$258,000 and the Sale Price exceeds the appraised value; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Highland Park City Council approves the sale of the vacant commercial lot located at 1406 E. Avon Rd, Rochester Hills, MI, Parcel No. 70-15-24-100-050 at the cost of \$290,000. Yeas (4), Nays (0), Absent (1) Patrick.

\*

#### **10-17-22 VIII b**

The following resolution was submitted for approval.

#### **RESOLUTION TO SELL THE VACANT RESIDENTIAL LOT AT 126 WINONA TO THE ADJACENT PROPERTY OWNER AT 128 WINONA**

Moved by Councilmember Bates  
Supported by Councilmember McDonald

**WHEREAS**, The City of Highland Park holds in its inventory a surplus of City- owned parcels that are not producing a taxable, habitable and general benefit to the City and its residents; and

**WHEREAS**, it is the goal of the City to decrease the number of city-owned parcels and return them to productive use; and

**WHEREAS**, the City of Highland Park is the owner of the vacant adjacent lot at 126 Winona, (vacant lot adjacent to resident's home); and

**WHEREAS**, all fees have been previously paid, and required clearances obtained from the Water Department, Treasurer, City Engineer, CED and Legal Departments are signed off and ready to purchase; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council approves the sale of the vacant lot located in Highland Park, MI at the cost of \$500. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**PUBLIC WORKS  
10-17-22 IX**

The following resolution was submitted for approval.

**RESOLUTION TO APPROVE CONTRACT WITH OSCAR W. LARSON COMPANY  
TO INSTALL LINK 2 PUMP SYSTEM**

Moved by Councilmember Armstrong  
Supported by Councilmember McDonald

**WHEREAS**, the City wishes to better monitor and control its diesel and gas fuel consumption; and

**WHEREAS**, the City purchased a gas pump monitoring system to upgrade the diesel/gas fuel management for the City; and

**WHEREAS**, the monitoring system allows for direct accounting of fuel usage by vehicle; and

**WHEREAS**, this monitoring system reduces unauthorized fuel usage; and

**WHEREAS**, the Oscar W. Larson Company submitted a quote for \$5,345 to install the system, which may increase or decrease by 15%; and

**NOW, THEREFORE, BE IT RESOLVED** that the City approves a contract with Oscar W. Larson Company to install the city-supplied Link 2 Pump System at a price not to exceed 6,146.75. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**RECREATION  
10-17-22 X**

The following resolution was submitted for approval.

**RESOLUTION TO AMEND PURCHASE ORDER TO SUPERIOR SPORT UNLIMITED  
FOR CASEY PARK SPORTS FLOOR**

Moved by Councilmember Armstrong  
Supported by Councilmember Bates

**WHEREAS**, on June 27, 2022 the City approved a contract with Superior Sport Unlimited for \$50,347.75 to install a sports floor at Casey Park; and

**WHEREAS**, during the installation, Superior Sport Unlimited, found that they needed an additional 2,025 sq. ft. of flooring to complete the project; and

**WHEREAS**, the cost for the additional flooring is \$7,067.25; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City approves amending the purchase order to Superior Sport Unlimited from \$50, 347.75 to \$57,415.00 to cover the cost of the additional flooring. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**WATER  
10-17-22 XI**

The following resolution was submitted for approval.

**A RESOLUTION AUTHORIZING THE CONTRACT AWARD FOR THE 2021 DRINKING WATER ASSET MANAGEMENT (DWAM) GRANT BY THE STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY (EGLE)**

Moved by Councilmember McDonald  
Supported by Councilmember Bates

**WHEREAS**, the City of Highland Park received a grant award of \$459,040 from the Drinking Water Asset Management (DWAM) Grant program developed by EGLE under Michigan’s new Clean Water Plan that invests in water infrastructure; and

**WHEREAS**, the grant shall assist the City of Highland Park with the annual Asset Management Plan (AMP) development and the Distribution System Materials Inventory (DSMI) as defined in Michigan’s Lead and Copper Rule; and

**WHEREAS**, the Water Department will utilize grant funds to map and verify approximately 335 water service lines equally distributed throughout the city to assist with planning future rehabilitation and replacement projects; and

**WHEREAS**, on September 26, 2022, the City of Highland Park opened bids for the 2021 Drinking Water Asset Management (DWAM) Grant; and

**WHEREAS**, the Water Department reviewed the proposal for project requirements, schedule, competitive pricing and the ability to provide the requested services for the City of Highland Park by two contractors, D’Angelo Brothers Incorporated and Bricco Excavating; and

**WHEREAS**, the Water Department determined D’Angelo Brothers Incorporated was the most responsive bidder for the 2021 Drinking Water Asset Management (DWAM) Grant; and

**BE IT RESOLVED**, the City of Highland Park City Council APPROVES the contract award to D’Angelo Brothers Incorporated in an amount not to exceed \$268,000.00. Yeas (4), Nays (0), Absent (1) Patrick.

\*\*\*

**ADJOURNMENT**

Moved by Councilmember McDonald  
Supported by Councilmember Armstrong

To adjourn the meeting, motion carried, meeting adjourned at 7:50 p.m.





**CERTIFICATE**

I hereby certify that the attached is a copy of the minutes of the In-Person and Virtual Regular Meeting held the 17<sup>th</sup> of October 2022 and that said minutes are available for public inspection at the address designated on the posted public notice.



Cidia Wicker-Brown, Deputy City Clerk