CITY OF ALBION
CITY COUNCIL MEETING AGENDA

Meetings: First and Third Mondays – 7:00 p.m.

City Council Chambers ♦ Second Floor ♦ 112 West Cass Street ♦ Albion, MI 49224

COUNCIL-MANAGER GOVERNMENT

Council members and other officials normally in attendance.

David Atchison
Mayor

Council Member
1st Precinct

Lenn Reid
Council Member
2nd Precinct

Sonya Brown
Mayor Pro-Tem
Council Member
3rd Precinct

Marcola Lawler
Council Member
4th Precinct

Jeanette Spicer
Council Member
5th Precinct

Shane Williamson
Council Member
6th Precinct

LaTonya Rufus
City Manager

The Harkness Law Firm
Atty Cullen Harkness

Jill Domingo
City Clerk

NOTICE FOR PERSONS WITH HEARING IMPAIR-MENTS WHO REQUIRE THE USE OF A PORTABLE LISTENING DEVICE

Please contact the City Clerk's office at 517.629.5535 and a listening device will be provided upon notification. If you require a signer, please notify City Hall at least five (5) days prior to the posted meeting time.

REVISED SPECIAL AGENDA

COUNCIL MEETING
Monday, January 14, 2019

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7:00 P.M.

PLEASE TURN OFF CELL PHONES DURING MEETING

I. CALL TO ORDER

II. MOMENT OF SILENCE TO BE OBSERVED

III. PLEDGE OF ALLEGIANCE

IV. ROLL CALL

V. APPROVAL OF THE AGENDA (Includes ant proposed additions, deletions or other changes to the agenda)

VI. PRESENTATIONS AND RECOGNITIONS

VII. PUBLIC HEARING

VIII. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than three (3) minutes. Proper decorum is required.)

IX. CLOSED SESSION

X. CONSENT CALENDAR (VV) (Items on Consent Calendar are voted on as one unit)

XI. ITEMS FOR INDIVIDUAL DISCUSSION

A. Discussion on the City Manager/Mayor Meetings as Outlined in Council Rules and Procedures

B. Discussion/Approval MEDC Grant Options for Peabody Project

XII. FUTURE AGENDA ITEMS

XIII. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to no more than three (3) minutes. Proper decorum is required).

XIV. CITY MANAGER REPORT

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XV. MAYOR AND COUNCIL MEMBER COMMENTS

XVI. MOTION TO EXCUSE ABSENT COUNCIL MEMBER (S)

XVII. ROLL CALL

XVIII. ADJOURN

9 January 2019

From: Mayor Dave Atchison

Subject: WEEKLY MEETING -9 JANUARY 2019

Items for discussion:

1. Standardization of verification process for eligibility for election/appointment:
    a. A written, standardized procedure needs to be in place. Multiple inconsistencies between individuals
    b. Privacy of personal information needs to be kept to the absolute minimum. There are concerns being voiced over who has access to info and what info is shared – to whom etc.
    c. All elected / appointed officials need to verified periodically they are NOT in default. What is the process?

2. Media reports (Recorder & social media) have raised concern / public 'awareness' of substantial increases in fees. Provide copies of 2018 & 2019 City fee & fine schedules to all council members.

3. Clarification on notification of Mayor & council of incidents. Reminder that notification to Mayor via **text or phone – (301) 653-8354** of high interest law enforcement, casualty, accident etc, within the city limits. Notify mayor early and keep informed; regardless of time of day. E-mail for detailed reports – status reports is fine. Notify councilmembers of incidents/= within their precinct at a minimum. Reports – communication between Head of Public Safety and mar – all members of council is appropriate and expected. (Public Safety)

4. Provide full council your established- scheduled working hours. Important we know when to expect you are expected to be at city hall.

5. Please submit your moving expense-claim and copies of receipts to full council within 1-week.

6. Please submit account for paid time off taken in 2018. Administrative Time Off "expired' on 1 January 2019. Please inform mayor/council your process for accounting for and obtaining approval for time off. Please submit prior to 22 January Council meeting.

7. Publication of process/notice for Precinct 1 Vacancy.

8. Safety concerns for city employees in city hall?

9. Relocation of City Clerk?

10. Performance goals and objectives. What are your reservations against with including following:
    a. advance **professional city governance**
    b. ensure sound **Fiscal Management**
    c. enhance **Community Relations**

Mayor Atchison

CITY OF ALBION
MICHIGAN

CITY COUNCIL
RULES OF PROCEDURE

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RULE 1. AUTHORITY

(a) City Council meetings shall comply with the state constitution, the Open Meetings Act, the Home Rule City Act, the City Charter and all other pertinent law.

(b) Regular and special meetings of the City Council shall be open to the public and the rules of procedure of the City Council shall provide citizens with reasonable opportunity to be heard. City Charter § 5.6(g).

(c) These rules of procedure (i) provide for constructive and democratic meetings, (ii) establish common rules and procedures for deliberation and debate, (iii) are intended to help, not hinder, the business of the City Council, and (iv) expedite and facilitate the transaction of the business of the City Council in an orderly fashion. The failure to strictly observe any such rules shall not affect the jurisdiction of, or invalidate any action taken by, the City Council.

(d) The following words or phrases shall have the following meanings:

(1) *Administration* means the duly appointed and acting City Manager or that person's designee.

(2) *City Council or Council* means the duly elected or appointed and serving Mayor and Council Members.

(3) *Council Member or member* are used interchangeably and means members of the City Council.

(4) *Dates* - whenever a date in these rules for the doing or completion of an act falls on a Saturday, Sunday or holiday, such act shall be done or completed on the next succeeding day which is not a Saturday, Sunday or holiday.

(5) *Decision* means a determination, action, vote or disposition upon a motion, proposal, recommendation, resolution, order, ordinance or measure on which a vote by City Council has occurred.

(6) *Meeting* means the convening of a public body (the City Council) at which a quorum is present for the purpose of deliberating toward or rendering a decision on a public policy.

(7) *Procedural matters* mean votes upon motions having no other purpose than to adjourn, to receive and file, to refer a matter, to approve the minutes or accept or decline an invitation may be taken by a voice vote and the Chair shall announce the result of the voting. Upon any such matter, a majority of the quorum present shall be sufficient to

carry such a motion, unless the Charter or other rule shall specifically require a greater majority in any such matter.

(8) *Unanimous* means that all the members of the City Council who are present voted the same way.

(e) On all matters of procedure not addressed in these rules, the Council shall refer to the most current edition of Robert's Rules of Order for guidance in developing procedures for the conduct of meetings and shall not be inconsistent with the standing rules and order of the Council and not contrary to the Albion City Charter or any existing laws of the State of Michigan.

(f) The Mayor shall hold regular, weekly meetings or conference calls with the City Manager, typically on Wednesdays, to confer on city business and upcoming agendas. These conferences may include one or two other Council Members and may also include other City staff members. It is expected that the City Attorney shall be present, as needed to provide legal counsel and perspective. Flexibility shall be allowed from meeting to meeting.

RULE 2. ROLES AND RESPONSIBILITIES OF CITY OFFICIALS

(a) The City Council's duties and authority, as established in the City Charter and other law is as follows:

(1) Generally, the City Council is to "exercise all of the legislative and policy-making powers of the city and…provide for the performance of all duties and obligations imposed upon the city by law." City Charter §§ 5.1; 6.1.

(2) The Council works only through ordinances, resolutions, or motions. Ordinances (i) may be required by law (e.g., to establish some types of authorities or to issue some type of bonds), (ii) are required for all acts for which there is a penalty for violation (e.g., city health, safety, traffic codes, etc.), and (iii) are needed for acts where the city wishes to regulate actions or conduct of persons other than city officers, employees and agents. Resolutions are normally limited to internal affairs or concerns of the city government (e.g., approval of contracts), though resolutions may be specifically authorized for other purposes. Motions, by themselves, as opposed to motions to approve a resolution or an ordinance, are generally limited to routine procedural matters and to making decisions placed before the body.

(3) The City Council, including the Mayor, acts as a body. The City Charter refers to the powers of the City Council, as opposed to the powers of individual Council members, or the Mayor. Therefore, individual Council members have no authority to act on behalf of or represent the city except as approved by an ordinance, resolution, or motion approved by the Council (e.g., designation to serve as a delegate to an MML body or to serve as the city's representative on another body).

(4) The city Council sets policy by its actions. The following actions all set policy but are not the only City Council actions that can establish policy: (i) budget approval, (ii) tax levies, (iii) approving borrowing, (iv) setting city utility rates and other fees and charges, (v) specially assessing for projects, (vi) approving contracts, (vii) adopting or amending ordinances, (viii) adopting resolutions, (ix) appointing members of boards and commissions, (x) appointing the City Manager and City Attorney, setting their compensation, and providing regular reviews, and (xi) assigning duties to, changing and consolidating city departments.

(b) The Mayor's duties and authority are as follows:

(1) The Mayor is the ceremonial head and chief executive officer of the city and shall perform all duties provided or required of…[the Mayor] by law or by the council." City Charter § 5.4(a). The Mayor therefore serves when state or federal law specifies roles or responsibilities for a city's "chief executive officer" or the Mayor, or when the City Council by ordinance, resolution or motion authorizes or directs the Mayor to act.

(2) The Mayor serves as the presiding officer of the Council but is a member of the Council with all the powers and duties of a Council member, including the right and duty to vote on questions before the Council. The Mayor advises the Council concerning the public affairs of the City and makes recommendations thereon. As a member of the City Council with voting rights, the Mayor does not have veto power. (This contrasts with strong-mayor governments in which the mayor is not a member of the council/commission and has no voting rights.)

(3) In emergencies, the Mayor has powers conferred by law upon peace officers and shall exercise such powers to prevent disorder, to preserve the public peace and health, and to provide for the safety of persons and property. City Charter § 5.4(e).

(4) The Mayor makes all appointments, subject to Council approval, unless law or ordinance requires appointment by another officer or agency. City Charter §§ 5.4(f), 8.2(b). Stated slightly differently, whenever a City appointment is to be made, the Mayor is empowered to make that appointment, subject to the City Council's approval, unless state or federal law, the City Charter, or a City ordinance delegates the appointment to others. This generally applies to City bodies and City-related bodies.

(c) The City Manager's duties and authority are as follows:

(1) The City Manager serves as "…the chief administrative office of the city." The City Manager therefore serves when state or federal law specifies roles or responsibilities for a city's "chief administrative officer." The City Manager exercises and performs all administrative functions of the City that are not imposed by law, the Charter or ordinance upon another official. No other city officer may perform the City Manager's duties. City Charter § 7.2(e).

(2) The role of chief administrative officer includes broad authority including responsibility for all City administrative departments and personnel. The City Manager is to implement City personnel policies and enter into employment agreements with City employees.

(3) The City Manager is to advise the Council and recommend to the Council adoption of such measures the Manager deems necessary or expedient.

(4) The City Manager attends Council meetings with the right to take part in discussion, but without the right to vote.

(5) More specific duties and responsibilities of the City Manager include:

(i) Enforcing all ordinances unless otherwise provided in the Charter, in the ordinance or by law.

(ii) Appointing the emergency preparedness coordinator and the planning and community development director. City Code § 2-148.

(iii) Proposing an annual budget to the City Council and administering the annual budget approved by the City Council.

(iv) Performing other duties as may be prescribed by ordinance or by direction of the Council.

(v) Adopting administrative regulations. City Code § 2-61.

(vi) Acting as the City's purchasing agent or designating another purchasing agent and overseeing purchasing. City Code § 2-383.

(vii) Recommending to the Council to prescribe by ordinance additional powers and duties to city officers and departments. City Charter § 8.17.

(6) The City Manager serves at the pleasure of and is accountable to the City Council. Note, if there is a vacancy in the office of City Manager, the City Council must appoint non-elected person to serve as an interim City Manager. City Charter § 7.2(f).

(d) The City Attorney's duties and authority are as follows:

(1) The City Attorney serves as legal adviser to: (i) the City Council concerning the performance of its functions and duties, (ii) the Clerk, Treasurer, Assessor and City Manager concerning their statutory and Charter duties, and (iii) City boards. The City Attorney attends Council meetings.

(2) The City Attorney prosecutes violations of City ordinances and represents the City in civil and administrative proceedings.

(3) The City Attorney prepares or reviews ordinances, regulations, contracts, bonds and other instruments.

(4) The City Attorney provides legal opinions regarding the documents the City Attorney reviews and on such other matters as requested, filing a copy with the Clerk.

(5) The City Attorney performs other duties as prescribed by law, the Charter or the Council.

(e) The Director of Public Safety or a public safety officer designated by the Director of Public Safety shall serve as sergeant-at-arms for the City Council during its meetings to assist in the preservation of order and, while serving that role, shall serve at the direction of the Mayor or other chair of the meeting.

RULE 3. OATH OF OFFICE; DUTIES ASSUMED; MAYOR PRO TEM APPOINTED

(a) On the first Monday in December following their election, newly elected members of City Council shall take the oath of office and assume the duties of their office. City Charter § 5.3. See Appendix B: Sine Die Procedure.

(b) On the first Monday in December after each City general election, the City Council shall appoint one of its elected members to serve as Mayor Pro Tem. City Charter § Section 5.5.

RULE 4. MEETINGS OF THE CITY COUNCIL

(a) *Regular Meetings* - Regular meetings of the City Council shall be held each month on the days prescribed by resolution beginning at 7:00 p.m. Each calendar year there shall be posted within 10 days after the first meeting of the Council a public notice stating the dates, times and places of the regular meetings. If there is a change in the schedule of regular meetings, a notice shall be posted within 3 days after the meeting at which the change is made listing the new dates, times and places of the regular meetings. Open Meetings Act; City Charter § 5.6.

(b) *Special Meetings* - Special meetings of the council shall be held at the regular meeting place of the council or at an alternate meeting place when notice of such alternate meeting place is posted at the main entrance to the city hall during such meeting. Special meetings shall be called by the clerk on the written request of the mayor, or of any two (2) members of the council. If the capacity of the Council chambers is deemed insufficient to hold the audience that wishes to attend the council meeting, council may decide to move the meeting to a larger venue. City Charter § 5.6.

At least eighteen 18 hours written notice shall be given designating the time and purpose of a special meeting. Such notice shall be given personally by the clerk to each member of the council or written notice may be left at their usual place of residence or business by the clerk or by someone designated by him. A copy of such notice shall also be delivered at the place of business of each newspaper printed and published in the city, but this requirement shall not be jurisdictional to the holding of any such meeting. Such notice shall also be posted on the City's website.

(c) *Study Sessions* - In addition to regular and special meetings, the Council may hold study sessions from time to time for gathering information and for deliberating towards a decision on any matter. All actions and final decisions shall be made only at a subsequent regular or special meeting. The study sessions shall be open to the public and shall comply with the posting requirements of Act 267, Michigan Public Acts for 1976, as may be amended. For the purpose of posting only, the study sessions shall be considered as special meetings.

(d) *Closed Sessions* - In accordance with the Open Meetings Act, MCL 15.268, the council may meet in a closed session only for one or more of the permitted purposes following a roll call vote:

(1) To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation of, a public officer, employee, staff member, or individual agent, if the named person requests a closed hearing (that request may be withdrawn at any time)

(2) For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiating party requests a closed hearing

(3) Upon a 2/3 vote of the members elected or appointed, to consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained.

(4) Upon a 2/3 vote of the members elected or appointed, to consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have a detrimental financial effect on the litigating or settlement position of the city.

(5) Upon a 2/3 vote of the members elected or appointed, to review and consider the contents of an application for employment or appointment to a public office if the candidate requests that the application remain confidential. However, all interviews by the city for employment or appointment to a public office shall be held in an open meeting pursuant to the Open Meetings Act.

(6) Upon a 2/3 vote of the members elected or appointed, to consider material exempt from discussion or disclosure by state or federal statute. (This is the basis for a closed session discussion of written legal opinions.)

RULE 5. STANDING COMMITTEES

There shall be no standing committees of the City Council. This does not, however, prohibit the designation of three (3) or fewer Council Members working together, without compensation, to gather information and/or research a specific subject and to report back to the full City Council at a later date. City Charter § 5.6(b).

RULE 6. QUORUM

At any regular or special meeting, four (4) members of the City Council shall be a quorum for the transaction of business. In the absence of a quorum, any number of members less than a quorum may adjourn any regular or special meeting. City Charter § 5.6(h). Regular

meetings that have been adjourned due to a lack of a quorum shall have the agenda material carried over to the next regular meeting unless a special meeting is scheduled prior to that time to deal with those items. Special meetings adjourned due to a lack of quorum shall be rescheduled to a date determined by the authority who called for the meeting. Notices shall be posted in accordance with state law.

RULE 7. CONDUCT OF MEETINGS

(a) *Chair* - The Mayor, or in the Mayor's absence, the Mayor Pro Tempore, shall be the Chair and preside over the meetings. If both the Mayor and Mayor Pro Tempore are absent, the City Clerk shall call the City Council to order and call the roll. If a quorum is present, the Council shall elect, by a majority of those members present, a temporary Chair to act until the Mayor or the Mayor Pro Tempore appear.

(1) The Chair's role is to serve the Council by implementing these rules of procedure to facilitate the orderly conduct of Council business.

(2) The Chair represents the Council during the meeting, declaring the Council's will and obeying the Council's commands resulting from motions and other actions in accordance with these rules of procedure.

(3) The role as Chair is in addition to any other roles the Chair may have as Mayor, Mayor Pro Tem, or as another Council Member.

(b) *Preservation of Order* - The Chair shall conduct the meeting, arrange the seating, preserve decorum, and decide, subject to appeal, questions of order and the interpretation of these rules. Appeals of such interpretation may be made by any Council Member present. The City Attorney normally shall be the advisor of the Chair on any point of order or procedure under these rules. Council Members shall remain seated, unless needing to leave the Council chamber on an urgent matter, refrain from private discourse, and refrain from electronic communication while the Council is in session. A Council Member speaking may be interrupted only: (i) when the Chair determines the speaking Council Member is out of order, (ii) for a point of order, (iii) when asked to yield, or (iv) when such interruption is needed to restore order due to the inappropriate conduct of others.

If attempts to restore order by calls to do so, instruction, and use of the gavel are unsuccessful, the Chair may: (i) call a recess, (ii) adjourn the meeting, or (iii) request that the

police officer serving as sergeant-at-arms for that meeting remove any person(s) engaging in conduct that is out of order. Rule § 2(e).

(c) *Council Members* - When a Council Member wishes to speak, the Council Member shall respectfully request the Chair's recognition. If two or more Council Members wish to speak, the Chair shall normally first recognize the Council Member who asked the item to be placed on the agenda, then recognize the maker of the motion, and then recognize Council Members in the order they requested to speak. The Council Member seeks recognition by raising their hand. Council Members shall confine their comments and statements to the question under consideration. No Council Member shall speak more than twice on any question until every other Councilperson has had an opportunity to speak at least once on the subject under debate. No Council Member shall speak for more than ten minutes on an agenda item without approval from the Council which may be granted by the Chair if there are no objections from other Council Members or by a majority vote of the members present. A Council Member may participate in a meeting via telephone or other comparable telecommunications equipment, however, no Council Member may vote on any item of business or parliamentary matter unless the Council Member is physically present at the meeting.

(1) *Calling A Member To Order* - If any Council Member, in speaking or otherwise, fails to comply with these, the Chair shall, either unilaterally or following a point of order by another Council Member, call the offending Council Member to order. The question of order shall be decided by the Chair, without debate, subject to appeal.

(2) Personal comments about, attacks against, or imputing the motive of other Council Members, City Staff members, or members of the public are out of order.

(d) *Legal Counsel* - The Chair, on the Chair's own initiative or at the request of a Council Member, may call upon the City's legal counsel in any meeting of the Council, to advise the Council upon any pertinent question of law. A decision by the Chair not to seek the advice of the City's legal counsel when sought by a Council Member may be appealed.

(e) As outlined in the City Charter, the City Manager may participate in Council discussions but may not vote on any matter. City Charter § 7.2(d)(2).

RULE 8. PUBLICATION OF NOTICES

Official notices or proceedings requiring publication or posting shall be displayed on the bulletin board located in City Hall or on the City's official web site. In the event publication is required by law in a newspaper of general circulation, The Recorder, and the Albion E-News which are circulated in Albion, are designated as the official newspapers for the City of Albion.

RULE 9. PUBLIC PARTICIPATION

Members of the audience attending regular or special meetings shall have a reasonable opportunity to be heard, except as otherwise may be provided by law, as follows:

(a) *Regular and Special Meetings* - The Chair will recognize each person wishing to make comments and the person shall state the person's name, address and group affiliation (if appropriate) prior to speaking. No citizen shall speak more than once during each of the following segments unless permission is given either by the Chair, if there is no objection from any Council Member, or upon a motion of the Council.

(1) *Public Hearings* - When a public hearing on a matter has been scheduled, City Council will hear and consider any comments presented by interested parties or audience members on the specific subject of the hearing. The Chair may, if appropriate, limit the amount of time per person based on the requests and determine when the public has had its opportunity to be heard. Public speakers may address the council on the issue of the public hearing for one three (3) minute period.

(2) *Public Comment* - At the appointed times at the beginning of regular and special meetings, speakers may address the City Council on agenda items only, for one three (3) minute period. Additionally, at the conclusion of the agenda, speakers may address the council on any issue they wish to speak, also for one three (3) minute period.

(b) *Study Sessions* - At the conclusion of the Special Meeting agenda, speakers may address the council on any issue they wish to speak, also for one three (3) minute period.

(c) *No Response* - Public hearings and public comment periods are times to hear from the public. Therefore, the Chair and other Council Members shall refrain from answering questions, correcting speakers or otherwise responding or reacting to any comments until after the public hearing or public comment period is closed and Council comments are appropriate under the agenda item.

(d) *Time Deviation* - Time allowed for a speaker during a public hearing or public comment period may be extended beyond the three (3) minute limit for good reason either by the Chair if there is no objection from any Council Member or upon a motion of the Council. Good reason for allowing more time includes, for example and not for limitation, that a speaker is representing a group and the extension of time granted the speaker will reduce the numbers of persons who speak and the overall time expended, the complexity of the issue addressed, and other reasons as determined by the Council. The time allowed for speaking may for good reason also be further limited, either by the Chair if there is no objection from any Council Member or upon a motion of the Council. Good reason for further limiting the time allowed includes, for example and not for limitation, the number and complexity of agenda items and the number of persons wishing to address the City Council.

(e) *Conduct of Speakers and Audience Members* - Comments (i) are to be loud enough to be audible but not so loud as to be inappropriate for a meeting, (ii) must avoid coarse language or cursing, (iii) may not include personal attacks, (iv) may not be addressed to anyone other than the Council or the Chair, and (v) may involve a single speaker (except when the speaker requires assistance). Comments may not include demonstrations, or materials that, when used, could be hazardous or unduly disruptive to the meeting. To preserve the order and decorum of Council meetings, the audience shall refrain from cheering and applauding during the course of the meeting.

(f) *Disorderly Conduct* - The Chair may call to order any person or persons who are being disruptive, disorderly, speaking out of turn or beyond the allotted time, etc. Such persons shall promptly obey the rulings of the Chair if called to order. If the person fails to obey the ruling, the Chair may direct the removal of the person from this meeting.

(g) *Written Communication*: The Council shall accept written comments and copies of any submitted materials will be distributed to all Council Members. Individuals or groups are encouraged to submit written comments to the City Council via mail, e-mail or delivered to the City Clerk's office for distribution. If requested by the writer, the communication may be added to the appropriate agenda for receipt and/or action as deemed appropriate by the City Council. Written comments may be submitted during the meeting. They may, with permission of the Chair, be handed to the Clerk for distribution to the Council.

(h) *Handouts, Supporting Materials, Photographs, Etc.* - Persons wishing to provide copies of comments, handouts, presentations, supporting materials, photographs, etc., are encouraged to submit such items to the City Clerk's office prior to the start of the meeting for distribution to the City Council. The use of audio or electronically displayed materials by citizens during public comment segments is not allowed. An exception may be given if prior permission is given by the chair and the material is provided to the City Clerk's office at least two (2) business days prior to a meeting. Materials shall be appropriate for viewing by all and consistent with the public comment requirements in Rule 9(e). Electronic materials shall be compatible with City equipment and software.

RULE 10. AGENDAS AND ORDER OF BUSINESS

(a) *Regular Meeting Agendas* - The City Clerk, with the City Manager and supporting staff, shall be responsible for the preparation of the agenda and supporting material for each regular meeting as follows:

(1) Requests by the Mayor, City Council Members, or the Administration for resolutions and documents to come before the City Council at any regular meeting shall be submitted to the City Clerk and City Manager before 12:00 p.m. EST on the Wednesday prior to the next council meeting.

(2) As permitted by the City Charter, the Mayor, City Council Members, or the Administration may add items to the agenda at any time before noon on the day of the Council meeting. Agenda items added to the agenda after 12:00 p.m. EST on the Wednesday prior to the City Council meeting shall generally be considered **only for discussion** at that meeting. If the item is a matter of urgency or emergency due to circumstances arising after the Wednesday preceding the meeting or if the item is a matter that requires no additional research or background and has general consensus from Council Members, the item added after the general agenda deadline may be considered for action by the City Council during that meeting.

(3) The agenda shall be furnished to the City Council on the Thursday prior to the regular meeting. On the day following delivery of the agenda to the City Council, if practicable, the agenda will be available on the City's web site and a paper copy can be viewed at the City Clerk's office during normal business hours.

(4) The City Council may by an affirmative vote of at least five (5) members approve the addition, modification, or removal of agenda items. Motions to add, modify, or remove an item or topic on the agenda shall occur during the Approval of the Agenda portion of the meeting.

(5) Except for routine items, an agenda shall not request final action on any item for which that agenda is the first communication about that item.

(b) *Special Meeting Agendas* - When necessary, the City Clerk shall prepare an agenda for special meetings, in consultation with the Mayor or requesting City Council Members, and the Administration, based on a written request for a special meeting. No additional Agenda items can be added during a Special Meeting.

(c) *Order of Business for Regular Meetings* - The order of business at any regular meeting, not a special meeting or study session, shall be as follows:

- Call to Order
- Moment of Silence
- Pledge of Allegiance
- Roll Call
- Approval of the Agenda *(Includes any proposed additions, deletions, or other changes to the agenda)*
- Presentations and Recognitions *(These items include proclamations, commendations and recognitions or items prepared by the administration, City boards and commissions, or other City-related agencies. Presentations shall be limited to 10 minutes or less unless the extended either by the Chair if there is no objection from any Council Member or upon a motion of the Council.)*
- Public Hearings *(Resolutions and/or ordinances applicable to a public hearing shall be considered immediately following the hearing.)*
- Agenda Public Comment - Persons addressing the City Council shall limit their comments to agenda items only, and to no more than 3 minutes. Proper decorum is required. Please state your name and address.
- Closed Session
- Consent Agenda *(Includes approval of all minutes of meetings called by council—i.e. regular, special, study session—routine permits and other routine approvals, routine bid awards, routine approvals of bills and payments, scheduling of special meetings or study sessions, scheduling of public hearings, and other routine matters. At the request of any Council Member a consent agenda item*

shall be removed from the consent agenda and considered under the Items for Individual Action or Discussion section of the agenda.)

- Items for Individual Action or Discussion *(The work of the council; approval of resolutions, ordinances, postponed items, action of the City Manager that requires approval of Council, Council items of discussion, approval of board appointments, Approval of contracts, etc.)*
- Future Agenda Items *(The Mayor, City Council Members, or the Administration may request or propose items or topics for action or discussion by the City Council at a future meeting.)*
- Public Comment - Persons addressing the City Council shall limit their comments to not more than three (3) minutes. Proper decorum is required. Please state your name and address.
- City Manager Report
- Mayor and Council Member Comments
- Motion to Excuse Absent Council Member(s)
- Roll Call *(Unless they are present for both roll calls or excused, Council Members will be recorded as inexcusably absent from the meeting.)*
- Adjournment

(d) *Order of Business for Special Meetings* - The order of business at any special meeting shall be the same as the order of business at any regular meeting, except that no items may be added to the agenda if the items were not included in the notice of the special meeting. A special meeting agenda may be modified to the extent that items may be tabled, postponed, or removed from the agenda.

(e) *Order of Business for Study Sessions* - The order of business at any study session shall be as follows:

- Call to Order
- Roll Call
- Items for Individual Discussion *(No action shall be taken by council, but a consensus may be sought)*
- Public Comment - Persons addressing the City Council shall limit their comments to not more than three (3) minutes. Proper decorum is required. Please state your name and address.
- City Manager Report
- Mayor and Council Member Comments

- Adjournment

RULE 11. RESOLUTIONS

(a) A resolution or motion shall be limited to matters required or permitted to be done by the Charter, or by state or federal laws, or pertaining to the internal affairs, or concerns of the city government. Except when it is impractical to do so or for procedural motions, all resolutions, and long or complicated motions or amendments, shall be in writing before being acted upon by the City Council.

(b) Upon the reading by the Mayor of the title of the resolution, and a brief summary, it shall be for any member of the City Council to move for its adoption. City Council Members can request the Mayor to allow for explanatory or clarifying comments from the City Manager or relevant staff member before an initial motion is made. Before the question is put to a vote, an opportunity for debate, amendment or other appropriate action shall be afforded the City Council.

(c) A resolution is an official City Council action in the form of a motion adopted by an affirmative vote of at least four (4) members, unless otherwise provided by law. A resolution becomes effective on the same day on which it is adopted unless a subsequent date is contained within the resolution.

RULE 12. ORDINANCES

(a) An ordinance is a legislative act establishing a more permanent influence on the City other than a resolution and requires greater formalities in its adoption. In addition to other acts required by law or by specific provision of the City Charter to be adopted by ordinance, acts which do any of the following shall be by ordinance:

(1) Each proposed ordinance shall be introduced in written form. The style of all ordinances passed by the council shall be, "The City of Albion Ordains:"

(2) No ordinance shall be passed at the same meeting at which it is introduced, unless it is declared to be an emergency ordinance by a vote of not less than five (5) members of the council.

(3) An ordinance may be repealed or amended only by an ordinance passed in the manner provided in this section.

(4) An ordinance may be repealed by reference to its number or title only.

(5) If a section of an ordinance is amended, such section shall be re-enacted and published at length. This requirement shall not apply to zoning ordinance amendments or to the schedules of one-way streets and of parking limitations contained in any traffic ordinance.

(6) Each ordinance, after adoption, shall be identified by a number.

(7) Each ordinance shall be recorded by the clerk forthwith in the ordinance book, and the enactment of such ordinance shall be certified by him therein by his signature.

RULE 13. MOTIONS

(a) *Generally* - All motions shall be moved and seconded before being considered. All motions, especially long or complicated motions shall be put in writing, except when it is impractical to do so or for procedural motions. An opportunity for debate, amendments, or other appropriate action, shall be afforded the members of the City Council, except as otherwise stated in these rules. Each amendment proposed shall be considered a separate question.

(b) *Debate* - Council Members wishing to speak during debate shall first obtain the approval of the Chair and each member who speaks shall address the Council. A Council member cannot speak against his or her own motion, but may vote in the negative. The member making the motion may speak on it first, if he or she expresses a desire to do so.

(c) *Withdrawal* - A Council Member, with the consent of the supporting Council Member, may modify or withdraw his or her motion provided no member objects if the motion is modified or withdrawn. If a member objects to the withdrawal of a motion and a second is received, a vote is immediately taken on the request to withdraw the motion. Friendly revisions to motions agreed to by the Council Member moving and seconding the motion may be made.

(d) *Passage* - Passage of all procedural motions or appeals of the Chair shall be on the affirmative vote of at least a majority of those Council Members present, unless otherwise provided for by law, the Albion City Charter, or by these rules. Approvals of any ordinance, resolution or other official Council action requires the affirmative vote of at least four (4) Council Members, unless a larger majority is required by law.

(e) *Motion Under Consideration* - Whenever a main motion or question is under consideration, no other motion can be made except:

- to adjourn - undebatable
- to rise to a question or privilege - undebatable
- to lay on the table - undebatable
- to call for the previous question - undebatable
- to limit or extend limits of debate - undebatable
- to postpone to a certain day - undebatable
- to commit or refer, or recommit, to a committee - undebatable
- to amend - debatable
- to postpone indefinitely – debatable

See Appendix A: Basic Parliamentary Information for further details regarding handling the various types of motions.

(f) *Division of Question* - On the call of any member, supported by a majority vote of the members present, a division of any question shall be made when the question will admit of a division so distinct that if one part be taken away, the other will stand as an entire question for decision.

(g) *Ask for Previous Question* - When the previous question is moved, it shall be put in these words: "I move the previous question." This shall be ordered only by 2/3 majority of the members present. The effect of the previous question shall be to put an end to all debate and to bring the Council to a direct vote on the pending question or questions in their order down to, and including, the main question. If the previous question is not ordered, the consideration of the subject shall be resumed as though no motion for the previous question has been made.

(h) *Questions Put and Calling Roll* - Questions shall be distinctly put in the following form: "All in favor say 'Yes'." And after the affirmative vote is expressed, "All opposed, 'No'." The Mayor may order a roll call vote, but a roll call vote is mandatory upon the request of any member or on the following actions of Council or a Committee of the Council: ordinances, resolutions, the appointment or election of officers, except as provided otherwise by law or the rules of the Council. The calling of the roll shall be on a rotating basis, so as to permit Council Members to first vote on an equal basis. It shall be the privilege of any member of the council to change his or her vote upon any question prior to the announcement of the vote by the Mayor.

(i) *Debate During Roll* - While the Mayor is putting any question, or once roll call voting has started, there shall be no interruption.

RULE 14. POINT OF ORDER

When a member believes the rules are not being followed, a member may demand the ruling of the Chair. The Chair shall promptly rule and enforce the rules, if appropriate. The Chair's ruling on a Point of Order may be appealed.

RULE 15. APPEALS

Any Council Member may appeal a ruling/decision of the Chair and the appeal is debatable. The Chair shall then put the question, generally phrased as, "Shall the decision of the Chair stand as the decision of the Council?" If adopted, the ruling of the Chair is sustained (stands); otherwise, it is overruled (ruled against). If an appeal is tabled, it does not carry with it the subject matter being discussed at the time of the appeal.

RULE 16. RESCIND

Any vote taken may be rescinded, unless something has been done as a result of the vote that the Council cannot undo. Legal counsel shall determine whether or not reconsideration creates a potential legal liability for the city and will advise accordingly.

RULE 17. SUSPEND THE RULES

Any rule may be temporarily suspended by an affirmative vote of at least five (5) members, unless a different number of votes are specifically stated in a rule. Rule 20 shall not be suspended, nor shall any rule be suspended if it is a restatement of a requirement of state law, the City Charter or City Code.

RULE 18. RECONSIDERATION.

(a) A motion to reconsider a vote, including a vote resulting in a tie, or other action that has been taken by the Council may be made, provided no action has been taken in reliance upon such vote or action in accordance with the following:

(1) A Council Member on the prevailing side on a vote or action may move for reconsideration of such vote or action at the same meeting the vote or action was made or at the next regular Council meeting, but at no other subsequent meeting.

(2) No vote or other action shall be reconsidered more than once. A motion to reconsider shall require the affirmative vote of a majority of Council Members serving.

(3) If a motion to reconsider fails, it cannot be renewed.

(4) This does not preclude the Council from again dealing with an issue, policy, decision or other action based upon significant new information unavailable to the Council when the decision or other action was initially taken.

RULE 19. VOTING

(a) The Chair determines when to close debate after determining if all Council Members have been given an opportunity to be heard and to call for a voice vote or a roll call vote of the question. Roll call votes shall be taken when required by law or by these rules of procedure. If a voice vote is taken, and the vote is less than unanimous, either the Chair or any Council Member may request a show of hands to verify the motion was approved. Any Council Member voting against a motion may request that the minutes reflect his or her "no" vote.

(b) Council Members in attendance shall have a duty to vote for or against all measures before the City Council, unless there is a financial conflict of interest and they have been excused by the remaining council members. Conflicts shall be governed as follows:

(1) Except for public contracts governed by the Contracts of Public Servants with Public Entities Act (Act 317 of 1968), no member of the City Council shall have an interest, directly or indirectly, in any contract, job or work with the City. No member of the City Council shall be financially interested directly or indirectly in the sale to the City of any land, materials, supplies or services. This does not apply to the official services of his or her office.

(2) The foregoing prohibitions of paragraph (a) above, as they apply to a Council Member or Council Members, shall not apply if the City Council shall declare on its records by an affirmative vote of five (5) of the remaining members of the City Council that the best interests of the City are served despite a personal interest, direct or indirect, and if in

compliance with the Contracts of Public Servants with Public Entities Act (Act 317 of 1968).

(3) If a Council Member shall have a conflict or believes he/she may have a potential conflict of interest as shown in paragraph (a), the member shall immediately disclose the nature and extent of his or her interest prior to the consideration of the agenda item involved. If it is determined, in consultation with legal counsel and review of the Charter and state law that a conflict does not exist, or the City Council has declared on its record the best interests are served despite the personal interest, the member may participate in the deliberations and shall vote on such matter.

(c) Roll call votes shall be called by the City Clerk in a rotating order and entered upon the record, except that when the vote is unanimous, it shall only be necessary to so state. The Chair shall always vote last. Once voting begins, no Council Member shall be entitled to speak on the question, nor shall any motion be in order, until the roll call is finished, and the results declared.

(d) Procedural matters may be decided by a voice vote if declared by the Chair. Such procedural matters include motions to adjourn, receive and file, refer a matter, approve the minutes or to accept or decline an invitation. The Chair shall announce the result of the voting. Upon any such matter, a majority of the quorum present shall be sufficient to carry such a motion, unless the Charter or other rule herein specifically requires a greater majority.

(e) All resolutions, ordinances, motions or declarations shall be adopted or passed by an affirmative vote of at least four (4) members, unless otherwise provided by law.

(f) A Council Member may change their vote if he or she makes a request to do so immediately following the vote and prior to the time that the next item in the order of business is taken up. The vote shall be changed and the record shall reflect the Council Member's changed vote. Such member shall not be permitted to make any other change of vote upon the same question, except upon a properly introduced motion to reconsider.

RULE 20. AMEND/REPEAL RULES

These rules may be amended or repealed by resolution of the City Council and shall not be finally passed at the same meeting at which it is introduced, and such resolution shall be

postponed for final consideration until the next regular meeting or until such further time as the City Council shall determine. This rule shall not be suspended.

APPENDIX A. BASIC PARLIAMENTARY INFORMATION

BASIC PARLIAMENTARY INFORMATION

NATIONAL ASSOCIATION OF PARLIAMENTARIANS®
213 South Main Street, Independence, MO 64050-3808
(888) NAP-2929 • Fax (816) 833-3893 • Email: hq@nap2.org
www.parliamentarians.org
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PROCEDURE FOR HANDLING A MAIN MOTION

What is Happening/Notes	The Chair Says/Does	Members Say/Do
Obtaining and assigning the floor		
A member rises when no one else has the floor		"Mr./Madam President/ Chairman"
	Recognizes the member by name, title or nodding	
How the motion is brought before the assembly		
Member sits after		"I move that (or "to")..."
Another member believes the motion is worth discussing		"I second the motion" or just "Second"
"Is there any debate?" is a less formal alternative to "Are you ready for the question?"	"It is moved and seconded that (or "to") ... Are you ready for the question?"	
Consideration of the motion		
See rules for debate (sidebar)		Debate
The chair puts the question to a vote of the assembly		
	"Are you ready for the question?"	Further debate
After debate is ended, or if the formal motion Previous Question has been moved and adopted to stop debate, a vote is taken	"The question is on the adoption of the motion that ..." "Those in favor of the motion, say aye." (Pause) "Those opposed say no." (Pause)	Members vote
The chair announces the results of the vote		
	"The ayes have it, the motion is adopted, and ... (indicating the effect of the vote or ordering its execution)." OR "The noes have it and the motion is lost."	

PRINCIPLES UNDERLYING PARLIAMENTARY LAW

As stated in *Robert's Rules of Order Newly Revised,* rules of parliamentary law balance the rights of individuals or groups within an organization's total membership. These rules are based on a regard for the rights:

- of the majority,
- of the minority, especially a strong minority greater than one third,
- of individual members,
- of absentees, and
- of all these together.

Ultimately the will of the majority decides matters, but only after full and free discussion. The rights of all (even those absent) must be protected. This pamphlet will help you run meetings more efficiently and effectively and help protect the rights of all members.

RULES FOR DEBATE

1. Members first obtain the floor.
2. The maker of the motion may speak first.
3. Debate is made to the chair; it is confined to the merits of the motion and not the motives or personalities of other members.
4. Amendments may be offered to improve the motion. They must be approved by the body, and the motion must still be adopted as amended.
5. Debate can be closed only by the assembly (2/3 vote) or by the chair if no one seeks the floor for further debate.

PERTINENT FACTS

- A **main motion** brings business beforethe assembly.
- A **subsidiary motion** assists the assembly in treating or disposing of a main motion.
- A **privileged motion** deals with matters of immediate importance. It does not relate to the pending business.
- An **incidental motion** is related to the parliamentary situation so that it must be decided before business can proceed.

MEANING OF SYMBOLS

#	Main motion when no other motion is pending.
I	In order when another has the floor; may interrupt.
S	Requires a second.
D	Is debatable.
A	Can be amended.
M	Requires a majority vote (i.e. more than half of votes cast).
$\frac{2}{3}$	Requires a 2/3 vote (twice as many in the affirmative as in the negative).
+	Usually no vote is taken; the chair decides.
N	No vote; chair responds.
R	Vote may be reconsidered.
*	See *Robert's Rules of Order Newly Revised*, current edition, for specific rules.

[1]TYPES OF AMENDMENTS

- To insert (within) or add (at the end of a sentence or paragraph) a word, consecutive words, or paragraph.
- To strike out a word, consecutive words, or a paragraph.
- To strike out and insert (which applies to words) or to substitute (which is applied to at least a paragraph of one or more sentences.)
- To strike out a word or paragraph and insert it in a different place.

RANKING MOTIONS

Motions on this page are listed in rank order, with the highest ranking at the top. After a motion has been stated by the chair, higher ranking motions are in order but not lower ranking motions except that Amend and Previous Question can be applied to amendable and/or debatable motions of higher rank than themselves.

		Interrupt	Second	Debate	Amend	Vote	Reconsider
PRIVILEGED MOTIONS							
#	Fix the Time to Which to Adjourn		S		A	M	R
#	Adjourn		S			M	
#	Recess		S		A	M	
	Raise a Question of Privilege	I				+	
	Call for the Orders of the Day	I				+	
SUBSIDIARY MOTIONS							
	Lay on the Table		S			M	R*
	Previous Question		S			$\frac{2}{3}$	R*
#	Limit or Extend the Limits of Debate		S		A	$\frac{2}{3}$	R*
	Postpone to a Certain Time (or Definitely)		S	D	A	M	R*
#	Commit or Refer		S	D	A	M	R
	Amend[1]		S	D	A*	M	R
	Postpone Indefinitely		S	D		M	R*
MAIN MOTIONS			S	D	A	M	R

NON-RANKING MOTIONS	Interrupt	Second	Debate	Amend	Vote	Reconsider
INCIDENTAL MOTIONS						
Appeal Chair's Decision	I	S	D*		M*	R
Close Nominations or Close the Polls		S		A	$\frac{2}{3}$	
Consider by Paragraph or Seriatim		S		A	M	
Create a Blank		S			M	
Division of the Assembly	I				N	
Division of the Question		S*		A	M*	
Object to Consideration of a Question	*				$\frac{2}{3}$*	R*
Parliamentary Inquiry	I				N	
Point of Order	I		*		+	
Reopen Nominations or Reopen the Polls		S		A	M	R*
Request for Information	I				N	
[2] Request for Permission to Withdraw a Motion	*	*				neg
Suspend the Rules		S			$\frac{2}{3}$*	
MOTIONS THAT BRING A QUESTION AGAIN BEFORE THE ASSEMBLY						
Take from the Table		S			M	
[3] Rescind or Amend Something Previously Adopted		S	D	A	*	R*
[3] Discharge a Committee		S	D	A	*	R*
[4] Reconsider	*	S	D*		M	

NOTES

[2] Before a motion has been stated by the chair, it can be withdrawn or modified by the maker. After it has been stated by the chair, it can be withdrawn or modified only by unanimous consent or by a majority vote of the assembly.

[3] An Incidental Main Motion which usually requires a majority vote with previous notice, a 2/3 vote without previous notice, or a majority vote of the entire assembly/membership.

[4] Hasty or ill-advised action can be corrected through the motion to Reconsider. This motion can be made only by one who voted on the prevailing side and made only on the same day the original vote was taken. In a session of more than one day, a reconsideration can also be moved on the next succeeding day within the session on which the meeting is held.

FORMS OF VOTING

- A **voice vote** is the most commonly used form of voting (ayes and noes).
- A **rising vote** is the normal method of voting on motions requiring a 2/3 vote for adoption. It is also used to verify a voice vote or a vote by show of hands. The chair can order a rising vote or a single member can call for a Division of the Assembly.
- A **show of hands** is an alternative for a voice vote, sometimes used in small boards, committees, or very small assemblies, or for a rising vote in very small assemblies, but only if no member objects.
- Some conventions use **voting cards**, provided to delegates, to raise for voting.
- A **count** can be ordered by the chair or by a majority vote of the assembly.
- **Unanimous consent** is a vote of silent agreement without any objection.
- A **ballot** or **roll call** vote can be ordered by a majority of the assembly.

APPENDIX B. ADJOURNMENT SINE DIE PROCEDURE

The City Council biennially adjourns the former City Council *sine die*, Latin for indefinitely, after each regular November general City election. The following is a recommended procedure for the transfer of power between City Councils.

1. Call To Order *(By current Mayor)*
2. Moment of Silence
3. Pledge of Allegiance
4. Roll Call
5. Mayor and Council Member Comments *(This time is offered for outgoing Council Members to make final comments prior to the expiration of their term of office.)*
6. Adjournment Sine Die *(Mayor requests a motion and support to adjourn "sine die." Once voted, the Council is adjourned "indefinitely".)*
7. Reorganization of the City Council
    a. Outgoing Mayor or Council Members step down from their places.
    b. City Clerk offers oath of office to each new Council Member.
    c. City Clerk offers oath of office to new Mayor.
    d. New Mayor or Council Members take their places at the City Council dais.
    e. City Clerk presents the Albion City Council to the Mayor and requests a "Call to Order."
8. Call To Order *(By new Mayor)*
9. Roll Call
10. Nomination of the Mayor Pro Tempore
    a. A motion to receive nominations is made and supported.
    b. Nominations are received. No support for each nomination is required.
    c. A motion to close nominations is made and supported.
11. Election of the Mayor Pro Tempore *(A motion to elect the first nominee is made. If there is support, discussion is requested. If none, a vote is made, generally a roll call vote. If approved by the vote the nominee is elected Mayor Pro Tempore. If the motion fails, a motion to elect the second nominee is made and supported, discussed if needed and voted. If approved, the nominee is elected Mayor Pro Tempore—and so on.)*

From: Louis Vinson III (MEDC) [mailto:vinsonl1@michigan.org]
Sent: Thursday, January 10, 2019 5:04 PM
To: LaTonya Rufus <lrufus@cityofalbionmi.gov>; Christine Whitz (MEDC) <whitzc@michigan.org>; Michelle Audette-Bauman (MEDC) <audette-baumanm@michigan.org>
Subject: Peabody Project Preconference call

Hi LaTonya

The City of Albion has a grant to meet the National Objective of Blight Elimination. The contractor has outstanding building labor issues/ Davis Bacon. The building owner was originally going to "white box" the first floor of the building. After the grant was in process the building owner decided that he wanted to have the first floor be a bakery. The building owner was instructed not to start work on the first floor until the construction was completed and grant closed with the state. The MEDC received the building inspector's blight removal letter stated that work on the first floor was being underway.

The City of Albion has two options:

1. The City of Albion needs to request to withdraw from the grant agreement with the State of Michigan. The City would have to (recapture the grant funds from the building owner) return the grant funds spent ($184,882.23) to the State of Michigan. The City would need to provide a letter on letterhead with their decision to withdraw from the grant. The City of Albion would have up to a year to repay the grant funds expended to the State of Michigan.

2. The State of Michigan would work with the City of Albion and building owner to change the projects scope. The project scope would be changed to allow the building owner to use the previous grant funds expended ($184,882.23) for the bakery. For example if the project scope was changed to Machinery and Equipment the bakery would need to have four employees hired and three of those employees would need to be low to moderate income individuals. The building owner would need to meet compliance by providing support documentation of Machinery and Equipment expenditures.

I have attached the grant agreement and developers agreement for your review. Please let me know if you have any questions or concerns regarding the Peabody Project.

Thanks

Louis Vinson III
Community Development
Michigan Economic Development Corporation
300 N. Washington Square | Lansing, MI 48913
Phone: 517.335.6681
vinsonL1@michigan.org

DEVELOPMENT AGREEMENT
(Peabody Block Redevelopment Project)

This Development Agreement (the "Agreement") is made as of September 19, 2017, by and between the City of Albion ("Albion"), a Michigan municipal corporation and Peabody, L.L.C. ("Peabody"), a Michigan limited liability corporation.

RECITALS

1. That PEABODY has the legal right to acquire certain real property located in Albion commonly known as 400 S. Superior St., Albion, MI 49224 ("Property").

2. Pursuant to the Michigan Community Development Block Grant Program, PEABODY has sought financial support for the rehabilitation of the Property.

3. At the request of PEABODY, Albion has submitted to the Michigan Economic Development Corporation ("MEDC") an application for grant funding for the rehabilitation of the property, which has been approved;

4. PEABODY intends to rehabilitate the property to create 4 apartments and commercial spaces in the 3-story mixed use building. The rehabilitation will include interior and exterior improvements.

5. PEABODY and Albion wish to set forth their respective duties and obligations relative to this project and set forth the terms governing the development of the project.

NOW THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, the Developer and the City hereby covenant and agree as follows:

DEFINITIONS

"Albion" shall mean the City of Albion.

"Capital Investment Commitment" shall mean the direct capital expenditures to construct, equip and complete the Project.

"Capital Investment Commitment Date" shall mean October 2, 2017.

"City Income Tax" shall mean that income tax imposed by Albion pursuant to its ordinances, adopted pursuant to authority granted under Act 284 of 1964, MCL 141.501 et seq. as either of the same have been or may be amended from time to time.

"City Person" shall mean employee, elected official or appointed official of the City together with any City agent or consultant disclosed to PEABODY.

"Claim" means any obligation, liability, lien, encumbrance, loss, damage, cost, expense or claim, including, without limitation, any claim for damage to property or injury to or death of any Person or Persons, arising hereunder or in relation to the Project or under this Agreement.

"PEABODY" shall mean, initially, PEABODY, L.L.C. , together with its successors-in-title to all or any portion of the Property.

"Development Period" shall mean October 2, 2017 through September 30, 2019.

"Effective Date" shall mean the date the City and Developer have executed this Agreement.

"Laws" means all federal, state and local laws, moratoria, initiatives, referenda, ordinances, rules, regulations, standards, orders and other governmental requirements applicable to the Project, including, without limitation, those relating to the environment, health and safety, disabled or handicapped persons.

"MEDC" shall mean the Michigan Economic Development Corporation.

"Permit Fee" shall mean all fees for Permits due the City after the Effective Date.

"Permits" means all permits, licenses, approvals, entitlements, notifications, determinations and other governmental and quasi-governmental authorizations, including without limitation zoning and land use approvals and certificates of occupancy, required in connection with the ownership, planning, development, construction, use, operation or maintenance of the Project. As used herein, "quasi-governmental" shall include the providers of all utility services to the Project.

"Person" means a natural person, corporation, partnership, trust, association, limited liability company or other entity.

"Project Budget" shall mean the overall budget for the cost of constructing, equipping and completing the Project and shall include capital and a general summary of the planned sources and uses of funds for the Project.

"Property" shall mean 400 S. Superior St., Albion, MI 49224

"Term" shall mean the term of this Agreement, commencing on the Effective Date and expiring upon the first to occur of (i) the termination of this Agreement pursuant to an express provision of this Agreement or (ii) the mutual written agreement of the parties to terminate the Agreement.

"Water and Sewer Connection Charges" shall mean those charges for connections, installations, tap-in, meter and other costs not based on use of water and sewer services at the Project.

PROJECT OVERVIEW AND INITIAL CONDITIONS

1. Project Costs. The total estimated project cost is $1,805,372.00.

2. CDBG Grant. Of the total project costs $828,800.00 are CDGB grant funds.

3. Private Match. PEABODY shall provide the remaining $976,572.00 in project costs through private funds.

4. Financial Contributions. PEABODY and Albion herein acknowledge that Albion shall not be required to contribute any funds to the project costs and that PEABODY shall be solely responsible for any project costs in excess of the estimated project cost.

5. Project Milestones. The Project Milestones shall be as follows:
    a. Grant Agreement Executed: October 30, 2017;
    b. Property Acquisition Completed: N/A;
    c. Construction Commencement: October 2, 2017;
    d. Construction Completion: September 30, 2019;
    e. Job Creation Commencement: N/A;
    f. Job Creation Completion: N/A;

6. Community Support. Albion shall continue to provide support for the project as specifically set forth in this agreement.

7. Repayment. PEABODY acknowledges that should any of the specifications within this Agreement or the CDBG Grant Agreement for the project not be met, Albion may require the repayment of the Grant up to the full amount from PEABODY;

8. Environmental Review. PEABODY acknowledges that it must complete the CDBG environmental review and have received written authorization from MEDC prior to incurring any project costs.

9. Reporting Requirements. PEABODY shall be required to provide regular information to Albion to assure reporting requirement compliance, including, but not limited to:

    a. PEABODY shall be required to provide regular information to Albion to assure all reporting requirement compliance is met on time as outlined in the executed grant agreement.

DEVELOPMENT PERIOD

1. Development Period Covenants of Developer. PEABODY covenants and agrees to undertake the following actions during the Development Period:

   (a) Project Construction. PEABODY will commence construction of the Project and will proceed diligently to construct and develop the Project during the Development Period as outlined in the CDBG Term Sheet and CDBG Request for Release of Funds for this project, which are hereby incorporated by reference.

   (b) Capital Investment Commitment. Not later than the Capital Investment Commitment Date, PEABODY shall fulfill or cause the Capital Investment Commitment to be fulfilled. PEABODY shall provide evidence reasonably acceptable to the City to document the fulfillment of the Capital Investment Commitment. The City may reasonably request that permission to review project books and records to confirm the Capital Investment Commitment. If the project books and records contain confidential or proprietary Developer information, the same shall be reviewed privately by City Persons at the offices of PEABODY or its counsel.

   (c) Permits and Approvals. PEABODY shall maintain, as required by law and the State of Michigan building code, all Permits that are necessary in order for PEABODY to construct and complete the Project, whether required by City departments and/or agencies or otherwise. PEABODY shall maintain the Permits at its sole cost and expense.

   (d) Payment of Taxes. PEABODY shall pay and discharge prior to the date when a penalty would apply, as often as the same may become due and payable, all taxes assessed against the Property and the City Income Tax assessed against PEABODY, if applicable.

   (e) City Income Tax Registration. PEABODY shall complete and file a, Employer's Withholding Registration with the City of Albion Income Tax Division. PEABODY shall also endeavor to inform its agents, contractors and subcontractors working on the Project that each may be required under City ordinance or regulation to complete and file an Employer's Withholding Registration with the City of Albion Income Tax Division. In addition, PEABODY shall provide the City of Albion Income Tax Division with the name, address and taxpayer identification number of all commercial tenants, contractors, subcontractors, vendors or other licensees who perform services related to the Property.

   (f) Project Employment. The Developer shall comply in material respects with Albion's ordinances regarding nondiscrimination and local employment

practices and shall contractually require that any and all general contractors, major subcontractors and major suppliers employed or retained by PEABODY for the Project comply with Albion's non-discrimination ordinances.

(g) PEABODY shall not, and shall include in contracts with its general contractor, major subcontractors and major suppliers a statement that they shall not, discriminate on the grounds of race, color, creed, religion, national origin, sex, age, handicap, marital status, height, weight or sexual preference in the retention of contractors and subcontractors, the hiring of employees, or the purchase of materials and supplies for the Project, and shall promote the full realization of equal employment opportunity, including providing for affirmative action programs.

(h) Maintain Existence in Good Standing. PEABODY shall maintain its existence in good standing in the State of Michigan.

2. Development Period Covenants of City. Albion covenants and agrees to undertake the following actions during the Development Period:

   (a) Permits. City shall expedite, to the extent legally permitted to do so, the issuance of all Permits and City approvals necessary for the Project, provided PEABODY has submitted the required application and information under the generally applicable standards for granting such Permits in the City. Promptly following PEABODY's completed Permit submissions, Albion shall review the same.

3. Development Period Termination.

   (a) Event of Default. Albion may terminate this Agreement during the Development Period only after and during the continuance of a Developer Event of Default. PEABODY may terminate this Agreement during the Development Period only after and during the continuance of a City Event of Default.

CONFLICTS OF INTEREST

1. No Conflict Representation of Developer. PEABODY represents and warrants that, to its actual knowledge and except as disclosed to Albion, none of the Mayor, any member of the City Council, or any other City Person who exercises any discretionary function or responsibility in connection with the approval of any actions required under this Agreement has any personal financial interest in PEABODY or the project.

2. No Conflict Covenant of Developer. PEABODY covenants and agrees that, except as known to Albion, no City Person who shall exercise any discretionary

functions or responsibilities with respect to approvals for any actions under this Agreement or for the Project, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may, to the extent the PEABODY has the authority to prevent, (i) obtain a personal financial interest in PEABODY or the Project (ii) hold or have an interest in any contract, subcontract, or agreement for payment with respect to the construction and development of the Project or its proceeds, either for themselves or those with whom they have a direct family or business relationship during their tenure as a City Person.

REPRESENTATIONS AND WARRANTIES

1. PEABODY Representations and Warranties. In order to induce Albion to enter into this Agreement, PEABODY hereby represents and warrants:

    a. Organization and Authority. PEABODY is a duly organized Michigan limited liability corporation, validly existing and in good standing under the laws of the State of Michigan and has all power and authority to enter into this Agreement and perform its covenants and obligations as set forth hereunder.

    b. No Litigation. PEABODY has not received any notice of, nor is it aware of, any pending action that would (i) take all or any portion of the Property or (ii) materially and adversely impair its ability to perform its covenants and obligations under this Agreement.

    c. No Breach. The transactions contemplated by this Agreement will not result in a breach of, or constitute a default or permit acceleration and maturity under, any agreement or order to which the PEABODY is bound.

2. City Representations and Warranties. Albion represents and warrants that, as of the date of this Agreement:

    a. Organization and Authority. It is a Michigan public body corporate, validly existing under the laws of the State of Michigan and has the authority to enter into this Agreement and perform its covenants and obligations as set forth hereunder.

    b. No Litigation. The City has not received any notice of, nor is it aware of, any pending action (i) to take all or any portion of the Property or (ii) that would materially and adversely impair its ability to perform its covenants and obligations under this Agreement.

    c. No Breach. The transactions contemplated by this Agreement will not result in a breach of, or constitute a default or permit acceleration and

maturity under, any indenture, mortgage, deed of trust, loan agreement or other agreement to which the City is subject or by which the City is bound.

DEFAULTS AND REMEDIES

1. Default by Developer. The occurrence of any of the following events shall be an event of default by PEABODY under this Agreement (a "Developer Event of Default"):

    a. Payment and Performance Default. PEABODY fails, after receiving any required notice, to perform any covenant, agreement, obligation, term or condition under this Agreement within any applicable grace or cure period, or if no due date or grace period is set forth and is not expressly prohibited, then within sixty (60) days for a monetary default following written demand and ninety (90) days for a non-monetary default following written demand (specifying the nature of the default), and for a non-monetary default during the Development Period PEABODY shall not be in default if the nature of the default is such that PEABODY may need more time to cure, in which case the period to cure shall be extended for so long as may be reasonably required to cure such default provided PEABODY commences the cure during that 90 day period and proceeds with reasonable diligence thereafter to cure such default.

    b. Breach of Representations and Warranties. Any representation or warranty made in this Agreement or in connection with any delivery, application or commitment for the Project by PEABODY is false or misleading in any material respect at the time made.

    c. Bankruptcy.

        i. PEABODY is adjudicated insolvent, or shall make an assignment for the benefit of creditors, shall file a petition in bankruptcy, shall voluntarily be adjudicated insolvent or bankrupt or shall admit in writing the inability to pay debts as they mature, shall petition or apply to any tribunal for or shall consent to or shall not contest the appointment of a receiver, trustee, custodian or similar officer, and the appointment of same adversely affects the Project and Albion.

        ii. A petition is filed or any case, proceeding or other action is commenced against PEABODY seeking to have an order for relief entered against it as debtor or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or other relief under any law relating to bankruptcy, insolvency, arrangement, reorganization, receivership or other debtor relief under any law or statute of any jurisdiction whether now or hereafter in effect or a court of competent jurisdiction enters

an order for relief against PEABODY that is not dismissed within one hundred twenty (120) days after being commenced.

d. Dissolution of Developer. Any dissolution, termination, or partial or complete liquidation of PEABODY prior to completion of the Project.

2. Remedies of the City. After and during the continuance of a Developer Event of Default, the rights and remedies of the City shall be limited to:

   a. Damages and Injunction. The City may maintain an action to recover any damages (including reasonable fees and expenses of counsel, consultants and expert witnesses incurred in connection therewith) resulting from the Developer Event of Default. Notwithstanding the foregoing, in no event will the Developer be liable for any punitive, speculative or consequential damages alleged by the City. The City may also seek injunctive relief.

   b. Termination. The City may terminate this Agreement in accordance with the specific termination rights set forth in this Agreement.

3. Default by the City. The occurrence of any of the following events shall be an event of default by the City under this Agreement (a "City Event of Default").

   a. Payment or Performance Default. City fails, after receiving any required notice, to perform any covenant, agreement, obligation, term or condition under this Agreement, within any applicable grace period, or if no due date or grace or cure period is set forth, then within sixty (60) days following written demand specifying the nature of the default.

   b. Breach of Representations and Warranties. Any representation or warranty made in this Agreement or in connection with any delivery, application or commitment relating to the Project by the City is false or misleading in any material respect at the time made.

4. Remedies of Developer. After and during the continuance of a City Event of Default, the rights and remedies of PEABODY shall be limited to:

   a. Damages and Injunction. PEABODY may maintain an action to recover any losses, damages, costs and expenses (including reasonable fees and expenses of counsel, consultants and expert witnesses incurred in connection therewith) resulting from Albion Event of Default. Notwithstanding the foregoing, in no event will Albion be liable for any punitive, speculative or consequential damages alleged by the PEABODY. PEABODY may also seek injunctive relief.

b. Termination. PEABODY may terminate this Agreement in accordance with the specific termination rights set forth in this Agreement.

MISCELLANEOUS

1. Effect of Agreement. Albion shall be obligated to perform only those undertakings expressly set forth in this Agreement and its obligations and duties pursuant to applicable laws, ordinance and charter. Execution of this Agreement in no way constitutes Albion approval of the Project or obligates Albion to support or approve the Project except as expressly set forth herein.

2. Compliance with Laws. PEABODY and Albion shall each comply with all applicable Laws at all times during the Term, but either may contest the same.

3. City Consent. Where the consent of Albion is required or requested under this Agreement after the Effective Date, such consent may be provided by the City Manager.

4. Costs. Except as specifically set forth in this Agreement, each of the parties will bear their own costs and fees with respect to actions taken as required by this Agreement or in support of such obligations. Albion and PEABODY shall have no liability for any Claims of any nature except as expressly set forth in this Agreement.

5. Assignment of this Agreement. The obligations of PEABODY under this Agreement shall survive any assignment, unless the assignee (or a guarantor of assignee) has a net worth at least equal to the net worth of the assignor at the time of the assignment and the assignee assumes in writing all of the obligations of PEABODY under this Agreement yet to be performed or yet to be performed to the standards required under this Agreement, including the obligation to cure any then-existing PEABODY defaults.

6. Notices. All notices, certificates or communications required by this Agreement to be given shall be sufficiently given and shall be deemed delivered when personally served or when mailed by express courier or registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties at the addresses listed below:

   If to the City, to:

   City of Albion
   112 W. Cass St.
   Albion, MI 49224
   Attention: City Manager

With copies to:

Cullen C. Harkness
Albion City Attorney
4121 Okemos Rd., Suite 17
Okemos, MI 48864

If to the Developer to:

PEABODY Investment Properties
15901 East Michigan Ave.
Albion, MI 49224

7. Amendment. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by the parties hereto after the consent of Albion as required by law to such amendment or modification has been obtained.

8. Binding Effect. This Agreement shall be binding upon the parties hereto and upon their respective successors and assigns.

9. Survival and Prevailing Party in Litigation. The terms, conditions and provisions of this Agreement which are expressly provided to survive shall survive its termination. In any litigation arising out of this Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and expenses and reasonable fees and expenses of consultants and expert witnesses, and costs at trial and for appeals; and the provisions of this sentence shall survive the termination of this Agreement.

10. Severability. If any clause, provision or section of this Agreement shall be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect the validity of any of the remaining clauses, provisions or sections of this Agreement.

11. Time of the Essence. Time shall be of the essence of this Agreement.

12. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

13. Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision of this Agreement.

14. Applicable Law. This Agreement shall be governed in all respects, whether as to validity, construction, performance and otherwise, by the laws of the State of Michigan and all applicable federal laws of the United States. Any claims, lawsuits, or causes of action arising out of this Agreement shall be exclusively litigated in the Courts for the County of Calhoun, MI.

15. Force Majeure. No party hereto shall be liable for the failure to perform its obligations hereunder if such failure is due to unforeseeable events beyond, the party's reasonable control and without such party's fault or negligence, including, but not limited to, acts of God, acts of the public enemy, acts of any government, acts of the other party, fires, flood, epidemics, quarantine restriction, strikes and embargoes, shortages of materials and delays of contractors due to such causes. Said failure to perform shall be excused only for the period during which the event giving rise to said failure to perform exists; provided, however, that the party seeking relief from its obligations under this section shall endeavor to notify the other party in writing, setting forth the event giving rise to such failure to perform, within 30 business days following knowledge of the occurrence of such event.

16. Entire Agreement. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the parties, except to the extent reference is made thereto in this Agreement.

IN WITNESS WEREOF, the parties herein have cause this Agreement to be duly executed as of the dates below:

Dated: 9/19/2017

Developer
PEABODY, L.L.C.Properties

By: William H Dobbins
Name: William H. Dobbins
Title: MANAGER

The City of Albion Council has reviewed the Peabody Block Redevelopment Project and has authorized the City Manager to execute this Agreement and all documents necessary to complete the Community Development Block Grant funding request and Project.

Dated: September 19, 2017

Albion
City of Albion

By: Sheryl S Mitchell
Sheryl Mitchell
City Manager

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GRANT NO. MSC 217010-ESB

STATE OF MICHIGAN

COMMUNITY DEVELOPMENT GRANT AGREEMENT

BETWEEN THE

MICHIGAN STRATEGIC FUND

AND THE

CITY OF ALBION

STATE OF MICHIGAN

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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I. GRANT OFFER FOR MICHIGAN CDBG NO. MSC 217010-ESB

The Fund Manager of the Michigan Strategic Fund (the "Grantor"), acting pursuant to Resolution 2013-187 of the Michigan Strategic Fund Board, hereby offers to the City of Albion (the "Grantee"), grant assistance subject to the Grant Agreement.

The maximum amount of grant assistance hereby offered is $800,000.00 (the "Grant"), but in no event shall the amount of the grant assistance for blight removal and rehabilitation improvements exceed more than Forty-six percent (46%) of the total actual cost of blight removal and rehabilitation improvements the project financed with the Grant and Private matching funds. The maxium amount of grant assistance hereby offered for administration is $28,000.00. If the actual cost is less than shown in the Total Authorized Budget (See Section II(A)(1)), the amount of the Grant shall be reduced on a proportional basis. The Grantee shall be responsible for any cost overruns.

The term of work performance shall be twenty-nine months (29) months April 1, 2017 through August 31, 2019 (the "Term"), plus additional time to meet reporting or other procedural requirements. The Grant will only be made available for the Grantee's eligible expenses, which occur during the Term in accordance with the Grant Agreement. The Grant is dependent upon the Grantor's continued receipt of Community Development Block Grant funds and the availability of adequate funds.

If Grantee/private construction will not start by April 1, 2018 (the "Commencement Period"), then the Grantee must seek and receive in writing an extension of the Commencement Period from the Grant Administrator prior to the expiration of the Commencement Period, otherwise this Grant Agreement shall terminate and no longer be in effect. In the event this Grant Agreement is terminated as set forth herein, the Grantee must request that the Grant be reapproved by the MSF Board before it may be reinstated.

This Grant Offer does not commit the Grantor to approve requests for additional funds during or beyond this grant.

The Grantee hereby certifies that there has been no known adverse material change in the business, property, financial or other conditions of Peabody L.L.C., William H. Dobbins, and Karen K. Dobbins since the date of the grant application, unless expressly acknowledged in writing to the Grantor. Should there be an adverse material change in the business, property, financial or other conditions of the Peabody L.L.C., William H. Dobbins, and Karen K. Dobbins occurring on or after the date of this certification, the Grantee shall have an obligation to inform the Grantor immediately in writing of such material change.

The foregoing Grant Offer is hereby accepted and it is agreed that the funds made available will be used only as set forth herein and in the attached Special and General Terms and Conditions. The signatories below warrant that they are empowered to enter into this Agreement.

10/6/2017

Dated this _____ day of _____, 2017 Dated this 2nd day of October, 2017

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DocuSigned by:
Mark Morante

Mark Morante
Fund Manager
Michigan Strategic Fund

Sheryl L Mitchell

Sheryl L. Mitchell
City Manager
City of Albion

Counterparts; Facsimile, Electronic and PDF Signatures; Copies – This Agreement may be executed in any number of counterparts, each of which, when executed shall be deemed an original, and all of which together, shall constitute one and the same agreement. This agreement may be delivered by facsimile, or PDF or other electronic format and in such circumstances, may be relied upon to the same extent as though such copy was an original.

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IV. ACKNOWLEDGEMENT AND CERTIFICATION BY Peabody L.L.C.

Peabody L.L.C. (the Peabody L.L.C. William H. Dobbins and Karen K. Dobbins) acknowledges receipt of a copy of the Grant Agreement MSC 217010-ESB, together with all attachments. It is understood that the CDBG financed portion of the project will provide funding for blight removal.

It is understood and acknowledged by all parties, including the Peabody L.L.C.,William H. Dobins, and Karen K. Dobbins, that the investment was an essential factor in persuading the Grantor that this project is economically viable, and further, in the absence of this commitment by the Peabody L.L.C., this grant would not have been awarded.

Therefore, the Peabody L.L.C., William H. Dobins, and Karen K. Dobbins agrees to abide by the terms of the Grant Agreement. The Peabody L.L.C. William H. Dobins and Karen K. Dobbins agree that this project is expected to result in:

Total investment of at least $941,572.00 for building rehabilitation activities;

In the event of any adverse material change in the business, property, financial or other conditions of the Peabody L.L.C., William H. Dobbins, and Karen K. Dobbins agree to immediately notify in writing the Grantee and Grantor and to provide Grantee and Grantor with any additional documentation reasonably requested. The Peabody L.L.C., William H. Dobbins, and Karen K. Dobbins further acknowledge that should the private investment for this project not be met, the Grantor may require the repayment of the Grant up to the full amount.

The signatories below warrants that they are empowered to enter into this Agreement.

Dated this 2 day of October 2017

Peabody L.L.C. William H. Dobbins and Karen K. Dobbins

William H. Dobbins
Member

Karen K. Dobbins
Member

Counterparts; Facsimile, Electronic and PDF Signatures; Copies – This Agreement may be executed in any number of counterparts, each of which, when executed shall be deemed an original, and all of which together, shall constitute one and the same agreement. This agreement may be delivered by facsimile, or PDF or other electronic format and in such circumstances, may be relied upon to the same extent as though such copy was an original.

Attachment A

PROJECT BUDGET
MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

1. Applicant: City of Albion	MSC 217010-ESB		2. Project Title: Peabody Building		
3. Project Cost Elements	4. Project Funding Sources		(Identify all other funding sources)		
Activities	CDBG	Private			TOTAL
Building Renovations	$680,555	$810,816			$1,491,371
Demolition	$93,953				$ 93,953
Lead and Abestos	$5,000				$ 5,000
Site improvements	$20,492				$ 20,492
Admin CGA	$28,000				$ 28,000
Private soft costs		$130,756			$ 130,756
TOTAL	$828,000	$ 941,572			$ 1,769,572

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II. SPECIAL TERMS AND CONDITIONS

For Michigan CDBG under Title I of
the Housing and Community Development Act of 1974, as amended.
CFDA #: 14.228 Community Development Block Grants / State's Program & Non-Entitlement Grants in Hawaii

GRANT NO.:	MSC 217010-ESB
GRANTEE / ADDRESS:	City of Albion 112 West Cass Street Albion, Michigan 49224
DUNS NUMBER:	DUNS #044902815
GRANT ADMINISTRATOR / ADDRESS:	Grant Administrator 300 North Washington Square Lansing, Michigan 48913 Phone: 517-335-6681
FFATA PROJECT DESC.:	City of Albion Peabody Building
TERM:	April 1, 2017 – August 31, 2019
GRANT FUNDING YEAR:	2015
FEDERAL AWARD:	B-15-DC-26-0001 10/02/15 Department of Housing & Urban Development Assistant Secretary of Community Planning & Development 202-708-1112

A. TOTAL AUTHORIZED BUDGET

1. Sources of funds for the project under this Grant Agreement consist of:

Grantor (State) Cash Contributions	$ 828,000.00
Company (Private) Cash Contributions	$ 941,572.00
TOTAL	$1,769,572.00

B. SCOPE OF WORK

The Scope of Work of the Grantee under this grant shall be to undertake and complete the following activities, as further detailed in the Grantee's Application received August 2, 2017, as amended, subject to the limitations set forth in the Grant Agreement and applicable federal and state laws, rules and regulations:

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1. Prior to the commitment of any project funds, incurring any project costs, and Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the complete Environmental Review Record (including the Environmental Assessment), and secure written approval by the Grant Administrator for the Request for Release of Funds and Certification. The Request for Release of Funds and Certification represents local completion of the environmental review procedures and requirements as set forth in 24 CFR Part 58, "Environmental Review Procedures for Title I Community Development Block Grant Program," issued by the U.S. Department of Housing and Urban Development. Project costs include costs to be paid by the Grant and other local, public and private funds.

2. If the Grantee will be engaging the consultant, supplier, or contractor then the Grantee shall comply with the procurement process required by 24 CFR Part 85. Among other things, this regulation applies to all CDBG funded engineering and consultant contracts as well as all CDBG funded construction contracts.

    a. For supplies and service contracts such as engineering and consulting less than or equal to $150,000.00, the Small Purchase Procedures as provided in 24 CFR Part 85 may be used. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator documentation that price or rate quotations were obtained from an adequate number of qualified sources and a copy of the executed contract.

    b. For supplies and service contracts such as engineering and consulting greater than $150,000.00, Grantee must use competitive negotiation through a Request for Proposal (RFP) or Request for Qualifications (RFQ) process as provided in 24 CFR Part 85. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the locally published RFP / RFQ, a list of respondents to the RFP / RFQ, Grantee's evaluation and recommendation for the award of the contract(s), and the executed contract(s).

    c. For construction related contracts, Grantee must use the procurement by Sealed Bids Process as provided in 24 CFR Part 85. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the locally published advertisement for bids and the bid tabulation.

3. If the Grantee will not be engaging any consultant, supplier, or contractor, then the procurement process required by 24 CFR Part 85 shall not apply. The Grantee shall ensure that payment for services, supplies, or materials shall not exceed the amount ordinarily paid for such services, supplies, or materials in the area where the services are rendered or the supplies or materials are furnished.

4. If the project uses the Grant for demolition to be followed by on-site construction activities, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding documents or other evidence of compliance with federal labor standards for all

construction activities financed in whole or in part with the Grant. Such approval must be secured prior to Grantor disbursement of the Grant for relevant construction activities.

5. If the project involves the installation of machinery and equipment and the installation cost is greater than 20% of the total cost of the machinery and equipment, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding documents or other evidence of compliance with federal labor standards for all installation activities financed in whole or in part with CDBG funds. Such approval must be secured prior to Grantor disbursement of the Grant.

6. If the project uses the Grant for construction activities on private property, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding documents or other evidence of compliance with federal labor standards for all construction activities financed with any other matching funds on said private property. Such approval must be secured prior to Grantor disbursement of the Grant.

7. If the project involves acquisition, including donations, of real estate, permanent easements and/or right-of-ways, or the relocation of persons, families or farms, the Grantee shall provide for approval by the Grant Administrator documentation of compliance with the Uniform Relocation and Real Property Acquisition Policies Act of 1970. Such approval must be secured prior to Grantor disbursement of the Grant.

8. If the project involves the demolition or conversion of an occupied dwelling unit or a vacant occupiable dwelling unit, the Grantee shall provide for approval by the Grant Administrator documentation of compliance with Section 104(d) of the Housing and Community Development Act of 1974. Such approval must be secured prior to Grantor disbursement of the Grant.

9. If the Project involves improving and/or acquiring real property in whole or in part using Grant funds in excess of $150,000.00, the Grantee shall provide for approval by the Grant Administrator a Real Property Management Report (RPMR) prior to Grantor disbursement of the Grant, annually, at close out, and when the property is no longer needed for its original purpose.

   If the real property acquired and/or improved with the Grant is no longer needed for its original purpose at any time during the project and up to five years from close out, the Grantee shall request disposition instructions from the Grantor prior to disposing of the real property acquired or improved in whole or in part with the Grant. Depending on the disposition request, the Grantee may be required to return a portion of the Grant to the Grantor.

10. If the Project involves acquiring personal property in whole or in part using Grant funds in excess of $150,000.00, the Grantee shall provide for approval by the Grant Administrator a Personal Property Management Report (PPMR) prior to disbursement of the Grant, annually, at close out, and when the property is no longer needed for its original purpose.

If the personal property acquired with the Grant is no longer needed for its original purpose at any time during the project and after project close out, the Grantee shall request disposition instructions from the Grantor prior to disposing of the personal property acquired in whole or in part with the Grant. Depending on the current per unit fair market value of the personal property, the Grantee may be required to return a portion of the Grant to the Grantor.

11. Grantee is responsible for ensuring that all contractors working on the project are CDBG eligible and properly licensed, bonded, and insured.

12. The Grantee, all contractors, and all subcontractors shall ensure that any construction or rehabilitation implemented pursuant to the terms and conditions of this Agreement shall meet all applicable state and local building codes.

13. The Grantee, all contractors, and all subcontractors shall secure in a timely manner all necessary certificates and permits from municipal or other public authorities as required in connection with the performance of this Agreement.

14. The Grant must be requested on a reimbursement basis or when there is an immediate cash need for the funds.

15. In the event of any adverse material change in the business, property, financial or other conditions of Peabody L.L.C., William H. Dobbins, and Karen K. Dobbins shall immediately notify in writing the Grantee and Grantor. The Grantor reserves the right at any time to request additional documentation to ensure that the Scope of Work, private investment and grant requirements can be met.

16. The Grantee will notify the Grantor of any changes or modifications made to the Obsolete Property Rehabilitation Act Exemption granted for the real property, excluding land, located in Obsolete Property Rehabilitation District for thePeabody Project.

17. The Grantee shall expend up $800,000.00 of the Grant to remove blight. This structure is blighted as defined by Michigan Law, MCL 125.2652. The project activities are further described in Attachment B.

18. The Grantee shall expend up to $28,000.00 for administration.

19. The national objective compliance for the acquisition of real property must be based on the use of the property after the acquisition takes place. The initial determination is based on the planned use of the property, but the final determination is based on the actual use.

20. When property is acquired for the purpose of clearance to remove specific conditions of blight or physical decay, the clearance is considered to be the actual use of the property. Any subsequent use made of the property following clearance must comply with Section II(B)(9).

21. The Grantor may, in its sole discretion, after discussion with representatives of the Grantee, modify or reduce the total amount of grant assistance offered under this

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Agreement or terminate this Agreement and demand full repayment of disbursed grant proceeds if the Grantee violates, fails, or refuses to comply with any term, condition, or provision of this Agreement.

22. The Grantee shall provide Program Progress Reports beginning January/July 15, 2018 and every six (6) months thereafter.

23. The Grantee shall provide a final Payment Request within 60 days of the expiration of the Term. Payment Requests received after this time will not be processed.

24. The Grantee shall provide a final Program Progress Report and all other required close out documents specified by the MSF within 120 days of the expiration of the Term.

25. The Grantee shall provide documentation that at least one public hearing was held after grant award and prior to formal grant closeout. Such documentation shall be provided prior to formal grant closeout.

26. During each of the Grantee's fiscal years in which a disbursement of the Grant is made under this Agreement, the Grantee shall file an Audit Report. This Audit Report must be prepared by an independent auditor, and be in compliance with the requirements of 2 CFR Part 200, or as required by the Grant Administrator. This Audit Report shall be filed with the Grant Administrator within 30 days after completion of the audit, but not later than nine months after the close of the Grantee's fiscal year.

27. Whenever possible, auditees shall make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in 2 CFR Part 200, as applicable.

28. A risk assessment has been completed for this project. Based on the assessment, it has been determined that no additional grant terms are required.

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III. GENERAL TERMS AND CONDITIONS

1. Applicability to Sub Recipients and Contractors: Where performance of the grant project is carried out by any sub recipient or contractor of the Grantee, the provisions of the Grant Agreement shall be made binding on such sub recipient or contractor by the Grantee. This shall be accomplished by a written agreement or contract between the Grantee and sub recipient or contractor. Where the term "Grantee" appears in this Grant Agreement it shall be read to include any sub recipient or contractor of the Grantee.

   The ultimate legal responsibility for insuring compliance with requirements of the Grant Agreement is that of the Grantee designated in the Grant Offer.

2. Compliance by the Grantee: The Grantee shall comply with all applicable provisions of the following:
   a. "Statement of Assurances" as included in the Application.
   b. Compliance with Section 3 of the Housing and Urban Development Act of 1968, as amended.
   c. Compliance with Title I of the Housing and Community Development Act of 1974, as amended (Fair Housing).

3. Maintenance of Records: The Grantee shall maintain records which will allow assessment of the extent of Grantee performance of the Scope of Work and which allow for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over, and accountability for, all funds received. Accounting records must be supported by source documentation such as time sheets and invoices.

4. Retention of Records: The Grantee shall retain all financial records, supporting documents, statistical records, and all other pertinent records until notified by the MSF.

5. Publicity: At the request and expense of the Grantor, the Grantee will cooperate with the Grantor to promote the Grant Activities through one or more of the placement of a sign, plaque, media coverage or other public presentation at the project or other location acceptable to the Parties.

6. Applicability of Federal Regulations: In the event that federal laws, statutes, rules or regulations related to HUD or CDBG funding require a change to this Grant Agreement, this Grant Agreement shall be immediately interpreted, modified, applied and enforced consistent with those changes as though they were in the original Grant Agreement. Those changes shall be incorporated into this Grant Agreement in writing as soon as possible without unreasonable delay by any party.

7. Amendments. The Grantee must obtain prior written approval of the Grant Administrator for grant amendments as follows:

   a. changes of substance in the Scope of Work including new activities or alterations of existing approved activities;

b. extensions to the term of work performance for completion of project activities;

c. for Grants of less than $100,000.00, cumulative changes among approved CDBG funded budget items which exceed $5,000.00 or five (5) percent of the Grant, whichever is the lesser amount; and

d. for Grants of $100,000 or more, cumulative changes among approved CDBG funded budget items which exceed $10,000.00 or five (5) percent of the Grant, whichever is the lesser amount.

The amendment request must be submitted by an authorized local official of the Grantee.

8. Suspension of Grant: When the Grantee has failed to comply with the grant award stipulations, standards, or conditions, or in the event of an adverse material change as to the Peabody L.LC. William H. Dobbins and Karen K. Dobbins as provided in Section II(B)(15), the Grantor may, on reasonable notice to the Grantee, suspend the grant and withhold further payments, or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate in accordance with these Terms and Conditions. The Grantor will allow all necessary and proper costs, which the Grantee could not reasonably avoid during the period of suspension, provided they meet the provisions of 2 CFR Part 200.

9. Termination for Cause: The Grantor may terminate this grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant or in the event of an adverse material change as to the Peabody L.L.C. William H. Dobbins and Karen K. Dobbins as provided in Section II(B)(15). The Grantor will promptly notify the Grantee in writing of the determination and the reasons for the termination, together with the effective date. Payments made to recipients, or recoveries by the Grantor, will be in accordance with the legal rights and liabilities of the parties.

10. Termination for Convenience: The Grantor or the Grantee may terminate this grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of the Grant. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The Grantee shall not incur new obligation for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Grantor will allow full credit to the Grantee for the Grantor's share of the noncancelable obligations that were properly incurred by the Grantee prior to termination.

11. The MSF, the State of Michigan, its board and its employees shall not in any manner be liable for any loss or damage connected to or resulting from activities conducted under this Agreement; nor for any injury or damages to any person whether an employee of the Grantee or otherwise, or for damage to any materials, equipment, or other property that may be used or employed in connection herewith.

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12. The Grantee and political subdivisions, agencies, and instrumentalities thereof, when engaged in letting contracts or procuring products or services which involved funds obtained from the Grantor shall ensure that bid specifications, project agreements, other controlling documents, and any other local requirements do not:

    a. require bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations on the same or related projects;

    b. discriminate against bidders, offerors, contractors or subcontractors for refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations on the same or related construction projects; or

    c. require any bidder, offeror, contractor, or subcontractor to enter into, adhere to or enforce any agreement that requires its employees as a condition of employment to:

        i. become members of or become affiliated with a labor organization; or

        ii. pay dues or fees to a labor organization, over an employee's objection, in excess of the employee's share of labor organization costs relating to collective bargaining, contract administration or grievance adjustment.

13. The MSF, the State of Michigan, its board and its employees shall not in any manner be liable for any loss or damage connected to or resulting from activities conducted under this Agreement; nor for any injury or damages to any person whether an employee of the Grantee or otherwise, or for damage to any materials, equipment, or other property that may be used or employed in connection herewith.

14. The parties hereby agree that the invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions thereof.

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The Peabody building, a commercial Italianate, three-story, flat-roofed, painted brick building, was built in 1852 and is located in historic downtown Albion at the intersection of Superior Street and Erie Street (400 S. Superior Street). It is one of the oldest buildings in downtown Albion. The redevelopment will feature 3,000 sq. ft. of white box commercial space on the first floor. The space will allow for 1 or 2 commercial clients. The second and third floors will have two - 2 bedroom/2 bathroom apartments on each floor for a total of 4 apartments. An elevator will be added as part of the redevelopment. Historical tax credits have been requested for the project. Total gut rehabilitation will occur that includes windows, floors, walls, electrical, mechanical and heating systems. Also, complete historical facade creation and the demolition of the back add on 2 story. The site improvements include parking lot.

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