



## Legislation Text

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**File #:** 15-1029, **Version:** 1

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Resolution to Approve the First Amendment to the 618 South Main Development Agreement, 618 South Main Street

Attached is a resolution to approve the First Amendment to the 618 South Main Street Development Agreement. 618 S. Main Development LLC is required to disconnect 33 footing drains in accordance with the City of Ann Arbor Developer Offset Mitigation Program as revised by City Council on June 15, 2015, or to provide an alternative method of mitigation that results in an equivalent amount of sanitary flow removal.

618 S. Main Development LLC has disconnected 15 footing drains and was issued a certificate of occupancy for a portion of the building. City ordinances allow partial certificates of occupancy for development prior to the completion of all required footing drain disconnects on a prorated basis at the discretion of the City Public Services Area Administrator. Despite best efforts to disconnect 33 footing drains or otherwise mitigate flow into the sanitary sewer system, 618 S. Main Development LLC is unable to complete the flow mitigation prior to their desired occupancy of the remainder of the building.

The amendment would, with the approval of the City Administrator, allow the City to temporarily lend footing drain disconnects from the City's unassigned bank of completed footing drain disconnects. Use of completed footing drain disconnects banked by the City would satisfy the mitigation requirement for the purpose of the issuance of partial Temporary Certificates of Occupancy by the end of August.

618 S. Main Development LLC would escrow with the City two (2) times the fair market cost (as determined by the City) of the footing drain disconnects used from the City's bank. The escrow would be returned as the 618 S Main completes footing drain disconnects or alternative mitigation. The City will not issue Final Certificates of Occupancy until 618 S. Main Development LLC has completed all permanent mitigation, repaying the City's FDD bank.

Staff has authorization to do the bank and trade but does not have authority to accept an escrow for uncompleted FDD's prior to a temporary Certificate of Occupancy. The recommended amendment is consistent with City ordinances requiring flow to be mitigated before development is occupied and with the modifications approved by City Council to Developer Offset Mitigation program. The modifications approved by resolution on June 15, 2015 allow development sites to receive credit for footing drain flow removal previously performed by the City if site is not in one of the five remaining problem areas and will not put the wastewater system at risk for basement backups, or sanitary sewer overflow.

Prepared by: Cresson Slotten, Systems Planning Manager

Approved by: Steven D. Powers, City Administrator

Whereas, Resolution R-12-274, Resolution to Approve 618 South Main Planned Project Site Plan and Development Agreement, 618 South Main Streets was approved by City Council on May 18,

2012;

Whereas, Paragraph (P-18) of the Development Agreement requires the Developer to disconnect 33 footing drains, which is based upon the uses currently existing on the property and those currently contemplated by the Site Plan in accordance with the City of Ann Arbor Developer Offset Mitigation Program;

Whereas, on June 15, 2015 City Council approved Resolution R-15-213 modifying the Developer Offset Mitigation Program affecting the amount of flow mitigation required for the 618 South Main Planned Project development;

Whereas, the Developer has requested that a temporary certificate of occupancy be issued prior to the completion of all of the required mitigation and has agreed to provide funds to the City to be escrowed until the completion of all required mitigation and prior to issuance of the final certificate of occupancy for the development; and

Whereas, All other terms, conditions, and provisions of the original agreement between the parties dated June 18, 2012, are to apply to this amendment.

RESOLVED, That City Council approves the First Amendment to the 618 South Main Development Agreement modifying paragraph (P-18) of the agreement; and

RESOLVED, That the Mayor and City Clerk are authorized and directed to sign the First Amendment to the 618 South Main Development Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

Sponsored by: Mayor Taylor