

Minutes of the work session of the City Commission held Monday, October 11, 2010, at 6:30 p.m., at Mt. Pleasant City Hall, City Commission Chambers.

Commissioners Present: Mayor Holton and Vice Mayor Kilmer; Commissioners English (6:35), Ling, Joslin, McGuire and Tilmann

Commissioners Absent: None

Others Present: City Manager Grinzinger, City Clerk Howard and City Attorneys Scott Smith and Kenneth Lane

A work session was held for the purpose of discussing the proposed Right of Way Ordinance.

Attorney Lane gave a presentation on the proposed amendments to Chapters 111 and 114 of the Code of Ordinances regarding right of ways.

Discussion ensued.

The meeting adjourned at 6:44 p.m.

James Holton, Mayor

Jeremy Howard, City Clerk

Minutes of the regular meeting of the City Commission held Monday, October 11, 2010, at 7:00 p.m., in the City Commission Room.

Mayor Holton called the meeting to order and the Pledge of Allegiance was recited.

Commissioners Present: Mayor Holton and Vice Mayor Kilmer; Commissioners English, Joslin, Ling, McGuire and Tilmann

Commissioners Absent: None

Others Present: City Manager Grinzinger, City Clerk Howard and City Attorney Smith

Proclamations and Presentations

Community Services Director Rich Morrison introduced the new Recreation Manager/Programmer Riaan Anthony.

Received the following petitions and communications:

1. Capital Projects Status Report (September)
2. Mt. Pleasant Parks and Recreation Commission Minutes (June)
3. Mt. Pleasant Zoning Board of Appeals Minutes (June)
4. Communication from Craig Parrish noting that U.S. 27 has been designated a historic road.

Item #10 "Consider Wastewater Treatment Services Agreement with Union Township" was removed from the Consent Calendar.

Item #11 "Consider approval of amendments to the Mt. Pleasant Revolving Loan Fund (RLF) Policy, as recommended by the RLF Board" was added to the Consent Calendar.

Moved by Vice Mayor Kilmer and supported by Commissioner McGuire to approve the following items on the Consent Calendar:

1. Minutes of the regular meeting of the City Commission held September 27, 2010.

2. Minutes of closed session of the City Commission held September 27, 2010.
3. Bid for the purchase of 750 tons of rock salt for ice control for the 2010-2011 winter season through the State's MiDeal Extended Purchasing Program in the amount of \$43,508.50
4. Amendments to the Mt. Pleasant Revolving Loan Fund (RLF) Policy as recommended by the RLF Board. (CC Exhibit 2-2010)
5. Payrolls dated 10/01/10 and warrants dated 9/24/10; 9/29/10 and 10/07/10 all totaling \$838,587.00.

Motion unanimously adopted.

A public hearing was held on the proposed change to Section 71.02 "Parking Regulations" of the Code of Ordinances. There being no comments or communications the Mayor closed the public hearing.

Moved by Commissioner Joslin and supported by Commissioner English that Ordinance No. 956, an Ordinance to amend Section 71.02, "Parking Regulations" of the Code of Ordinances of the City of Mt. Pleasant, having been introduced and read, now be passed, ordained and ordered published. Motion unanimously adopted.

Introduced ordinance and held a public hearing on the proposed amendment to the Mission-Pickard DDA Plan. There being no comments or communications the Mayor closed the public hearing. No action was taken.

Moved by Commissioner Ling and supported by Commissioner Tilmann to approve the Wastewater Treatment Services Agreement with Union Township and authorize the Mayor and City Clerk to sign said Agreement upon agreement from the Township Board. Motion unanimously adopted.

Moved by Commissioner English and supported by Commissioner Tilmann to receive the request for a tax abatement under Public Act 198 from Q-Sage and set a public hearing for same on Monday, October 25, 2010 at 7:00 p.m. Motion unanimously adopted.

Moved by Vice Mayor Kilmer and supported by Commissioner English to approve the resolution to proceed to amend bonds issued to finance a project under Act 18, Public Acts of 1933, as amended; execute a memorandum of agreement with the applicant (Crisis Center); and to receive and set public hearing on proposed ordinance to refinance crisis center bonds for Monday, October 25, 2010 at 7:00 p.m.

WHEREAS, the City of Mt. Pleasant (the "City") issued its Housing Development Revenue Bonds, Series 2000 (Crisis Center Project), dated November 30, 2000 (the "Bonds") pursuant to Act 18, Public Acts of Michigan, 1933, as amended, for the purpose of financing approximately 48 low-income housing units, which are a combination of 2 and 3 bedroom units, on approximately 6 acres of property at 210 South Bradley Street in the City for the benefit of the Crisis Center, Inc.; and

WHEREAS, the City has previously amended the Bonds to provide for a lower rate of interest; and

WHEREAS, Isabella Bank and Trust, the registered owner of the Bonds has agreed to further amend the Bonds to provide for a lower rate of interest; and

WHEREAS, the issuance of the amended Bonds would provide a substantial savings to the Crisis Center and would be in the best interests of the City.

NOW, THEREFORE, BE IT RESOLVED THAT:

An amended bond of the City shall be issued in the aggregate principal amount of not-to-exceed \$2,400,000 (the "Amended Bond").

Prior to the issuance of the Amended Bond all necessary agreements, contracts and other documents shall be prepared with such provisions as are approved by the City and that the City, by adoption of this resolution assumes no liability to Crisis Center for any loss or damage that may result from the adoption of this Resolution or from the Project.

All documents pertaining to the Project shall contain such provisions as shall assure that under no circumstances will the City, Isabella County, the State of Michigan or any of its taxpayers or citizens ever be required to pay any of the principal or interest on the Amended Bond, or any costs relating to the issuance thereof from any tax revenues.

The Mayor or City Clerk is authorized and directed to execute a Memorandum of Agreement with Crisis Center in substantially the form attached hereto as Exhibit A, with such changes as they shall approve.

The firm of Clark Hill PLC, Grand Rapids, Michigan, is hereby designated by the City as bond counsel ("Bond Counsel") with respect to the Amended Bond and is hereby authorized and directed to prepare all proceedings, agreements and other documents as shall be necessary in connection with the issuance of the Amended Bond. The legal fees of Bond Counsel and all other costs of issuing the Amended Bond shall be paid from the proceeds of the sale of the Amended Bond or by Crisis Center, but in no event by the City.

EXHIBIT B
MEMORANDUM OF AGREEMENT

THIS AGREEMENT, entered into as of _____, 2010, between the City of Mt. Pleasant, Isabella County, Michigan, a Michigan home-rule city, 320 West Broadway, Mt. Pleasant, Michigan (the "City"), and Crisis Center, Inc., a Michigan non-profit corporation qualified to do business in the State of Michigan (the "Crisis Center").

W I T N E S S E T H :

WHEREAS, Crisis Center has constructed 48 low income housing units (the "Project"), and financed the Project with the proceeds of revenue bonds (the "Bonds") issued by the City pursuant to Act 18, Public Acts of Michigan, 1933, as amended (the "Act") in a principal amount of \$2,400,000.

WHEREAS, the Project is of public benefit, as it provides needed low income housing and improves the economic welfare of the community.

WHEREAS, the purchaser of the bonds, Isabella Bank and Trust, is willing, and Crisis Center desires to amend the bond and the proceedings in order to provide for a lower interest rate (the "Amended Bond").

NOW, THEREFORE, THE PARTIES AGREE:

1. Crisis Center agrees that upon issuance of the Amended Bond, it will take such action as is necessary to secure payment of the principal, premium, if any, and interest thereon as shall be approved by the City, and Crisis Center will cause payments to be made sufficient to pay the principal of, any premium, and interest on the Amended Bond.

2. The City, its Commissioners and officers, both individual and collectively, shall have no financial responsibility with respect to the Amended Bond or the Project except from the proceeds of the Amended Bond or rentals, revenues or other income produced from the use, lease, sale or other disposition of the Project.

3. Crisis Center hereby indemnifies and holds harmless the City and its officers and directors, their successors and assigns, both individually and collectively, from any and all claims arising from their official acts in connection with the Project.

4. Crisis Center hereby agrees to reimburse the City for all direct out of pocket costs.

5. The City, after approval of the Project, will enact the necessary resolutions and ordinances to authorize the issuance of the Amended Bond and execution on its behalf of the appropriate documents provided that the payment of the principal of and any premium and interest on the Bonds shall be made solely from monies realized from the rental, lease or sale, or from the income produced from or by the Project acquired and constructed from the proceeds of the Bonds. The Amended Bond and such documents shall have such terms as shall be approved by the City.

6. Clark Hill PLC, attorneys, Grand Rapids, Michigan, has been appointed as bond counsel to the City with respect to the issuance of the Amended Bond. Bond counsel will prepare documents for the issuance of the Amended Bond in its capacity as bond counsel and not as counsel to Crisis Center. Crisis Center will be responsible for engaging its own counsel to deliver any legal opinions required for the issuance of the Amended Bond and to advise the Crisis Center with respect to such issuance. The legal fees and expenses of the bond counsel, estimated to be in the amount of not-to-exceed \$6,000 plus expenses, shall be paid by Crisis Center as part of its obligation to reimburse the City for all out-of-pocket expenses.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by its Mayor or City Clerk and Crisis Center has caused it to be executed by its duly authorized officer, as of the day and year first above written.

Motion unanimously adopted.

Announcements on City-Related Issues and Concerns

Commissioner Ling noted that there are new signs for the back-in parking on Bellows. She would like staff to look into additional signage at meters to indicate parking instructions. She would also like staff to look at revenue and use and make sure it is meeting the need it was designed for and if not re-evaluate it.

Vice Mayor Kilmer announced that Mardi Gras was great this year and thanked everyone involved.

Commissioner McGuire agrees with Commissioner Ling regarding back-in parking on Bellows.

Mayor Holton announced that City leaf raking and pick-up process begins October 25.

Moved by Vice Mayor Kilmer and supported by Commissioner English to adjourn the meeting at 7:28 p.m. Motion unanimously adopted.

James Holton, Mayor

Jeremy Howard, City Clerk