



Brighton City Council Meeting

200 N First St • City Hall Council Chambers • Brighton, Michigan 48116
(810) 227-1911 • www.brightoncitymi.gov

June 23, 2026 – 6:30 p.m.

AGENDA

1. Call to order
2. Pledge of Allegiance
3. Roll call
4. Consider approval of the agenda
5. Consider approval of consent agenda items

Consent Agenda Items

- a. [Approval of minutes: June 9, 2026](#)
- b. [Approval of Resolution #2026-07, Social District License Application for Maru Sushi](#)
- c. [Approval to install replacement windows at the Challis Water Plant by Sandhill Glass Company in an amount not to exceed \\$15,200](#)
- d. [Approval to replace the chlorine room door at the Challis Water Plant by Security Lock Service, Inc in an amount not to exceed \\$5,400](#)
- e. [Approval to replace HVAC equipment for the Challis Road Water Plant chlorine room by Pro-Tech Mechanical Services in an amount not to exceed \\$6,500](#)

Correspondence

6. Councilmember updates
7. Staff updates
8. Call to the public

New Business

9. [Consider approval of a parking lot agreement and lease with the State Land Bank Authority, DC Brighton, LLC, and DM Brighton, LLC](#)
10. [Consider approval to proceed with the Net2Phone implementation, contingent upon satisfactory legal and financial review of the final agreement](#)
11. Consider entering into closed session to consider the purchase or lease of real property pursuant to the Michigan Open Meetings Act, 1976, § 15.268(1)(d), Michigan Compiled Laws

Other Business

12. Call to the public
13. Adjournment



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MINUTES OF THE REGULAR MEETING OF THE BRIGHTON CITY COUNCIL HELD ON JUNE 9, 2026

1. Call to order

Mayor Tobbe called the meeting to order at 6:30 p.m.

2. Pledge of Allegiance

Mayor Tobbe led those in attendance in the Pledge of Allegiance

3. Roll call

Present were Mayor Tobbe, Mayor Pro Tem Bohn, Councilmembers: Albert, Gardner, Gipson, Pettengill and Schmenk.

Others Present: City Manager Gretchen Gomolka, City Clerk Tara Brown, DPS Director Marcel Goch, Superintendent Josh Bradley, Attorney Sarah Gabis, and Chief Brent Pirochta.

4. Consider approval of the agenda

Motion by Councilmember Gardner, seconded by Councilmember Schmenk to approve the agenda as presented. **The motion carried, 7-0.**

5. Consider approval of consent agenda items

Motion by Councilmember Schmenk, seconded by Councilmember Pettengill to approve the consent agenda as presented. **The motion carried by roll call vote, 7-0.**

Consent Agenda Items

- a. **Approval of minutes: May 26, 2026**
- b. **Approval to purchase network equipment for the Third Street Lift Station from McNaughton-McKay Electric Company in an amount not to exceed \$12,084.73**
- c. **Consider approval of final budget amendments for fiscal year ending June 30, 2026, Resolution #2026-06**

Correspondence

6. Councilmember updates

Councilmember Pettengill thanked all volunteers, including the DPW and Troop 350, that made it out to the annual Imagination Station Kick Off. Eighty-five volunteers laid seventy yards of mulch.

Councilmember Gardner provided an update on the new Shamrock Festival, a family-friendly community event that replaced Oktoberfest and was held June 12–14. The festival will feature carnival rides, games, live entertainment, food, and activities for all ages, with proceeds supporting parish and school operations.

Mayor Tobbe noted that residents should not solely rely on social media and to seek facts from city officials.

7. Staff updates

Chief Pirochta noted that, prior to the upcoming Live at Mill Pond Park concert featuring Sponge on June 18, 2026, military service members will be recognized and honored. The ceremony will begin at 6:45 p.m.

Community Development Manager Caruso noted that the upcoming Mill Pond Park concert series has been funded by the Downtown Development Authority in collaboration with Pulte Homes. From June 18, 2026, to August 27, 2026, every Saturday will host a live acoustical set by the firepit beginning at 7:00 p.m. and every Thursday will host a concert at The AMP beginning at 7:00 p.m.

DPS Superintendent Bradley noted that the 7th Street water main work will begin the week of June 12, 2026. Chip

and fog seal will also begin throughout the city beginning the week of June 12, 2026. The I-96 Brighton Project will have significant changes. Beginning Tuesday, June 16th at 7:00 a.m., westbound Grand River Avenue will be completely closed between the eastbound I-96 on ramp and I-96. Westbound Grand River Avenue traffic will be detoured along eastbound I-96 to the Spencer Road interchange and back on westbound I-96 to Grand River Avenue. Two lanes of traffic will continue to be maintained along eastbound Grand River Avenue, and all ramps will remain open as well. Westbound Grand River Avenue is expected to reopen to traffic by July 17th at 5:00 p.m.

City Manager Gomolka noted that the City of Brighton will host a pancake breakfast on July 4, 2026, beginning at 7:00 a.m. and continuing while supplies last. City staff and former mayors will be on hand to serve attendees. The cost is \$5 per person, and all proceeds will support the Taste of Brighton fireworks display.

City Manager Gomolka noted that there has been a significant amount of misinformation circulating on social media and through other sources. She encouraged residents to verify information through official City communications and to contact City staff directly with any questions or concerns.

8. Call to the public

Mayor Tobbe opened the call to the public at 6:49 p.m. Hearing and seeing no comment, the call to the public called was closed.

Discussion

9. Solicitor's Ordinance

City Council, staff, and the City Attorney discussed renewed interest in reviewing the current solicitor's ordinance. The City Attorney will work with staff to prepare revisions and bring an updated ordinance back to City Council for further review and consideration.

New Business

10. Consider awarding the vinyl siding bid for the Challis Water Plant garage to Armstrong Enterprises, Inc. in an amount not to exceed \$30,000

Motion by Councilmember Pettengill, seconded by Councilmember Gardner to award the vinyl siding bid for the Challis Water Plant garage to Armstrong Enterprises, Inc. in an amount not to exceed \$30,000. **The motion carried, 7-0.**

11. Consider request from Pulte Homes to amend the Brownfield Plan at 1010 State Street

City Manager Gomolka introduced Pulte Homes representative Paul Schyk and Pinchin representatives Adam Patton and Sara Jo Shipley, who requested a two-year extension of the approved Brownfield Plan due to increased construction and site mitigation costs. City Council discussed the request and asked for additional information regarding the long-term financial impact of the extension, as well as current and anticipated market conditions affecting the project.

Other Business

12. Call to the public

Mayor Tobbe opened the call to the public at 7:49 p.m. Hearing and seeing no comment, the call to the public called was closed.

13. Adjournment

Motion by Councilmember Gardner, seconded by Councilmember Pettengill, to adjourn the meeting at 7:49 p.m. **The motion carried, 7-0.**



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL JUNE 23, 2026

SUBJECT: APPROVAL OF RESOLUTION #2026-07, SOCIAL DISTRICT LICENSE APPLICATION FOR MARU SUSHI

ADMINISTRATIVE SUMMARY

The attached resolution is for approval of a Social District License for Cosmo Brighton LLC, d/b/a Maru Sushi and Grill, located at 8262 Cross St.

This entity has completed the application process and received educational compliance from the Brighton City Police Department.

RECOMMENDATION

Staff recommendation is for City Council adoption of Resolution 2026-07 by roll call vote.

Prepared by: Kelly Haataja, Assistant to the Community Development Manager

Approved by: Gretchen Gomolka, City Manager

Attachments: 1. Resolution 2026-07
2. Application
3. Education Compliance



Resolution #2026-07

Local Governmental Unit Approval For Social District Permit

Instructions for Governing Body of Local Governmental Unit:

A qualified licensee that wishes to apply for a Social District Permit must first obtain approval from the governing body of the local governmental unit where the licensee is located and for which the local governmental unit has designated a social district with a commons area that is clearly marked and shared by and contiguous to the licensed premises of at least two (2) qualified licensees, pursuant to MCL 436.1551. Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a Regular meeting of the Brighton City council/board
(regular or special) (name of city, township, or village)

called to order by Mayor on June 23, 2026 at 6:30 p.m.
(date) (time)

the following resolution was offered:

Moved by Councilmember and seconded by Councilmember

that the application from Cosmo Brighton LLC d/b/a Maru Sushi and Grill
(name of licensee - if a corporation or limited liability company, please state the company name)

for a **Social District Permit** is recommended by this body for consideration for approval by the
(recommended/not recommended)

Michigan Liquor Control Commission.

If not recommended, state the reason: _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the council/ Brighton City
board at a regular meeting held on June 23, 2026
(regular or special) (date) (name of city, township, or village)

I further certify that the licensed premises of the aforementioned licensee are contiguous to the commons area designated by the council/board as part of a social district pursuant to MCL 436.1551.

Tara Brown

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.



PSD26-11



By: RH City of Brighton APPROVED Date: 5/26/26

CITY OF BRIGHTON SOCIAL DISTRICT LICENSE APPLICATION

200 N. First Street - Brighton, MI 48116 - commdev@brightoncity.org - 810.225.9255

New Application Submittal – Fee \$50 or Annual Renewal – Fee \$50

Call # 26080053

99-004-156

APPLICANT

Name: Robert Song

Phone: 989-284-2833

Business Name: Maru Sushi + Bar

Address: 8262 Cross St

Email: robert@marusushi.com, aimee@marusushi.com

HAVE YOU HAD A LICENSE OR PERMIT REQUIRED BY THE CITY OF BRIGHTON OR ANY OTHER STATE OR MUNICIPAL AUTHORITY REVOKED, SUSPENDED, OR DENIED IN THE LAST THREE YEARS? IF YES, PLEASE PROVIDE DETAILS:

No

HOLD HARMLESS ACKNOWLEDGEMENT

To the fullest extent permitted by law, Robert Song & Cosmo Brighton, LLC, agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Brighton, its elected and appointed officials, employees, volunteers, and others working on behalf of the City of Brighton, against all claims, demands, suits or loss, including all costs connected therewith, and for any damages, which may be asserted, claimed, or recovered against or from the City of Brighton, its elected and appointed officials, employees, volunteers, and others working on behalf of the City of Brighton, by reason of personal injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this application.

Printed Name: Robert M. Song Date: 5-13-2026

Signature:



Department of Licensing and Regulatory Affairs

STATE OF MICHIGAN - LIQUOR CONTROL COMMISSION

This is to certify that a License is hereby granted to the person(s) named with the stipulation that the licensee is in compliance with Commission Rule R 436.1003, which states that a licensee shall comply with all state and local building, plumbing, zoning sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcement officials who have jurisdiction over the licensee. Issuance of this license by the Michigan Liquor Control Commission does not waive this requirement. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

This License is granted in accordance with the provisions of Act 58 of the Public Acts of 1998 and shall continue in force for the period designated unless suspended, revoked, or declared null and void by the Michigan Liquor Control Commission. The licensee named below freely and voluntarily consents and submits to inspections of the license premises in accordance with MCL 436.1217(2)-(3) and R 436.1011(4). Failure to comply with all laws and rules may result in the revocation of this license.

THIS LICENSE SUPERSEDES ANY AND ALL OTHER LICENSES ISSUED PRIOR TO APRIL 21, 2026

BUSINESS ID: 0271011
COSMO BRIGHTON LLC
D/B/A MARU SUSHI AND GRILL

FILE NUMBER:

8262 CROSS ST,
BRIGHTON, MI 48116-1243

LIVINGSTON COUNTY
L-273
BRIGHTON CITY

LICENSE # LICENSE:
L-000438060 Class C

L-000438061 Specially Designated Merchant

ACT:
N/A

N/A

TOTAL BARS: 1 OUTDOOR SERVICE AREA: 1
DIRECT-CONNECTIONS: 0 PASSENGERS:

ROOMS:

PERMIT
Sunday Sales (PM): Class C- Spirits & Mixed Spirit Drink, Outdoor Service Area(1), Sunday Sales (AM)

IN WITNESS WHEREOF,
this License has been duly signed
and sealed by both the Michigan
Liquor Control Commission and the
Licensee(s).

LIQUOR CONTROL COMMISSION

Kristin Betzger
David Baker
John F...

LICENSEE(S) SIGNATURE(S)

LICENSE EFFECTIVE MAY 1, 2026 - EXPIRES APRIL 30, 2027

2026
2027

m o r u

sushi + bar



City of Brighton Police Department

440 S. Third St, Brighton MI 48116

Brent Pirochta
Chief of Police



June 12, 2026

Community Development,

On Friday, June 12, 2026, Deputy Chief Parks and I presented Social District Education to Maru Sushi.

We provided them with the approved Social District Education Packet, read through the packet with them, and answered any questions they had.

Maru Sushi has met the Social District Education requirement as prescribed by Resolution 2021-015.

In attendance was:

Manager, Eric Sredzonski

Staff Members:

Bri B

Owen K

Cleste Bill

Jazlyn Mortz

Isabella Sturos

Olivia Illingworth

Grace Maurin

Autumn Zagel

Gwenyth Hock-VonGerichten

Alyssa Leineke

Chloe Truss

Lyolia Yonkers

Respectfully,

Brent Pirochta
Chief of Police



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

JUNE 23, 2026

SUBJECT: CONSIDER APPROVAL TO INSTALL REPLACEMENT WINDOWS AT THE CHALLIS WATER PLANT BY SANDHILL GLASS COMPANY IN AN AMOUNT NOT TO EXCEED \$15,200.

BACKGROUND

The Challis Water Plant was constructed in 1989 and has undergone minimal upgrades since that time. The facility includes eight original aluminum windows that have not been replaced. These windows are not energy-efficient, and staff report noticeable drafts during the winter months, contributing to increased heating demands and inconsistent interior temperatures.

Additionally, much of the window hardware is no longer functional, limiting the ability to properly secure or ventilate the building. The aging windows may also contribute to moisture infiltration and condensation, potentially affecting interior finishes and nearby equipment. Replacing these windows with modern, energy-efficient units would improve building performance, enhance staff comfort, and reduce heating and cooling costs.

ADMINISTRATIVE SUMMARY

Staff reached out to multiple local window contractors in advance to notify them of the upcoming bid opportunity and encourage participation. On April 1, 2026, the contractors who responded were issued an Invitation to Bid. A mandatory pre-bid meeting was held on April 15, 2026, with only two contractors attended, limiting competition for the project. Due to the limited response staff decided to advertise the bid on Bidnet on April 21, 2026.

On May 6, 2026, staff held an additional pre-bid meeting for the window replacement project, which was attended by seven contractors. Subsequently, on May 20, 2026, staff conducted the bid opening, and three contractors submitted bids. The bid results are shown below.

Water Plant Window Replacement #ITB-WAT-26-02 5/20/2026 Bid Analysis				
BIDDER	Aluminum Window 2 Pane	Aluminum Window 3 Pane	Vinyl Window 2 Pane	Vinyl Window 3 Pane
Rob's Window & Glass – Howell, MI	N/A	N/A	\$7,989.38	\$9,114.76
Rochester Hills Contract - Auburn Hills, MI	\$34,000	\$35,800	N/A	N/A
Sandhill Glass - Dexter, MI	\$22,939.00	\$24,159.00	\$11,605.00	\$13,183.00

Staff determined that installing 3-pane vinyl windows at \$13,183 would be the most cost-effective approach for the window replacement project due to their improved energy efficiency, reduced condensation, and enhanced sound insulation. The City recommends Sandhill Windows Co. to perform these installs.

You can see that Rob's Window & Glass were the low bidder for the vinyl windows, but they withdrew their proposal after discovering that incorrect pricing had been included in their bid.

BUDGET INFORMATION

City Council approved \$25,000 in the FY 25-26 Utilities Budget for window replacement at the Challis Water Plant. Staff is requesting approval \$15,200, which includes a 15% contingency, which is typical for construction projects.

RECOMMENDATION

Staff recommends approval of Sandhill Glass Co. to install replacement windows at the Challis Water Plant at a cost not to exceed \$15,200.

Prepared by: Josh Bradley, Water Plant and Regulatory Compliance Superintendent

Reviewed by: Marcel Goch, DPS Director

Elizabeth Gaines, Finance Director

- Within Budget
- Budget Amendment Necessary and In Proper Form
- Other _____

Reviewed &

Approved by: Gretchen Gomolka, City Manager



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

June 23, 2026

SUBJECT: CONSIDER APPROVAL TO REPLACE THE CHLORINE ROOM DOOR AT THE CHALLIS WATER PLANT BY SECURITY LOCK SERVICE, INC IN AN AMOUNT TO EXCEED \$5,400

BACKGROUND

The Challis Water Plant was constructed in 1989, and many of its original components are reaching the end of their useful life and require replacement, including the chlorine room door. As Council may recall, upgrades to the chlorine system were approved earlier this year, and as part of those improvements, staff is recommending replacement of the chlorine room door to improve both safety and operations. The project includes a new door, frame, and transom. The existing door is original to the facility and has become heavily corroded making replacement necessary to maintain a safe and reliable working environment.

ADMINISTRATIVE SUMMARY

Staff contacted multiple local door installers, obtained several quotes, and evaluated different door materials before determining that a metal door would be the most cost-effective option.

Staff recommends Security Lock Service, Inc. to complete the installation. Security Lock is located in the City of Brighton and has successfully completed multiple projects for the City. Staff has developed a good working relationship with the company and has confidence in the quality of their work. Their quote represents the best overall value when considering cost, experience, and familiarity with the project.

VENDOR	PRICE
Security Lock	\$4,704.59
MI Commercial Doors	\$4,605.00
Howlett Lock and Door	\$4,921.94
Aspen	\$5,368.00
JMHR	\$5,525.00
Howard Door	\$6,343.33
Fly Lock	\$8,215.94
Full Mortise	\$8,250.00

BUDGET INFORMATION

City Council approved \$30,000 in the FY 25-26 Utilities Budget for the Challis Road Water Plant Chlorine Exhaust System Replacement. This bid will also include a 15% contingency for any unforeseen issues. Staff is requesting \$5,400 to be used for this portion of the project.

RECOMMENDATION

Approval to replace the chlorine room door at the Challis Water Plant by Security Lock Service, Inc in a cost not to exceed \$5,400

Prepared by: Josh Bradley, Water Plant and Regulatory Compliance Superintendent

Reviewed by: Marcel Goch, DPS Director

Elizabeth Gaines, Finance Director

- Within Budget
- Budget Amendment Necessary and In Proper Form
- Other _____

Reviewed &

Approved by: Gretchen Gomolka, City Manager



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

June 23, 2026

SUBJECT: **CONSIDER APPROVAL TO REPLACE HVAC EQUIPMENT FOR THE CHALLIS ROAD WATER PLANT CHLORINE ROOM BY PRO-TECH MECHANICAL SERVICES IN AN AMOUNT NOT TO EXCEED \$6,500.**

BACKGROUND

The Challis Water Plant was constructed in 1989, and many of its original components are reaching the end of their useful life and require replacement, including the chlorine exhaust system. As Council may recall, upgrades to the chlorine system were approved earlier this year, and as part of those improvements, staff is recommending replacement of the damper and exhaust fan located in the chlorine room. The damper will modulate to allow air to enter the room when employees enter the chlorine room or in the event of a chlorine leak. The existing damper is original to the facility and has become heavily corroded, making replacement necessary to maintain a safe and reliable working environment.

ADMINISTRATIVE SUMMARY

Staff contacted four different reputable HVAC companies in the area, one of which was Pro-Tech Mechanical Services, who is the current HVAC maintenance contractor for all city-owned facilities.

Staff recommends Pro-Tech Mechanical to complete the installation of the damper and exhaust fan because they submitted the lowest bid and have successfully completed work for the city in the past. We have a good working relationship with them and are confident in the quality of their work.

VENDOR	PRICE
Pro-Tech Maintenance Services	\$5,600
Lake Side Service Company	\$6,384
Lyon Mechanical	\$7,445
CSM Mechanical	\$14,357

BUDGET INFORMATION

City Council approved \$30,000 in the FY 25-26 Utilities Budget for the Challis Road Water Plant Chlorine Exhaust System Replacement. This bid will also include a 15% contingency for any unforeseen issues. Staff is requesting \$6,500 to be used for this portion of the project.

RECOMMENDATION

Approve Pro-tech Mechanical Services to replace the HVAC for the Challis Water Plant Chlorine Room at cost not to exceed \$6,500.

Prepared by: Josh Bradley, Water Plant and Regulatory Compliance Superintendent

Reviewed by: Marcel Goch, DPS Director

Elizabeth Gaines, Finance Director

- Within Budget
- Budget Amendment Necessary and In Proper Form
- Other _____

Reviewed &

Approved by: Gretchen Gomolka, City Manager



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

JUNE 23, 2026

SUBJECT: CONSIDER APPROVAL OF A PARKING LOT AGREEMENT AND LEASE WITH THE STATE LAND BANK AUTHORITY, DC BRIGHTON, LLC, AND DM BRIGHTON, LLC

BACKGROUND

The State Land Bank Authority, DC Brighton, LLC, and DM Brighton, LLC, collectively the “lessors” and the City of Brighton, the “lessee” desire to enter into a lease to provide public parking on the property described as the following:

- Hyne St. Lot, Parcel 4718-30-308-016 also known as 131 Hyne Street, Brighton, MI
- The Fifth Third Lot, Parcels 4718-30-308-017 and 4718-30-308-018 also known as 300 W. North Street

These parcels were combined into one parcel known as 300 W. North Street, Parcel 4718-30-308-112

The Leased Premises do not include the former Fifth Third Bank Building, or the portion of the drive through lanes that are not striped for parking, that are located on the Fifth Third Lot.

ADMINISTRATIVE SUMMARY

The parking area to be leased is privately owned, and the City desires to have the parking lot available for public parking until such time that the lessor notifies the city of their intent to develop the property or improve the parking lot to meet zoning standards.

The annual rent would be \$1 (one dollar) and the city would be responsible for the following:

- Regular snow plowing and salting of the leased premises
- Regular mowing of the grassy areas of the leased premises
- Minor asphalt repair to the surface of the leased premises
- Ensuring that there continue to be enough parking spaces to meet the parking requirements for the Allor on Main building and the parcel is not subject to zoning or code compliance or enforcement during the term of the lease

RECOMMENDATION

Staff recommends approval the Agreement and Lease with the State Land Bank Authority, DC Brighton, LLC, and DMW Brighton, LLC to provide public parking at 300 W. North Street,

Prepared by: Gretchen Gomolka, City Manager

Reviewed by: City Attorney (Required for all agreements, ordinances, etc.)

Acceptable Form and Ready to Execute

Other _____

Attachment: Agreement and Lease

AGREEMENT AND LEASE

This Agreement and Lease (“Lease”) is entered into on the _____ day of _____, 2023, between the **State Land Bank Authority (“SLBA”)**, a Michigan public body corporate and politic, whose address is Post Office Box 30766, Lansing, Michigan 48909 (“Lessor” or “SLBA”), **DC Brighton, LLC**, a Michigan limited liability company, of 29665 WK Smith Drive, Suite A, New Hudson, MI, 48165 (“DC”), **DM Brighton, LLC**, a Michigan limited liability company, of 29665 WK Smith Drive, Suite A, New Hudson, MI, 48165 (“DM”), (DC and, DM shall herein be collectively referred to as “Obligor”) , and the **City of Brighton**, a Michigan Public Body Corporate, of 200 North First Street, Brighton, Michigan 48116 (“Lessee” or “City”), on the terms and conditions set forth below:

RECITALS

A. In 2023, DM purchased 3 separate parcels of real estate from Fifth Third Bank that are in the Downtown Business District (“DBD”) of the City: (i) 300 W. North St., Brighton, MI 48116, and more particularly described (Tax ID Nos. 4718-30-308-017 and 4718-30-308-018) (the “Fifth Third Lot”); (ii) 0 W. North St., Brighton, MI 48116 (Tax ID No. 4718-30-308-007) , located in the City of Brighton, County of Livingston, State of Michigan (the “Ciao Amici Lot”).

B. In 2023, DC purchased real estate commonly known as the “Hyne St. Lot” that is located in the DBD and described as 131 Hyne St., Brighton, MI 48116 (Tax ID No. 4718-30-308-016).

C. The SLBA, DC, DM and DA Building, LLC entered into a Land Banking Agreement effective as of December 22, 2023 wherein DM and DC conveyed their respective parcels to the SLBA pursuant to the terms of the Land Banking Agreement. That Land Banking Agreement remains in effect between SLBA, DC, DM and DA Building, LLC notwithstanding paragraph 18 herein.

D. On April 8, 2026, the City issued a Temporary Certificate of Occupancy for the new Allor on Main building that is now constructed on the former Ciao Amici Lot. The Temporary Certificate of Occupancy acknowledges the submission of an amended site plan and imposes other requirements to satisfy parking requirements of the City’s zoning ordinances.

E. The City, DC, and DM enter into this Agreement and Lease to provide public parking on the Hyne St. Lot and portions of the Fifth Third Lot, and to temporarily satisfy parking requirements for Allor on Main during the Term of the Lease. Upon execution of this Agreement and Lease, the City will issue a new Temporary Certificate of Occupancy for Allor on Main that will include terms that are consistent with this Agreement and Lease.

AGREEMENT

1. **Leased Premises.** Lessor leases to Lessee and Lessee leases from Lessor the surface areas of the following real property located in the City of Brighton, Livingston County, Michigan: (i) the Hyne St. Lot, Parcel 4718-30-308-016 also known as 131 Hyne Street, Brighton, MI; and (ii) The Fifth Third Lot, Parcels 4718-30-308-017 and 4718-30-308-018 also known as 300 W. North Street, (as combined, parcel No. 3718-30-308-112) (collectively, “the Leased Premises”). The Leased Premises do not include the former Fifth Third Bank Building, or the portion of the drive thru lanes that are not striped for parking, that are located on the Fifth Third Lot.
2. **Lease Term.** This Lease shall be for a term of twenty (20) years commencing on April 1, 2026 and shall end on March 31, 2046, unless the Lease is terminated earlier as provided below (“Term”).
3. **Automatic Assignment.** Upon the reconveyance of a parcel that is part of the Leased Premises from the SLBA to such parcel’s previous title holder (i.e. DM or DC), or other affiliated entity of DA Building, pursuant to the Land Banking Agreement, the Lessor’s interest in this Lease as to the parcel reconveyed shall automatically be assigned, without further agreement by the parties and without further amendment hereto, from SLBA to the new title holder of that parcel who shall thereafter be the “Lessor” and Obligor” with such assignment effective on the date of closing of such reconveyance from the SLBA. The City will release SLBA of all claims under this Agreement upon any reconveyance by SLBA to an Obligor under the Land Banking Agreement. The SLBA hereby consents and enters into this Lease as current title holder of the Leased Premises, and its obligations are limited to those as are specifically enumerated to be obligations of the Lessor.
4. **Termination.** During the Term, the parties may notify of the intent to terminate the Lease as follows, whichever is first to occur:
 - (a) SLBA may terminate its participation in this Lease upon the reconveyance of a parcel that composes the Leased Premises to any Obligor and such reconveyance shall not operate as a termination of this Lease. Rather, the particular Obligor shall become “Lessor” (and each of them), pursuant to paragraph 3 above.
 - (b) Any Obligor may notify Lessee of its intent to terminate this Lease by providing written notice to Lessee of either of the following:
 - (i) The Obligor’s intent to develop the Leased Premises in accordance with the City’s zoning ordinances including, but not limited to, satisfaction of parking requirements under the shared parking calculation for the Allor on Main Building in addition to parking requirements for the newly planned occupancy on the Leased Premises. The Term of the Lease shall continue through all phases of design, engineering, zoning and building approvals. The Term of the Lease shall terminate upon the commencement of physical construction for the new project. The Lease Term shall continue for any remaining sections of the Leased Premises for public parking and subject to

the terms of this Lease to the extent such may be conducted safely, until such construction is commenced on such section.. Development of the Leased Premises under this option shall be completed within the timelines permitted by Ordinance. Obligor acknowledges that if such timelines are not met, the Temporary Certificate of Occupancy for the Allor on Main uses shall be revoked;

or

- (ii) The Obligor's written notice to bring the Leased Premises into full zoning compliance for private parking to meet the parking requirements for the occupancies of the Allor on Main Building. The Term of the Lease shall continue through all phases of design, engineering and approval, and up to the point in time when Obligor commences physical construction on the Leased Premises. Obligor shall provide its application for such improvements to the Leased Premises within forty-five (45) days of the written notice and shall have ninety (90) days to obtain zoning and other required approvals. Upon approval, all construction shall be completed in accordance with the approved plan(s) within twelve (12) months.. Obligor acknowledges that if such timelines are not met for compliance, the Temporary Certificate of Occupancy for the Allor on Main uses shall be revoked.
 - (iii) If Obligor provides notice under subsection (b)(i) or (b)(ii), the Obligor shall at that time notify Lessee of its lawful establishment of parking in the DBD by lease or otherwise during the period of construction on the Leased Premises that is open for public parking to the same extent as permitted under this Lease and that is sufficient to meet the requirements under shared parking calculations for the Allor on Main Building. Construction on the Leased Premises shall not commence until such temporary parking is achieved for Allor on Main during construction on the Leased Premises.
- (c) Lessee may not terminate this Lease prior to January 1, 2027. After January 1, 2027, the Lessee may terminate this Lease upon ninety (90) days written notice to the Obligor and Lessor. Within such ninety (90) day notice period, Obligor shall notify the City of its intent to proceed under subparagraph (b)(i) or (b)(ii), and the respective time period for development completion under (b)(i) or compliance under (b)(ii) shall commence upon Obligor's notice. Nothing herein shall restrict Obligor's rights under the ordinances of the City to request or seek a variance or any other approvals. Obligor acknowledges that if such timelines are not met the Temporary Certificate of Occupancy for the Allor on Main uses shall be revoked. The Term of the Lease shall continue through all phases of design, engineering and approval, and up to the point in time when Obligor commences physical construction on the Leased Premises. Commencement of construction shall not be permitted until temporary parking described in paragraph 4.(b)(iii) is achieved for the purposes of public parking. during the period of construction on the Leased

Premises. If such parking cannot be achieved, the Temporary Certificate of Occupancy for the Allor on Main uses shall be revoked.

- (d) The parties agree to negotiate in good faith toward a new mutually acceptable agreement or lease for public parking purposes upon the Obligor's completion of any project under Section 4(b)(i) or (ii) set forth above.
5. **Rent.** Lessee shall pay annual rent of One Dollar (\$1.00) to DA Building during the Term. Lessee shall furthermore maintain the Leased Premises as follows:
- (a) Lessee shall perform regular snow plowing, salting and/or sanding of the Leased Premises in the same manner as provided for other DDA and City maintained parking lots at Lessee's sole cost and expense;
 - (b) Lessee shall perform regular mowing of the grassy areas of the Leased Premises in the same manner as provided for other DDA and City maintained parking lots at Lessee's sole cost and expense; and
 - (c) Lessee shall perform minor asphalt repair to the surface of the Leased Premises, the scope of such repairs to be within the sole discretion of the Lessee, at Lessee's sole cost and expense; and
 - (d) There shall be sufficient parking spaces on the Leased Premises to satisfy the parking requirements for the occupancies Allor on Main building at all times, and those spaces shall be open to the public under the terms of this Lease. The Leased Premises shall not be subject to zoning or code compliance or enforcement during the Term of the Lease.
6. **Taxes.** The Leased Premises shall remain tax exempt during the period of time the Leased Premises are vested in the SLBA.
7. **Use.** The Leased Premises shall be used by the Lessee for public parking purposes only, and any other purposes usually attendant thereto including the placement and maintenance of dumpsters as currently utilized by the City as described in the License Agreement dated February 1, 2024. The License Agreement shall be non-revocable during the Term of this Lease. The Leased Premises will also be utilized to satisfy parking requirements for occupancies at the Allor on Main at all times during the Term.
8. **Maintenance.** Lessee, at its sole expense, shall maintain the surface area of the Leased Premises in its sole discretion. Maintenance for public parking areas may include, but is not limited to, minor asphalt repair or replacement, asphalt marking, snow removal, salting and/or sanding, and regular lawn maintenance for the Leased Premises.
9. **Signs.** Lessee may erect, maintain, and remove signs appropriate to its use, in or about the Leased Premises as the Lessee may deem necessary or desirable with the consent of Obligor, not to be unreasonably withheld. At the request of the Obligor, any signs placed by the Lessee shall be removed by the Lessee upon the termination of this Lease.

10. **“As Is”**. Lessee acknowledges and agrees that Lessor and Obligor have not made and do not make any representations or warranties whatsoever regarding the condition of the Leased Premises, including, but not limited to, those areas currently designated for motor vehicle parking. The City accepts the Leased Premises in its current condition, as-is, where-is, with all faults, and without any obligation of Lessor or Obligor to repair or improve the Leased Premises. The City and Obligor agree that the Lessor has no liability or responsibility for the presence of any toxic, hazardous, polluting or injurious substances on, in, or below the Leased Premises. It is the express intent of the parties that the SLBA not incur any expenses or liabilities by entering into this Agreement.
11. **No Liability**. Neither Lessor nor Obligor shall be liable, and Lessee hereby waives all claims against Lessor and/or Obligor for any damage to any property or any injury to any person in or about the Leased Premises by or from any cause whatsoever, except as to Obligor to the extent caused by the Fifth Third Building, or to the extent caused by the negligence or willful misconduct of the Obligor after the full execution of this Lease. To the fullest extent permitted by law, Lessee agrees that it shall protect, indemnify, and hold Lessor and Obligor harmless from and against all claims, demands or loss liability, including costs connected therewith which may arise during the Term due to the public use of the Leased Premises by the Lessee or the public for motor vehicle parking purposes or any other purpose directed or permitted by the Lessee. The provisions of this paragraph shall survive the termination of this Lease with respect to any claims or liability accruing prior to such termination, It is the express intent of the parties that the SLBA not incur any expenses or liabilities by entering into this Agreement.
12. **Hazardous Materials**. Neither the Lessee nor any of its agents, contractors, employees or invitees shall at any time handle, use, manufacture, store or dispose of in or on the Leased Premises any flammables, explosives, radioactive materials hazardous wastes or materials, toxic wastes or materials, petroleum products or derivatives or any substance (collectively “Hazardous Materials”) subject to regulation by any federal, state or local laws and ordinances relating to environmental protection or the keeping, use or disposition of environmentally hazardous materials or wastes. Lessee shall protect, defend, indemnify, and hold Lessor and Obligor harmless from and against all loss, claims, liability, or costs (including court and attorney fees) incurred by reason of any actual or asserted failure of Lessee to fully comply with all applicable laws, or the handling, use or disposition in or from the Leased Premises by Lessee of any Hazardous Materials. The indemnity provided herein does not extend to preexisting environmental conditions on the Leased Premises. The provisions of this paragraph shall survive the termination of this Lease with respect to any claims or liability accruing prior to such termination. However, it is the express intent of the parties that the SLBA not incur any expenses or liabilities by entering into this Agreement.
13. **Insurance**. Lessee shall keep in force throughout the term of this Lease (a) an occurrence form of Commercial General Liability insurance policy to protect the Lessor and Obligor against any liability to the public or to any invitee of Lessee incidental to the use of or resulting from any accident occurring in or upon the Leased Premises with a limit of not less than \$2,000,000.00 per occurrence covering bodily injury and property damage liability and (b) insurance protecting against liability under Worker’s Compensation laws

with limits as required by statute. These policies shall be (a) provided at Lessee's expense; (b) name the Lessor and Obligor as additional named insured; and (c) provide that said insurance shall not be cancelled unless prior written notice shall have been given to Lessor and Obligor; and said policies or certificate(s) thereof shall be delivered to Lessor and Obligor by Lessee at the commencement of the policy and with each renewal of said insurance.

14. **Temporary Certificate of Occupancy.** Within seven (7) days of the execution of this Lease, the Temporary Certificate of Occupancy issued for the Allor on Main building shall be modified to implement the terms of this Lease.
15. **Notices.** Notices under this Lease must be delivered by certified mail (unless electronic notice is specifically acknowledged by the recipient) to:
 - Lessor: State Land Bank Authority, P.O. Box 30766, Lansing, MI 48909, Attn: Executive Director
 - Obligor: DC Building, LLC / DM Building, LLC 29665 William K. Smith Dr., Ste. A, New Hudson, MI 48165; Attn: Danielle Allor
 - Lessee: City of Brighton, 200 North First Street, Brighton, Michigan 48116, Attn: City Manager
16. **Governing Law.** This Lease shall be governed by and interpreted in accordance with the laws of the State of Michigan.
17. **Severability.** The provisions of this Lease are severable, and if any one or more provisions may be determined to be judicially unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
18. **Entire Agreement.** The parties acknowledge that this Lease contains the entire agreement. No promise has been made that is not contained in this Lease and it supersedes all prior or contemporaneous oral or written agreements. This Lease may not be modified except in writing and signed by respective authorized representatives of the parties.
19. **Assignment.** Lessee will not, without prior written consent of Lessor and Obligor, which consent may be withheld in Lessor's and Obligor's sole discretion, assign, encumber or hypothecate this Lease or any interest herein. This Lease will not, nor will any interest herein, be assignable as to the interest of Lessee by operation of law without the written consent of Lessor and Obligor. Upon the request of Lessor or Obligor and in the event of an assignment or sublet, Lessee shall provide to Lessor and Obligor a copy of all assignments, sub-leases and any other similar documents executed with regard to the Leased Premises.
20. **Subletting.** Lessee will not, without the prior written consent of Lessor and Obligor, which consent may be withheld in Lessor's and Obligor's sole discretion, sublease all or any part of the Leased Premises to any individual, partnership, corporation or other entity, except that it may permit the public to use the Leased Premises to the same manner and extent as

other public parking lots, including but not limited to, authorizing special events to occur on the Leased Premises. In the event of a sublease, Lessee acknowledges that the terms of such sublease are at all times subordinate and subject to the terms of this Lease.

21. **Construction.** Nothing contained herein will be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent, nor any other provision contained herein, nor any acts of the parties herein, will be deemed to create any relationship between the parties hereto other than the relationship of Lessor and Lessee. Whenever herein the singular number is used, the same will include the plural, and the masculine gender will include the feminine and neuter genders. If any language is stricken or deleted from this Lease, such language will be deemed never to have appeared herein, and no other implications will be drawn there from.
22. **Partial Invalidity.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstance will, to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected thereby and each term, covenant or condition of this Lease will be valid and be enforced to the fullest extent permitted by law.
23. **Recording.** Lessee will not record this Lease without the written consent of Lessor and Obligor. Lessee will, at the request of the Lessor and Obligor, execute a short form lease in recordable form which will omit all monetary terms hereof, which may be recorded at Lessor's and Obligor's sole option.
24. **Authority to Sign.** The undersigned party, agent or representative of any party to this Lease acknowledges, warrants and guarantees that he/she is duly authorized to execute this Lease on behalf of, and thereby bind, his/her respective entity or principal.

[Signatures appear on next page]

Michigan State Land Bank Authority

Dated: _____

By: Joseph Rivet, Executive Director

DC Brighton, LLC.

Dated: _____

By: Danielle Allor
Its: Member

DM Brighton, LLC

Dated: _____

By: Danielle Allor
Its: Member

City of Brighton

Dated: _____

By: Kristoffer Tobbe
Its: Mayor



City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

JUNE 23, 2026

SUBJECT: APPROVAL TO PROCEED WITH THE NET2PHONE IMPLEMENTATION, CONTINGENT UPON SATISFACTORY LEGAL AND FINANCIAL REVIEW OF THE FINAL AGREEMENT

BACKGROUND

In early April staff began evaluating the city's current telephone system and service provided through ClearRate. ClearRate has been a valued service provider, and the current system has supported City operations effectively for many years. As hardware and platform are reaching the later stages of their lifecycle, and staff identified opportunities to enhance functionality, flexibility, and overall communication capabilities as technology and service expectations continue to evolve.

ADMINISTRATIVE SUMMARY

Staff evaluated several replacement options and received proposals from multiple providers. The city's current ClearRate phone service costs approximately \$2,400 per month, approximately half of which is for twelve plain old telephone (POTS) lines. After reviewing available options, staff identified Net2Phone as the preferred replacement solution. Net2Phone's proposed monthly service cost is \$1,334.35, while a comparable proposal from IPfone was approximately \$1,944.35 per month. City staff have been evaluating POTS lines and feel confident that the city will not need to keep all twelve lines. Neither of these proposals include the POTS line fees; however, Net2Phone will provide a solution that will significantly reduce the cost of the POTS lines that the city will keep.

In addition to the monthly service costs, each proposal includes a one-time implementation cost of approximately \$1,700.

Staff anticipate that the overall monthly telecommunications expense will decrease following implementation. As part of the transition, the city will eliminate unnecessary services, retire POTS lines, and streamline the existing telecommunications structure. Based on this review, staff are confident that the city's total monthly telecommunications costs under Net2Phone will be equal to or less than current expenditures while providing substantially enhanced functionality, reliability, and support.

Net2Phone offers a modern cloud-based phone system that includes new desk phones, an enhanced administrative interface, improved call management tools, voicemail-to-email functionality, mobile and desktop applications, advanced reporting capabilities, and greater flexibility for future growth.

Key benefits of the proposed migration include:

- Replacement of aging telephone hardware with new devices.
- Improved reliability through a cloud-hosted platform.
- Enhanced user experience and administrative controls.
- Mobile and remote-work capabilities through desktop and smartphone applications.
- Improved call routing, voicemail management, and reporting features.
- Reduced dependence on on-premises phone equipment.
- Better scalability to accommodate future operational needs.

Staff have worked with the vendor to obtain the necessary agreements, implementation timelines, and technical requirements and are requesting authorization to proceed with the Net2Phone implementation, contingent upon satisfactory legal and financial review of the final agreement. Due to the notice requirements associated with terminating the City's current ClearRate service, action is needed prior to July 9, 2026, to avoid automatic renewal ClearRate renewal or delays in implementation.

BUDGET INFORMATION

As this is a transfer of services, and cost savings, we anticipate cost savings.

RECOMMENDATION

Approval to proceed with the Net2Phone implementation, contingent upon satisfactory legal and financial review of the final agreement

Prepared by: Tara Brown, City Clerk

Reviewed &

Approved by: Gretchen Gomolka, City Manager

Elizabeth Gaines, Finance Director

- Within Budget
- Budget Amendment Necessary and In Proper Form
- Other _____