



**Special Study Session City Council Meeting  
7:00 PM, MONDAY, OCTOBER 1, 2012  
Conference Room A  
Farmington City Hall  
23600 Liberty St  
Farmington, MI 48335**

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**SPECIAL STUDY SESSION MEETING AGENDA**

**1. ROLL CALL**

Roll Call

**2. APPROVAL OF AGENDA**

**3. DRAKESHIRE SHOPPING CENTER REQUESTED ACTIONS**

**1. Drakeshire Shopping Center Requested Actions**

**4. FARMINGTON ROAD STREETScape GRANT AUTHORIZATION**

**1. Farmington Road Streetscape Grant Authorization**

**5. WARNER STREET IMPROVEMENTS - GRAND RIVER TO THOMAS**

**1. Warner Street Improvements - Grand River to Thomas**

**6. PROPOSED ECONOMIC/COMMUNITY DEVELOPMENT REORGANIZATION**

**1. Proposed Economic/Community Development Reorganization**

**7. BUSINESS ITEMS**

**8. OTHER BUSINESS**

**9. PUBLIC COMMENT**

**10. COUNCIL COMMENT**

**11. ADJOURNMENT**

**Farmington City Council  
Staff Report**

**Council Meeting Date:**  
October 1, 2012

**Reference  
Number  
(ID # 1057)**

**Submitted by:** Vincent Pastue, Chairperson

**Description:** Drakeshire Shopping Center Requested Actions

**Requested Action:**

- a. Consideration to Approve Consent Agreement
- b. Consideration to Adopt Reimbursement Resolution
- c. Consideration to Approve Agreement with STA Architects
- d. Consideration to Approve Agreement with Richard M. Hyman Builders Inc.

**Background:**

City Administration is recommending four separate actions pertaining to the improvements at the Drakeshire Shopping Center, establishing the special assessment district, and bond financing. Contained below is an explanation for each of the actions along with future actions that will be required by the City Council.

**1. Consideration to Approve Special Assessment Agreement** - The attached agreement was prepared by City Attorney Thomas R. Schultz. The essence of the agreement is that the property owners, DIC Properties LLC (1) acknowledges a violation of the City's property maintenance requirements; (2) consents to the City making the agreed upon improvements, which have also been reviewed and approved by the Planning Commission, to abate the property maintenance violation; and (3) consents to a voluntary special assessment over a six year period to pay for these improvements. The amount of the special assessment will be set at \$400,000. The agreement also protects the City's interest by placing a lien on the property.

***Requested Action: Move to approve special assessment agreement with DIC Properties LLC to acknowledge a violation of the City's property maintenance code, to consent to the City making improvements to abate the violation, and to consent to a special assessment to pay for the improvements, subject to the following:***

- (1) final form of the agreement to be approved by the City Manager and City Attorney***
- (2) adoption of reimbursement resolution***
- (3) signature by City and STA architects of agreement for professional services***
- (4) signature by City and Richard M. Hyman Builders, Inc. of construction agreement***

Resolution (ID # 1057)

Meeting of October 1, 2012

**2. Consideration to Adopt Reimbursement Resolution** - The attached resolution was prepared by the City's bond counsel Miller Canfield Paddock and Stone. Since the bond authorizing resolution will be presented at the October 15 meeting, and in order to start the construction project to have it completed before the end of the construction season, this is a necessary precaution.

***Requested Action: Move to approve reimbursement resolution for the Drakeshire Special Assessment District.***

**3. Consideration to Approve Professional Services Agreement with STA Architects** - The City will be retaining STA Architects to perform the construction management services. It is important to remember that the City is actually involved with abating the nuisance. The architect has worked with DIC Properties to this point in the project. They will be reviewing the work performed by the general contractor. STA Architects is a reputable architectural firm that has been in business for decades. Attached is a short-form copy of the agreement. The cost for this phase of the service is \$6,000 plus \$400 in anticipated reimbursable expenses.

***Requested Action: Move to approve agreement with STA Architects to perform construction management services for improvements to the Drakeshire Shopping Center in the amount of \$6,000 plus an anticipated \$400 in reimbursable expenses, subject to:***

- (1) final form of the agreement to be approved by the City Manager and City Attorney***
- (2) signature of special assessment agreement with DIC Properties, L.L.C.***
- (3) signature of construction agreement with Richard M. Hyman Builders, Inc.***

**4. Consideration to Approve Construction Agreement** - DIC Properties, in conjunction with STA Architects, solicited proposals to perform the work approved by the Planning Commission. The initial proposals exceeded their planned budget and changed the scope of work slightly. The low bid was submitted by Richard M. Hyman Builders Inc. in the amount of \$335,600. The general contractor has been in business since the late 1970s and has done a number of construction projects many of which are much larger and more complicated than this. City Administration is comfortable with their qualifications. City Attorney Thomas R. Schultz is working with a standard AIA contract and incorporating exceptions to protect the City's interest. The standard contract form is attached, but the "General Conditions" to the contract (58 pages) are not attached but will be available for review at the Council meeting.

***Requested Action: Move to approve agreement with Richard M. Hyman Builders in the amount of \$335,600 for improvements to the Drakeshire Shopping Center subject to: (1) the City Manager being authorized to sign the agreement upon final review and approval by***

***the City Attorney; (2) signature of the special assessment agreement with DIC Properties, L.L.C.***

**Other Considerations**

1. At the October 15 regular meeting, City Council will be requested to adopt a Bond Authorizing Resolution which will include a bank commitment letter. This will specify the details for issuing special assessments bonds which will include the \$400,000 amount, the interest rate for the bonds, and the term. It will also include other regulatory requirements that pertaining to filing with the Michigan Department of Treasury and on-going disclosure requirements. As discussed in the past, these will not be tax-exempt bonds. We are looking to have a closing date of November 1, 2012 to receive the bond proceeds for this special assessment district.
2. Our intent was to have the bond authorization and commitment letter take place along with the other actions at this meeting. But because of the dwindling construction season, I am recommending that we go forward at this time. We will have this at the October 15 meeting and feel Talmer Bank is strong.
3. Financial Consideration - The City will not be paying for the Improvements. The only financial involvement will be City staff in facilitating this transaction. Assuming the bond sale occurs as planned, there will be no cash provided by the City in connection with the payments to the contractor.

**Attachments**

1. Special Assessment Agreement
2. Reimbursement Resolution
3. Short Form Agreement with STA Architects
4. Estimated SAD Debt Schedule

**Agenda Review**

**Review:**

**Vincent Pastue Pending**

**City Manager Pending**

**City Council Pending**

**AGREEMENT FOR THE FINANCING OF REQUIRED  
NUISANCE ABATEMENT IMPROVEMENTS  
AND THE CREATION OF SPECIAL ASSESSMENT ON PROPERTY**

**AGREEMENT** between DIC Properties, LLC, a Michigan Limited Liability Company, whose address is 24383 Millcreek Court, Farmington MI 48336 ("Owner" or "Property Owner"), and the City of Farmington, a Michigan Municipal Corporation whose address is 23600 Liberty Street, Farmington MI, 48335 ("City").

**R. E. C. I. T. A. T. I. O. N. S:**

The Property Owner owns the property described on the Special Assessment Roll attached to this Agreement (the "Property"), located at 35103 - 35235 Grand River Avenue, near Drake Road. The Property is a single parcel of land improved with three partially-vacant commercial buildings, known as the Drakeshire Shopping Center.

The City and the Property Owner agree that the condition of the buildings is severely deteriorated, with the exterior condition of the buildings in particular being dilapidated through a long-term lack of maintenance. The City has in fact taken code enforcement action against the former owner(s) of the Property, and secured an order of the 47<sup>th</sup> District Court, dated \_\_\_\_\_, requiring the abatement of the condition of the buildings. (See Exhibit 1 attached.)

The City and the Property Owner also agree that the condition of the buildings in fact rises to the level of a hazard and a nuisance, and that such condition must be abated.

The City and Property Owner further agree that the City has the authority under its City Charter and Code of Ordinances to abate such condition and to charge or assess the cost of such abatement to the Property Owner. See, e.g. Section 2.3(u) of the City Charter, relating to the abatement of public hazards and nuisances on private property.

The City in 2011 undertook at its own expense an evaluation of the work required to bring the buildings into compliance with City Code requirements. (See Exhibit 2 attached.) The Property Owner has since then utilized that information to secure its own Cost Estimate of the required work to be done to the buildings in order to abate the hazardous condition and nuisance (the Improvements), which include:

- Brick cleaning and tuck pointing



- Demolition or rehabilitation of existing facia and installation of new plywood substrate
- Removal and replacement of trip hazard sidewalk
- Removal and replacement of existing soffits
- Installation of new upper façade material with EIFS and Nichiha brick system as depicted
- Removal and replacement of wood panels at lower level and standing seam areas above doorways
- Extending current façade
- New standing seam roof and installation of new metal coping, epdm roofing material on back of parapet walls
- Painting of block/brick
- Replacement of existing soffit lighting

The Property Owner has secured the professional services of an architectural firm, Siegal/Tuommaala Associates, to prepare plans for the Improvements. (See Exhibit 3 attached.)

The cost of the Improvements is currently estimated to be approximately \$335,600 for construction costs (See Exhibit 2 attached) and approximately \$64,400 for other costs (contingency, architectural, legal, etc.). This cost exceeds the amounts that the Property Owner has to complete the Improvements, and without an available source of funds, the Property Owner would not be able complete the Improvements.

However, if the Property Owner were to fail or refuse to complete the Improvements, the City would, given the significance of the conditions, take enforcement action to complete some or all of the Improvements, and charge the costs thereof to the Property Owner pursuant to its charter and ordinance authority, and would thereafter defray the costs of doing so by way of imposition of a Special Assessment district, as also provided by City Charter. See Section 11.9.

The City and the Property Owner therefore desire to establish by voluntary agreement a Special Assessment District, consisting of the Property, in order to provide a source of funding for the construction of the Improvements. The Property Owner shall bear 100% of the cost of the Improvements, including the City's administrative, oversight, and legal costs, the cost of design, and the cost of construction, and any contingency costs (together the "Project Costs").

The City shall bear no share of the Project Costs. However, the City has agreed to assist in the financing of the Improvements, pursuant to its borrowing power under the City Charter and applicable law, through the issuance of Special Assessment Bonds up to the amount of \$400,000. Both the City and the Property Owner agree that the purchaser of such Special Assessment Bonds is intended to be Talmer Bank. Any Project Costs over and above that amount shall be the responsibility of the Property Owner.

Final bids for the Improvements have been secured, and the City has reviewed and approved the same. The contract for the Improvements shall be between the City and the contractor selected. The City and the Property Owner shall mutually agree on the contractor and the form of contract. The contractor shall be required to provide insurance and, if required by the City, payment and performance bonds acceptable to the City. At the end of the construction

of the Improvements, the contractor shall provide waivers of lien for all work and materials in a form acceptable to the City.

Rather than undergoing the lengthy process of hearings and resolutions contemplated for the establishment of a customary Special Assessment District, and because of the need and desire to construct and install the improvements on an expedited basis, and taking into consideration the cost of the improvements, the Property Owner desires to waive all of the notice and hearing requirements provided for under state law, and by this Agreement establish a Special Assessment and lien on the Property.

Before establishing a Special Assessment District on the basis of this Agreement, and in order to provide any and all interested persons an opportunity to be heard relative to the necessity for and public purpose of the Improvements and opportunity to be heard on the Special Assessment Roll, the City conducted a public hearing on September 17, 2012.

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. The City and the Property Owner have concluded that, based on the hazardous and nuisance condition of the Property, the Improvements are necessary, appropriate, and are hereby approved.
2. It is the intent and purpose of this Agreement to bind and obligate the Property Owner, and the properties identified on the attached Special Assessment Roll, for payment of the amounts set forth on the Special Assessment Roll to be expended for the Improvements, and create a lien upon the Property to secure payment therefor.
3. The City Council and the Property Owner have determined and agreed that the Improvements will specially benefit the Property that is identified on the Special Assessment Roll, and further specifically agree that the special benefit will be in sufficient amount and proportion such that the special benefit to the Property shall increase the market value of such Property, after the improvements are completed, in proportion to the cost of the Improvements, and that there shall not be any substantial excess of the cost of the Improvements over the benefits that shall accrue to such Property as a result of the improvements. It is further agreed by the Property Owner that there is a fair and reasonable relationship between the amount of the assessment upon the Property, and the amount of the special benefit that shall accrue to the Property as a result of the paving improvements.
4. The City Council has determined that a public purpose would be served by the Improvements by virtue of its abatement of a hazardous and nuisance condition, and the Property Owner fully and completely agrees with (a) the determination that the condition of the buildings constitutes a hazard and a nuisance, and (b) the determination that the abatement of such condition is a valid public purpose, and



further acknowledges that, absent the Property Owner's agreement with such determination, the City would not enter into this Agreement.

5. The City Council has determined to proceed with the finance of the Improvements and to defray the full cost of the improvements by Special Assessment upon the Property, it having been determined by the City Council and the Property Owner that the Property shall be specially benefited by the Improvements.
6. The City and the Property Owner have agreed that specially assessing the properties exclusively is lawful, constitutional, necessary, and appropriate, and that contributions from and/or on behalf of the public and/or from or on behalf of any other property would be inappropriate and unnecessary.
7. The City Council has approved the cost estimate for the Improvements in the amounts set forth on the attached Special Assessment Roll.
8. The City Council has determined, with the concurrence of the Property Owner, that the properties shall constitute the Special Assessment District, with the entire cost of the Improvements being assessed to the Property Owner as shown on the attached Special Assessment Roll.
9. The City Assessor has prepared a Special Assessment Roll that includes the Property of the Owner, and also includes the total amount to be assessed against the Property.
10. The Assessor has affixed his certificate to the Special Assessment Roll, stating that the roll was made pursuant to authorization of the City Council, and that the roll was made according to his best judgment, and conforms in all respects to the directions of the City Council and with the statutes of the State of Michigan.
11. The Special Assessment Roll for the Improvements, attached and incorporated as part of this Agreement, shall be, and is hereby approved, adopted and confirmed.
12. The Special Assessment against the Property as made on the roll, or any part of such Special Assessment, may be paid in cash at any time. The amount assessed shall be assessed against the Property Owner in seven (7) installments, the first of which shall be interest only, and shall be due and payable in December, 2012, in the amount of \$14,000. The remaining six (6) installments shall be in approximately equal amounts, and the first of such several subsequent installments (\$\_\_\_\_\_ per installment) shall be due and payable on the summer tax roll, beginning on July 1, 2013, payable without penalty on or before August 31, 2013, and with a 4% penalty thereafter. If the installment due on December 1, 2012, is not paid on or before May 1, 2012, it shall be certified as delinquent to the Council by the Treasurer and the Council shall place such delinquent assessment on the tax roll for that year together as one item with all accrued collection fees and penalties. Subsequent installments shall be payable on the



succeeding July 1, with payment penalties as indicated. Special Assessments that have been placed on the City tax roll shall be collected in all respects as are City taxes due on such date and shall be returned to the county treasurer with such taxes if unpaid on the following March 1.

13. In the event the Project costs exceed the amount of the Special Assessment, the Property Owner shall remit the amount of excess or additional cost to the City within thirty (30) days of submission of an invoice therefor by the City. Alternatively, the property Owner agrees that the excess or additional costs may be added by the City to any remaining or subsequent payments as described in paragraph 12 above, to be divided equally among the remaining or subsequent payments.
14. The Property Owner, after conferring with its own legal counsel, agrees that it is the sole Owner of record of the Property, and that notice of all hearings, the right to make objections to the Special Assessment District and to the Special Assessment Roll, and the right of appearance and protest at public hearings in order to appeal the establishment and/or amount of the Special assessment to the state tax tribunal, and the right of an owner or party in interest, or his or her agent, to appear at the hearing to protest the Special Assessment or appear by filing his or her appearance or protest by letter, and the right to in any other respect or manner object to the assessment and/or this Agreement, are all *waived*, and the Property Owner hereby confirms such waiver. Moreover, the Property Owner agrees that the Improvements, the Special Assessment, the Special Assessment District and the Special Assessment Roll are all lawful, fair, just, and equitable and that each of the assessments contained on the assessment roll results in a Special Assessment in accordance with the benefits to be derived by the respective Property.
15. This Agreement contains the entire understanding and agreement between the City and the Property Owner, and no statements, promises, or inducements have been made by any party, or by the agent of any party, that are not contained in this written Agreement. This Agreement constitutes the full and complete agreement of the parties, and shall not be enlarged, modified or altered, except in writing signed by the parties.
16. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns and transferees, and shall run with the land constituting the properties.
17. The City Council shall approve the form of the construction agreement. The construction agreement shall require the submission of insurance and may also require payment and performance bonds in a form acceptable to the City Attorney. The City Council shall contract with the contractor for the construction of the improvements as "Owner." All construction, and the process of construction, shall be in accordance with all applicable regulations of the City,

and shall require all applicable permits and approvals from the City council and/or administration and other applicable governmental entities, including, without limitation, payment of City fees, pre-construction maintenance, inspection fees, insurance and bonds, and the like.

In the event the parties are unable to agree on a construction contract, or if the chosen contractor fails to complete the Improvements after commencement and after due notice of such default and opportunity to cure same, the City shall have the right, but not the obligation, to publicly bid and award a contract for the Improvements (or completion thereof) to a third-party contractor in the normal course, for construction of the Improvements (or completion thereof). In such event, the amount based on such bid shall become the construction cost portion of the Project Costs, and the Special Assessment Roll shall be revised accordingly. The Property Owner agrees to permit the entry of the City's third party contractor onto the property to commence or complete the Improvements, and agrees not to interfere with, impede, or prevent in any manner the work performed by the third party contractor to commence or complete the Improvements.

In the event there is an indebtedness for the finance, design, construction, or administration of the Improvements in excess of the amount shown on the Special Assessment Roll, and/or if the City has incurred additional costs and expenses in the implementation of this agreement and the Special Assessment District, then the Special Assessment Roll shall be adjusted to reflect the additional costs, and the installments required as set forth in Paragraph 12 above shall be adjusted pro rata. All amounts of expenditures required to be made by the City out of its funds (if any) shall be due immediately. Any amounts that remain unpaid at the time of the next annual installment due shall be added to such next annual installment, with the interest in the amount payable under the Special Assessment.

- 18. An affidavit of this Agreement shall be recorded at the Oakland County Register of Deeds. A copy of this Agreement shall be kept on file with the City Clerk.

[Signatures next page]

**CITY OF FARMINGTON,  
a Michigan municipal corporation**

By: \_\_\_\_\_  
Tom Buck, Mayor

COUNTY OF OAKLAND    )  
                                  ) SS  
STATE OF MICHIGAN    )

On this \_\_\_\_\_ day of \_\_\_\_\_ 2012, Tom Buck, executed the foregoing document before me and, being duly sworn, stated that he is the Mayor of the City of Farmington with its full authority and as its free act and deed.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Oakland County, Michigan  
Acting in the County of \_\_\_\_\_

By: \_\_\_\_\_  
Susan K. Halberstadt, Clerk

COUNTY OF OAKLAND    )  
                                  ) SS  
STATE OF MICHIGAN    )

On this \_\_\_\_\_ day of \_\_\_\_\_ 2012, Susan K. Halberstadt, executed the foregoing document before me and, being duly sworn, stated that she is the Clerk of the City of Farmington with its full authority and as its free act and deed.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Oakland County, Michigan  
Acting in the County of \_\_\_\_\_



**PROPERTY OWNER  
DIC Properties, LLC**

\_\_\_\_\_  
By:  
Its:

COUNTY OF OAKLAND     )  
  ) SS  
STATE OF MICHIGAN     )

On this \_\_\_\_\_ day of \_\_\_\_\_ 2012, \_\_\_\_\_, executed the foregoing document before me and, being duly sworn, stated that he is the Managing Member of DIC Properties, LLC, a Michigan Limited Liability Company, with its full authority and as its free act and deed.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Oakland County, Michigan  
Acting in the County of \_\_\_\_\_



**SPECIAL ASSESSMENT ROLL**

**Description of Special Assessment District:**

**This is a special assessment for purposes of defraying the costs for the abatement of a public hazard and nuisance created by the deteriorated condition of the buildings situated on the properties 35103 through 35235 Grand River Avenue.**

**Property to be Assessed**

**Amount of Assessment**

Parcel No. 23-28-101-010

\$400, 000.00

T1N, R9E, SEC 28 PART OF NW 1/4 BEG AT PT DIST S 01-45-10 W 50.23 FT & S 82-44-30 E 210.28 FT FROM NW SEC COR, TH S 82-44-30 E 477.88 FT, TH S 01-45-10 W 306.23 FT, TH N 88-34-14 W 475.69 FT, TH N 01-45-10 E 354.76 FT TO BEG 3.61 A

**ENDORSEMENT OF CITY CLERK**

\_\_\_\_\_  
Susan K. Halberstadt, Clerk

Date: \_\_\_\_\_

**CERTIFICATE OF CITY ASSESSOR**

This assessment roll was made pursuant to authorization of the City Council, and was made according to my best judgment and conformed in all respects to the directions of the City Council and with the statutes of the State of Michigan.

\_\_\_\_\_  
, City Assessor

RESOLUTION DECLARING INTENT TO REIMBURSE FOR EXPENDITURES

CITY OF FARMINGTON
County of Oakland, State of Michigan

Minutes of a regular meeting of the City Council of the City of Farmington, Michigan, held on Tuesday, the 1st day of October, 2012, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members

ABSENT: Members

The following preamble and resolution were offered by Member and supported by Member:

WHEREAS, the City of Farmington, Michigan (the "City"), intends to issue and sell special assessment bonds in an amount not to exceed Five Hundred Thousand Dollars (\$500,000) for the purpose of defraying all or a portion of the cost of certain improvements in the City in accordance with the City Charter and Code of Ordinances, together with all appurtenances and attachments thereto (the "Project"); and

WHEREAS, the City intends at this time to state its intention to be reimbursed from proceeds of the bonds for any expenditures undertaken by the City for the Project prior to issuance of the bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council of the City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of debt to be incurred by the City.
(b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were paid subsequent to sixty (60) days prior to the date hereof or which will be paid prior to the issuance of the bonds from the water and sewer fund and/or the general fund of the City.
(c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$500,000.
(d) A reimbursement allocation of the expenditures described in (b) above

with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this resolution.

- (e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).
- (f) No proceeds of the borrowing paid to the City in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.
- (g) Expenditures for the Project to be reimbursed from the proceeds of the borrowing for purposes of this resolution do not include (i) costs for the issuance of the debt, (ii) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the borrowing, or (iii) preliminary expenditures not exceeding twenty percent (20%) of the issue price of the borrowing, within the meaning of Treas.Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Project, but do not include land acquisition, site preparation and similar costs incident to commencement of construction).

2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members \_\_\_\_\_

NAYS: Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Susan K. Halberstadt  
City Clerk

I HEREBY CERTIFY that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Farmington, County of Oakland, State of Michigan, at a regular meeting held on the 1st day of October, 2012, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Susan K. Halberstadt  
City Clerk

20,530,770.1\027756-00029



AGREEMENT FOR LIMITED PROFESSIONAL SERVICES

Date: October 2, 2012

ARCHITECT: Siegal/Tuomaala Associates Architects and Planners, Inc.  
29200 Northwestern Hwy., Suite 160, Southfield, MI 48034

CLIENT: City of Farmington  
23600 Liberty Street  
Farmington, Michigan 48335

OWNER: D.I.C. Properties LLC  
24383 Millcreek Ct.  
Farmington Hills, MI 48336  
Attn: Raj Immadisetty

PROJECT DESCRIPTION/LOCATION/JOB NO.:

Replace existing wood facades and miscellaneous work at Drakeshire Plaza, Farmington, Michigan, per Architect's Drawings, Drakeshire Plaza Façade Renovation, Project No. 2243, dated 9/11/2012. Addendum 4

SCOPE OF SERVICES:

Construction Phase Services

- Review contractor shop drawing submittals
- Answer field questions/RFI's
- Process contractor payment applications
- Periodic field observations and a final punch list

EXCLUDED SERVICES:

All Services not listed

FEE: \$6,000.00

Reimbursable expenses for mileage, postage, drawing reproduction and other project related expenses are in addition to the fee.

## TERMS AND CONDITIONS

1. The Architect shall provide the professional services set forth in this agreement consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.
2. Payments are due and payable within 60 days from the date of the Architects invoice. Retainers shall be credited on the final invoice. Accounts unpaid 60 days after the invoice date may, at the Architects discretion, be subject to a monthly service charge of 1% on the unpaid balance.
3. Any evaluations of the cost of the work by the Architect represent the Architect's judgment as a design professional. The Client understands that since the Architect has no control over market conditions and forces that effect costs, the Architect does not warrant or represent that bids or negotiated prices will not vary from any evaluation of the cost of the work by the Architect.
4. The Architect shall be the copyright owner of all documents and computer files produced by the Architect under this agreement and they shall remain the property of the Architect and may not be used by the Client or for any other endeavor without the written consent of the Architect.
5. The Architect shall not be required to execute any document that would result in certifying, guaranteeing or warranting conditions the Architect cannot ascertain.
6. Any claims or disputes during design, construction or following completion of the project shall be submitted to non-binding mediation.
7. The Architect shall not direct or have control over any Contractor's work nor have control over, be in charge of or have responsibility for the construction means, methods, techniques, sequences or procedures or for the safety precautions and programs in connection with the work nor the Contractor's failure to satisfactorily perform the work.
8. The Client agrees to the fullest extent permitted by law, to indemnify and hold harmless the Architect and its Consultants from all claim, damage, liability and cost, including reasonable legal fees and defense costs, arising out of or in any way connected with this project, excepting only those damages, liabilities or costs attributable to the sole negligence of the Architect.
9. This agreement may be terminated by the Client or the Architect should the other fail to perform its obligations hereunder. If the Client fails to make payments to the Architect in accordance with this agreement, the Architect may suspend services and may terminate this agreement. The Architect shall have no liability for delay or damages caused by such suspension of services. In the event of termination, the Client shall pay the Architect for all services rendered to the date of termination including all reimbursable expenses.

TERMS AND CONDITIONS (Cont.)

- 10. The Americans with Disabilities Act (ADA) provides that it is a violation of the ADA to design and construct a facility for first occupancy later than January 26, 1993, that does not meet the accessibility and usability requirements of the ADA except where an entity can demonstrate that it is structurally impractical to meet such requirements and in existing facilities requires the removal of architectural barriers where such removal is "readily achievable". The Client acknowledges that the requirements of the ADA will be subject to various and possibly contradictory interpretations. The Architect will use its reasonable professional efforts and judgment to interpret applicable ADA requirements and their interface with other federal, state and local laws, rules, codes, ordinances and regulations as they apply to this project. The Architect, however, cannot and does not warrant or guarantee the Client's project will fully comply with all interpretations of ADA requirements by regulatory bodies or court decisions.
  
- 11. The Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form in connection with the work.
  
- 12. The Architect shall maintain insurance consisting of Professional Liability (\$1,000,000 each claim, \$2,000,000 aggregate); General Liability including Automobile (\$1,000,000 each occurrence, \$2,000,000 aggregate); and Workers' Compensation (statutory limits).

Architect:

signature

Lonny S. Zimmerman, AIA Vice President

printed name and title

Client:

signature

Vincent D. Pastue, City Manager

printed name and title



**Drakeshire Shopping Center  
Voluntary Special Assessment District  
Debt Schedule - Estimated**

Principal Amount                   \$400,000  
Interest Rate                       6.00%  
Term                                   6  
  
Issue Date                           1-Nov-12

	Beginning Balance	Interest Payment	Principal Payment	Total Payment	Ending Balance
December 1, 2012	\$400,000.00	\$14,000.00	\$0.00	\$14,000.00	\$400,000.00
June 1, 2013	\$400,000.00	\$24,000.00	\$66,666.67	\$90,666.67	\$333,333.33
June 1, 2014	\$333,333.33	\$20,000.00	\$66,666.67	\$86,666.67	\$266,666.66
June 1, 2015	\$266,666.66	\$16,000.00	\$66,666.67	\$82,666.67	\$199,999.99
June 1, 2016	\$199,999.99	\$12,000.00	\$66,666.67	\$78,666.67	\$133,333.32
June 1, 2017	\$133,333.32	\$8,000.00	\$66,666.67	\$74,666.67	\$66,666.65
June 1, 2018	\$66,666.65	\$4,000.00	\$66,666.65	\$70,666.65	\$0.00
<b>Total</b>		<b>\$98,000.00</b>	<b>\$400,000.00</b>	<b>\$498,000.00</b>	

Construction Cost	\$335,600	Bid Amount
Architect Design Services	\$34,988	Thru August 31, 2012, \$1,920 Sept Estimate
Architect Construction Services	\$6,400	City received agreement
Bond Counsel	\$10,000	Vince's Estimate
City Attorney	\$4,200	Per TRS
Talmer Bank	\$4,000	1% based on prior discussion with Tim Bishop
Michigan Advisory Council	\$300	Laura's estimate
Other Bond Issuance Costs	\$500	Estimate
City Printing & Publishing	\$1,000	Need to confirm with SKH
Contingency	\$3,012	Balance to make \$400k
<b>Total</b>	<b>\$400,000</b>	



**Farmington City Council  
Staff Report**
**Council Meeting Date:**  
October 1, 2012

**Reference  
Number  
(ID # 1058)**
**Submitted by:** Vincent Pastue, Chairperson

**Description:** Farmington Road Streetscape Grant Authorization

**Requested Action:**
**Background:**

The purpose of this agenda item is to update the grant application process for the Farmington Road Streetscape Project. The project area begins at Grand River and proceeds to Slocum. DDA Executive Director Annette Knowles and I will review the proposed project, approvals received by the Road Commission for Oakland County, project cost estimates, and proposed financing.

One element of the financing involves submitting a Transportation Enhancement Grant application. This process recently changed which we will discuss during the study session. The grant application would be for the project to take place during the 2014 construction season.

**Agenda Review**
**Review:**

Vincent Pastue      Pending  
City Manager      Pending  
City Council Pending

**Farmington City Council  
Staff Report**
**Council Meeting Date:**  
October 1, 2012

**Reference  
Number  
(ID # 1059)**
**Submitted by:** Vincent Pastue, Chairperson

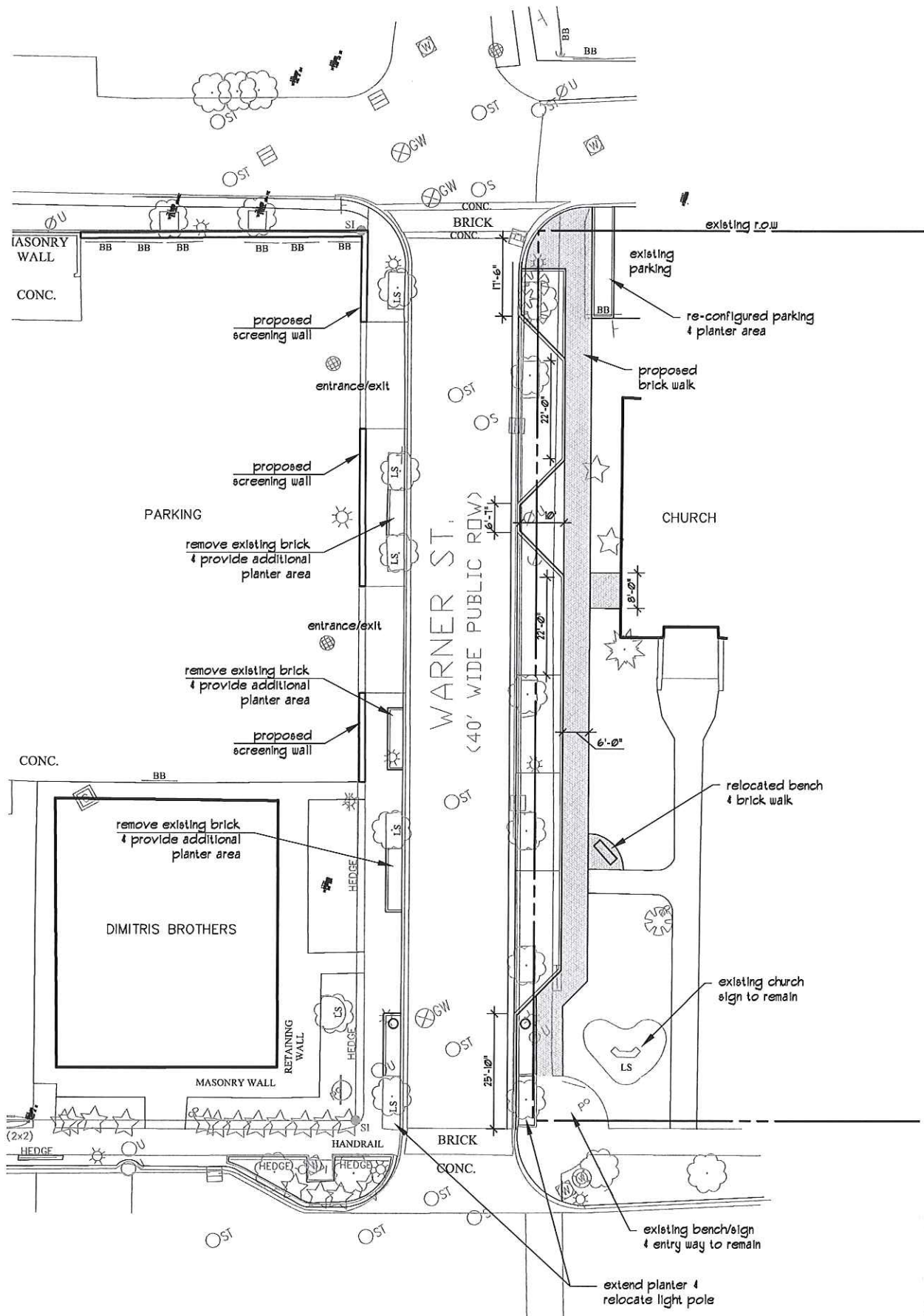
**Description:** Warner Street Improvements - Grand River to Thomas

**Requested Action:**
**Background:**

The reconstruction of Warner Street from Grand River to Shiawasse is part of the Fiscal Year 2013-14 Capital Improvements Program. Given that the DDA recently purchased Dimitri's Restaurant, now is an excellent time to consider incorporating streetscape improvements between Grand River and Thomas. DDA Executive Director Annette Knowles will be present at the study session. We will review the site plan and renderings for on-street parking improvements.

**Agenda Review**
**Review:**

Vincent Pastue      Pending  
City Manager      Pending  
City Council Pending



GRAND RIVER AVE.  
 (66' WIDE PUBLIC ROW)

Parallel Parking Study - 26' Rd Width  
 August 24, 2012  
 Scale: 1" = 20'



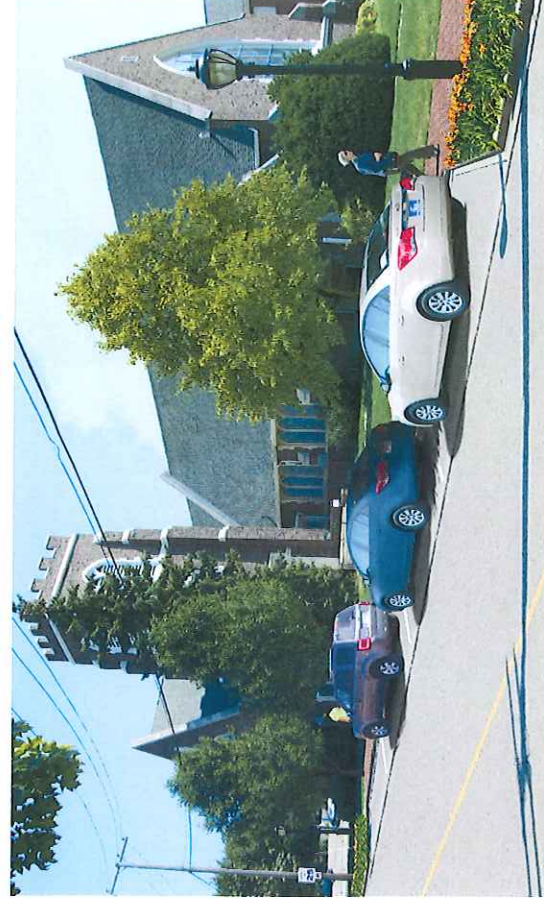
**Note Key**

1. Existing Church Sign
2. Existing Bench and City Directory
3. Relocated Ornamental Light Pole
4. New Parallel Parking (5 total)
5. Relocated Bench
6. New Brick Sidewalk along Warner Street
7. Planting Area Around Existing Utility Pole
8. Low Retaining Wall as Required
9. New Shade Trees
10. New Plantings
11. Existing Parking Area





Existing View



Proposed View

Farmington Streetscape  
Farmington, MI

Conceptual Streetscape Design  
Perspective View  
08.2012

GRISSIM  
METZ  
ASSOCIATES  
ANDRIESE

**Farmington City Council  
Staff Report**
**Council Meeting Date:**  
October 1, 2012

**Reference  
Number  
(ID # 1060)**
**Submitted by:** Vincent Pastue, Chairperson

**Description:** Proposed Economic/Community Development Reorganization

**Requested Action:**
**Background:**

The City Council is aware that I have proposed a re-organization involving a number of departments to create a focused economic/community development effort. I spoke with each individually regarding the needs and elements of the proposal. As you know, I have prepared a draft report that I will refine over the weekend and present to the City Council at the study session. The purpose of this agenda item is to discuss the proposed re-organization. I will have a PowerPoint presentation to organize the recommendation and subsequent discussion.

**Agenda Review**
**Review:**

Vincent Pastue      Pending  
City Manager      Pending  
City Council Pending