

City of Northville
CITY COUNCIL REGULAR MEETING MINUTES
May 21, 2018

Mayor Roth called the meeting to order with the Pledge of Allegiance at 7:00 p.m. in the City of Northville Municipal Building, City Council Chambers, 215 W. Main Street, Northville, Michigan, 48167.

ROLL CALL

Present: Mayor Ken Roth, Mayor Pro Tem Nancy Darga, Councilmembers Sam Ekong, Patrick Giesa, and Marilyn Price

Absent: None

Also

Present: ~~Patrick Sullivan~~, (amended 6/4/18) City Clerk Dianne Massa, Finance Director/Treasurer Sandi Wiktorowski, Police Chief Michael Carlson, Planning Consultant Sally Elmiger, former Planning Commissioner Jay Wendt; Planning Commission members David Mielock, Steve Kirk, and Marc Russell; BZA member Ryan McKindles, DDA member Carolann Ayers, and 10 citizens. City Manager Patrick Sullivan was absent/excused (amended 6/4/18).

Mayor Roth read a statement informing those present that the City Council meeting was being recorded for rebroadcast on the City's website. By remaining at the meeting, consent is inferred by those present to have their voice and image recorded and posted on the City's website.

PRESENTATIONS

A. Citizens Comments None

B. Presentation of Proclamation to Jay Wendt

On behalf of City Council, Mayor Roth presented Jay Wendt with a proclamation honoring 40 years of volunteer service to the City. Wendt served on the Library Commission, Economic Development Corporation, Planning Commission, and Board of Zoning Appeals.

Planning Commission Chairperson Steve Kirk spoke of Wendt's love and loyalty to the City and mankind. He hoped to follow Wendt's practice of good planning for the City.

DDA member Greg Presley stated that Wendt was a good chairperson that let others speak first before weighing in. Wendt's comments were thoughtful and well-prepared. Presley enjoyed his experiences appearing before the Planning Commission with Wendt as chairperson. The community was well served by Wendt.

The Mayor spoke of the time commitment involved when serving on the Planning Commission, the amount of material to review, and the need to be objective and unbiased to do what is in the best interest of Northville. Northville has the best level of volunteers and it would be impossible for the City to function without its volunteers. City Council wished Wendt the best.

Wendt stated he was 80 years old. He has enjoyed his time on the Planning Commission, but felt the time was right for the Planning Commission to have younger voices and new ideas. He hoped to spend his new-found free time at his place on Lake Huron. Wendt thanked City Council for the opportunity to serve Northville.

APPROVAL OF AGENDA AND CONSENT AGENDA

Motion Ekong, seconded by Darga to approve the agenda and consent agenda as presented.

Approve City Council Minutes of: None

Receive Bills List:

- Accounts Payable Week of May 7, 2018

Receive Board and Commission Minutes:

- Housing Commission: 12/1/17, 4/11/18

Receive Departmental Reports:

- Youth Assistance: 5/18

Board and Commission Appointments: None

Amendments to the Fees, Fines and Penalties Schedule

Special Event Request / Wednesday Night Concerts

Motion carried unanimously.

PUBLIC HEARING

A. Fiscal Year 2019 Budget

In accordance with City Charter, on March 22, 2018, City Council was presented with the proposed Fiscal Year 2019 budget. The budget and five-year financial plan were then subsequently reviewed in detail at two special budget study sessions during April.

In accordance with City Charter, the Public Hearing Notice and Notice of Availability of Budget were published in the Northville Record. The complete budget document has also been available on the City's website. Section 8.4 of the City Charter requires that the City Council adopt a budget by the third Monday in May.

The City Manager's Budget Message, found in the budget document, provides a comprehensive analysis of the proposed budget. The FY2019 General Fund budget has been balanced without the use of fund balance. The general operating millage is reduced to 13.5188 mills. The street, drainage, and sidewalk improvement millage is decreased to 1.6841 mills. Both are reduced due to Headlee.

Public hearing opened at 7:12pm. Being no comments, the public hearing closed at 7:12pm.

Motion Darga, seconded by Ekong to adopt the FY2019 budget resolution as presented. **Motion carried unanimously.**

RESOLUTIONS AND ORDINANCES

A. Resolution of Intent

Create and Provide for a Brownfield Redevelopment Authority

A Brownfield Redevelopment Authority is a redevelopment tool used by communities to fund brownfield redevelopment projects. The Authority captures revenue through tax increment financing and reimburses developers for environmental cleanup and other eligible costs. The Authority reviews proposals and recommends a plan to capture new tax revenue and reimburse eligible costs. All plans are subject to

negotiation and the Authority may recommend that some, or all, of the expenses be reimbursed. They can limit the amount, or years, of tax capture based on what is determined to provide the best benefit to the community. A brief description of Brownfield Redevelopment Authorities and how they operate was provided for Council review.

At least two pending projects in the City have environmental issues that need to be remediated in order to facilitate redevelopment. Establishment of a Brownfield Redevelopment Authority would provide a tool to help facilitate cleanup of those properties. The first step in creating a Brownfield Redevelopment Authority is to adopt a resolution of intent. If adopted, the next step would be to hold a public hearing at the July 16, 2018, regular City Council meeting. Should Council vote to establish the Authority, an Authority board of between five and nine members would be appointed by Council. The Authority could then meet to establish by-laws and procedures. Once an Authority is established, developers would submit redevelopment plans and the Authority would then evaluate the plans and make recommendations to the City Council regarding the funding of eligible activities and the terms of the tax increment financing.

Attorney Saulius Mikalonis of Plunkett Cooney explained the role and responsibility of a Brownfield Redevelopment Authority.

City Council Comment: In response to a question from Council, the Attorney explained that the taxes captured go to the Brownfield Redevelopment Authority. The Authority may retain an accountant and staff and recoup its operating costs. It was also explained that Authority members do not need a particular background or knowledge of Brownfield Redevelopment Authorities. The tax increment financing is by statute. The attorney also explained that project liability would be outlined in the reimbursement agreement. If correctly drafted, the City and Authority should be liability free.

The Attorney also explained that a Brownfield Redevelopment Authority may own property for development, and the property needs to be in the City. A Brownfield Redevelopment Authority would not apply to a park as it doesn't generate taxes. Park redevelopment would be done through an MDNR Grant.

A comment from Council explained that, while Wayne County has a Brownfield Redevelopment Authority that could be utilized for redevelopment projects in the City, having a local Authority allows the City to have control of the Authority's operation.

Motion Darga, seconded by Ekong to adopt the resolution of intent to create and provide for the operation of a Brownfield Redevelopment Authority for the City of Northville, pursuant to and in accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended. Motion carried unanimously.

B. Resolution

Street Improvements Bond Proposal

On May 7, 2018, City Council approved ballot language for issuing \$3,250,000 in Unlimited Tax General Obligation (UTGO) bonds to finance street improvements. Since that time, it has come to the attention of Staff that the Downtown Development Authority (DDA) can capture approximately \$25,000 of the tax revenues annually. In order to keep the debt levy at an estimated 0.98 mills, the bond issuance must be reduced to \$3.05 million (which includes \$50,000 in issuance costs). The difference of \$200,000 can be sufficiently made up with existing street millage funding (\$50,000 over three years) and fund balance (\$50,000). The consultants used a conservative street millage revenue assumption of \$500,000 annually. However, \$550,000 is achievable with the updated 2018 taxable values.

Source	FY19	FY20	FY21	FY22	FY23 and beyond										
Street Millage	550,000	550,000	550,000	550,000	550,000										
Debt Funding		1,500,000	1,500,000												
Fund Balance	450,000	-	-	600,000											
TOTAL	1,000,000	2,050,000	2,050,000	1,150,000	550,000										
<table border="1"> <thead> <tr> <th colspan="2" style="text-align: center;">TOTALS</th> </tr> </thead> <tbody> <tr> <td>Street Millage</td> <td>2,200,000</td> </tr> <tr> <td>Debt Funding</td> <td>3,000,000</td> </tr> <tr> <td>Fund Balance</td> <td>1,050,000</td> </tr> <tr> <td>TOTAL</td> <td>6,250,000</td> </tr> </tbody> </table>						TOTALS		Street Millage	2,200,000	Debt Funding	3,000,000	Fund Balance	1,050,000	TOTAL	6,250,000
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TOTAL	6,250,000														

Staff is recommending the City invest a total of \$4,050,000 over four years, while maintaining its current investment of \$550,000 per year during the ten-year period. The investment required would come from \$1,050,000 of fund balance (years 1 and 4) and \$3,000,000 of debt financing (years 2 and 3). It is recommended that City Council and the DDA budget this additional captured taxes from this new debt levy, if approved by voters, for street and sidewalk improvements within the DDA district.

The ballot question required for this type of bond issuance could be included on the November 2018 general election ballot. Revised bond language was included with the resolution, reducing the issuance amount to \$3,050,000. A home with a taxable value of \$100,000 would pay approximately \$98 per year. The debt millage would be set annually at a rate needed to pay the bond cost plus the DDA capture and is not subject to Headlee. The City’s bond counsel, Miller, Canfield, Paddock & Stone, has presented a “Resolution Submitting Street Improvements Bond Proposal” which includes the revised proposed ballot language.

City Council Comments: Roads continue to be of concern to City Council and residents. Tonight’s action places the amended bond proposal on the November 6, 2018 General Election ballot. The bond proposal language was modeled as a cost-effective method to repair roads with a millage increase tolerable for taxpayers to bear the cost. Extensive review during the Comprehensive Financial Analysis study found that the current funding mechanism is overall more expensive to taxpayers, by over \$2M, versus issuing bonds.

Motion Price, seconded by Giesa to adopt the resolution as presented, authorizing the placement of a Street Improvements Bond Proposal question on the November 6, 2018 General Election ballot for the purpose of issuing unlimited general obligation bonds in an amount not to exceed \$3,050,000 for street improvements. **Motion carried unanimously.**

[Ordinances C, D, E, F, and G were adopted with a single motion]

**C. Zoning Ordinance Amendment – Article 18 General Provisions – Fences
Second Reading**

At its regular meeting of April 16, 2018, City Council reviewed the proposed text amendments to Article 18 General Provisions in the City of Northville Zoning Ordinance. During this meeting, the City’s Planning Consultant reviewed the proposed changes, which amend Section 18.09 Fences (residential) to allow privacy fences along the back or side of a house that abuts certain highly-traveled roads.

Motion Darga, seconded by Ekong to waive second reading and adopt the amendments to Article 18 General Provisions pertaining to fences as presented. **Motion carried unanimously.**

**D. Zoning Ordinance Amendment – Article 16 Special Uses
Second Reading**

At its regular meeting of April 16, 2018, City Council reviewed the proposed text amendments to Article 16 Special Uses in the City of Northville Zoning Ordinance. The proposed change amends Section 16.01 to change the reference from “city clerk” to “building department” as the recipient of applications and materials for special land use requests. The proposed amendments also address the process for voiding and extending special land use permits.

Motion Darga, seconded by Ekong to waive second reading and adopt the amendments to Article 16 Special Uses as presented. **Motion carried unanimously.**

**E. Zoning Ordinance Amendment – Article 11 General Commercial District - Special Uses
Second Reading**

At its regular meeting of April 16, 2018, City Council reviewed the proposed text amendments to Article 11 General Commercial District in the City of Northville Zoning Ordinance. The proposed changes amend Section 11.03 to eliminate a phrase regarding a use not listed that is “no more obnoxious or detrimental to the surrounding area,” and adds language that refers to the Special Land Use standards in Section 16.01(d) to evaluate unlisted uses. The “no more obnoxious” language was too broad and difficult to interpret. The Planning Commission is instructed to use the Special Land Use standards to determine whether a proposed use that is not listed in this district is similar to other uses that are listed in this district.

Motion Darga, seconded by Ekong to waive second reading and adopt the amendments to Article 11 General Commercial District – Special Land Uses as presented. **Motion carried unanimously.**

**F. Zoning Ordinance Amendment – Various Articles – Senior Living Facilities
Second Reading**

At its regular meeting of April 16, 2018, City Council reviewed the proposed text amendments to the City of Northville Zoning Ordinance. The new language permits special senior living facilities (Assisted Living, and Continuing Care Retirement Community) in various zoning districts, and adds standards for site development and parking.

Motion Darga, seconded by Ekong to waive second reading and adopt the amendments to Articles 2, 5, 6, 7, 10, 15, 16,17, 21, and 26 in the Zoning Ordinance pertaining to Senior Living Facilities as presented. **Motion carried unanimously.**

**G. Zoning Ordinance Amendment – Article 18 General Provisions – Site Condominiums
Second Reading**

At its regular meeting of April 16, 2018, City Council reviewed the proposed text amendments to Article 18 General Provisions in the City of Northville Zoning Ordinance. The proposed changes amend Section 18.14 Condominium Development Standards to require an applicant to submit “draft” condominium documents to the City Attorney for review after the Preliminary Site Plan has been approved. The current language requires that the condominium documents be finalized at this start, which is not practical. Final Planning Commission approval will always be conditioned on City Attorney review of the condominium documents.

Motion Darga, seconded by Ekong to waive second reading and adopt the amendments to Article 18 General Provisions – Section 18.14 Condominium Development Standards as presented. **Motion carried unanimously.**

H. Zoning Map Amendment and Conditional Rezoning Agreement for 129 N. Wing Street First Reading

The Zoning Ordinance permits a property owner to voluntarily offer conditions as part of a rezoning request. This planning tool is called a “Conditional Rezoning,” and it limits a rezoning to the conditions offered, possibly making a rezoning request more desirable to the community.

At the April 17, 2018 Planning Commission meeting, the Commissioners recommended approval of a Conditional Rezoning request to rezone 129 N. Wing St. from General Commercial District (GCD) to First Density Residential District (R-1B). The applicant would like to use the existing historic house as a single-family home, and has presented a site plan illustrating proposed modifications to the house.

The Conditional Rezoning for the subject site is described by the associated site plan and a Conditional Rezoning Agreement between the applicant and City. The Agreement lists the conditions offered by the applicant. The Conditional Rezoning Agreement was drafted by the City Attorney, and reviewed and voluntarily signed by the applicants.

This request is now ready to be considered by City Council. City Council must review the proposed change to the Zoning Map, as well as the Conditional Rezoning Agreement. If this ordinance map amendment is approved, the Zoning Map will be changed from GCD to R-1B (Conditional) for the subject parcel.

The following was provided for Council review:

- 4/24/18 communication from Janie Hickman-Flitsos and Dean Flitsos, requesting conditional rezoning
- 1/30/18 Petition to rezone property
- 5/11/18 letter from City Attorney and Conditional Zoning Agreement
- 5/15/18 Memo from Carlisle/Wortman
- Proposed zoning map amendment

The Planning Consultant reviewed the Conditional Rezoning process. The conditions apply to the next property owner. If the conditions of the agreement are not met, the City could initiate the process to revert the property to its previous zoning. Also, if the property is sold, the new owner could go through the rezoning process for the property to revert to its previous zoning.

The architect and the applicant explained the project. The property is zoned GCD, which requires parking to be provided on-site. The property does not have room for parking and the historic house would need to be demolished, with a smaller building built, in order to provide parking. The house will be returned to its original use as it is a gateway to the Historic District. In the past, the property was a multi-residential use.

The applicant applied for and received Special Land Use approval. However, GCD has more restrictive setbacks. As such, the applicant went back to the Planning Commission with a rezoning request. The house will be moved and a detached garage will be added. The project has already been reviewed and approved by the Historic District Commission. The neighborhood also supports the project.

Motion Ekong, seconded by Giesa to introduce for first reading the proposed zoning ordinance map amendment to rezone the property commonly known as 129 N. Wing (lot 520 of Assessor’s Northville Plat No. 6) from General Commercial District to First Density Residential District (R-1B) Conditional Zoning, and the Conditional Zoning Agreement as presented, with second reading and possible adoption scheduled for June 4, 2018. **Motion carried unanimously.**

NEW BUSINESS

**A. Appointment of Auditing Firm
Fiscal Year 2018 through 2020**

In 2008, the City solicited bids and awarded a contract for auditing services. The award included a maximum term of ten years. Therefore, a request for proposal for audit services was issue.

On April 19, 2018, seven proposals were received. City staff reviewed the proposals, and the top three firms were analyzed in depth by the City Manager, Finance Director, and Staff Accountant. The criteria used to review the proposals were governmental experience, quality of assigned staff, their approach and adequacy of auditing techniques and procedures, and cost. Some of the analysis is shown on the table below.

Name of Firm	Score (max 100)	3 Year Cost	Average Hourly Cost	# of Governmental Clients
Plante Moran	97	\$126,505	\$145	500
Rehmann Robson	88	\$135,800	\$149	200
Yeo & Yeo	79	\$121,800	\$158	130

Plante Moran, who has served as the City’s auditor, submitted a proposal that meets the City’s expectation of audit expertise and provided a fee that is within the City’s budget. Plante Moran’s service has continued to be attentive, professional, and timely. City Council was asked to formally appoint Plante Moran as the City’s auditing firm for FY 2018 through FY 2020. Optional one-year renewals are dependent upon satisfactory completion of the prior year’s audit. The total contract term is not to exceed a maximum of ten fiscal years and it subject to annual review and satisfactory negotiation of terms including a fee acceptable to both the City and Plante Moran. Their engagement letter for FY2018 services was provided for Council review.

City Council Comment: In response to a question from Council, it was explained that Plante Moran’s single audit fee is higher than the other proposals because they are very time consuming as they require large samples and are compliance based. The firm performs many single audits and that receives a higher level of scrutiny. It is possible the single audit fee could be renegotiated, depending on the type of single audit being performed.

Motion Darga, seconded by Giesa to reappoint Plante Moran as the City’s auditors for the fiscal year ending June 30, 2018 with a not-to-exceed fee of \$41,335, and increased by only the State of Michigan’s property inflation factor each year for FY 2019 and FY 2020 in accordance with the proposal submitted. Further, the City Manager is authorized to sign the engagement letter for the FY2018 audit. **Motion carried unanimously.**

B. Public Improvement Fund Commitments

Racetrack breakage funds (in excess of the cost of police and fire department service provided at the racetrack) are recorded in the Public Improvement Fund. Over the past decade, those funds have primarily been used for capital outlay and construction related activities. Typically the discussion about commitment of the breakage funds occurs after the fiscal year-end in which they are received. FY2017's breakage revenue to be committed is \$104,884.

Annually, City Council allocates the first \$60,000 for future police and fire equipment purchases. This contribution will lessen the burden on the General Fund for FY2019. The remaining \$44,884 will remain uncommitted until a specific need is identified.

City Council Comment: Staff further explained that when Northville Downs is gone and the City no longer receives racetrack breakage, funding for future police and fire equipment purchases would come from the General Fund.

Motion Ekong, seconded by Price to commit \$60,000 of FY2017 breakage funds for police and fire equipment reserves. **Motion carried unanimously.**

C. Oakland County Agreement for Information Technology Services

The Northville Police Department uses the Oakland County Court and Law Enforcement Management Information System (CLEMIS) as its police records management system. To continue use of the CLEMIS system, Oakland County requires the City enter into an agreement with them for Information Technology (IT) services. The purpose of this agreement is to provide IT services for the public body pursuant to Michigan Law.

The IT Service Agreement addresses the IT services and responsibilities required for OakNet Connectivity and CLEMIS. Ritter GIS, the City's Geographic Information System consultant, requested additional services the County offers at no cost to the City, which would enhance the City's GIS capabilities by allowing access to Oakland County data. This agreement was reviewed by the City Attorney, the City's risk manager, and the City's IT Director.

City Council Comments: Staff further explained that Oakland County is providing IT services that would be limited to the GIS component and would provide instantaneous GIS updates to the City. It was also confirmed that this agreement does not affect the City's agreement with Northville Township for IT services.

City Council questioned if Oakland County "flew" the Wayne County portion of Northville, and if that GIS data would also be provided. If not, what will the City use for the Wayne County portion of Northville. Ritter GIS will check with Oakland County and the Police Chief will report back to Council. Council did not want to see the Wayne County portion of the City inadvertently lacking updated GIS data.

Motion Ekong, seconded by Price to approve the Agreement for IT Services between Oakland County and the City of Northville and authorize the Mayor to sign the agreement. **Motion carried unanimously.**

**D. Election Commissioner Appointment
2018 August Primary and November General Elections**

An Election Commissioner is needed for the August 7, 2018 Primary and November 6, 2018 General Election. Election Commission meetings are held at 8:15am at City Hall, with meeting dates to be determined. The Election Commission reviews ballot proofs, appoints election inspectors and receiving board members, and conducts the public accuracy test.

Motion Darga, seconded by Ekong to appoint Council member Giesa to serve as the Election Commissioner for the August 7, 2018 Primary and November 6, 2018 General elections. **Motion carried unanimously.**

MAYOR AND COUNCIL COMMUNICATIONS

A. Mayor and Council Communications

Roth reminded everyone about the Memorial Day Parade being held at 10:00am on May 28, 2018. He also thanked Northville High School Baseball for organizing Armed Forces Day events throughout the community. Roth also thanked the Chamber of Commerce for the downtown banners that are tributes to honor service members.

B. Staff Communications None

Being no further business, the meeting was adjourned.

Adjournment: 8:08 p.m.

Dianne Massa, CMC
City Clerk

Ken Roth
Mayor

Approved as amended: 6/4/18