CITY OF STERLING HEIGHTS

MINUTES OF REGULAR MEETING OF CITY COUNCIL

TUESDAY, OCTOBER 4, 2016

IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Mark Carufel, City Clerk; Carol Sobosky, Recording Secretary.

APPROVAL OF AGENDA

Moved by Koski, seconded by Romano, to approve the Agenda as presented.

Yes: All. The motion carried.

REPORT FROM CITY MANAGER

Mr. Vanderpool reported that City Hall will be closed on October 10th, 2016 for an in-service training day for the staff. The closure will have no effect on refuse collection.

Mr. Vanderpool reminded that the City Ordinance prohibits the raking of leaves into the streets, and those who do risk being cited a violation. He stated the leaves must go into paper bags or containers that have “Yard Waste” stickers on them.

Mr. Vanderpool reported that, according to the Federal Bureau of Investigations (FBI) Crime Statistics Report, Sterling Heights remains one of the safest communities in the state with populations over 100,000. He stated that the City of Sterling Heights experienced 26 percent less property crimes and 38 percent less violent crimes than the national average of cities with populations over 100,000. He thanked the Police Chief and the entire Police Department for their great work, and also the great community support from businesses and residents.

Mr. Vanderpool reported an exciting investment occurring in Sterling Heights with the announcement on July 26th, 2016 of a $1.48 billion investment by FCA USA LLC at the Sterling Heights Assembly Plant (SHAP) to produce the next-generation RAM 1500 pickup truck beginning in 2018. This announcement marks nearly $3 billion that FCA US has invested in Sterling Heights since 2011. He stated that last week, FCA announced it will create 700 new jobs at the SHAP. He focused on the importance of 700 new jobs and referred to a report in Crain's Detroit Business that was produced by the Center for Automotive Research (CAR), which touched on how one manufacturing job turns into seven and an illustration of why manufacturing in this country is so important to the quality of life in cities across the country. He made a brief presentation showing that for each new worker hired by an auto maker, seven new jobs are created, including new auto jobs, parts suppliers, construction jobs, retail jobs, professional service jobs, and more. When looking at the economic impact of the 4,600 employees at the Sterling Heights Stamping Plant and

Sterling Heights Assembly Plant, multiplied by an average salary of $35,000, that equates to a $161 million economic impact. When that figure is multiplied by the seven new jobs created for each of those jobs at an average annual salary of $20,000, it amounts to over $600 million in economic impact, not only to Sterling Heights but all of the surrounding communities. Mr. Vanderpool calculated that the 700 new jobs alone will result in an economic impact of over $122 million. He explained this does not include the taxes they pay, and FCA US is still the largest taxpayer in the City, paying a total of $2.2 million in taxes to the City, plus approximately another $4 million to the county and schools. Mr. Vanderpool stated that Ford Motor Company also has two facilities in the city, and the same mathematical equation can be used for their economic impact.

Mr. Vanderpool reported that the City now has a new exciting SmartPhone mobile app allowing residents to process and retrieve information from any location.

Ms. Bridget Doyle, Community Relations Director, explained the new SmartPhone app, "Sterling Fix-it", powered by SeeClickFix, which enables the opportunity to provide follow-up information back to the resident. This app, which is available through the "App Store", allows residents to see their issues move forward to completion and encourages citizen involvement. Ms. Doyle reviewed the features of the app, and explained that anyone using the app can register and log in, or they can remain anonymous, although she encouraged residents to provide their email

address so they can receive follow-up. She stated that, for those who do not have SmartPhones, this same feature is available on the City's website. Ms. Doyle stated this program provides great analytics for the City as to what information they receive. She concluded by stating that the City will soon be announcing "Sterling Connect", which is another app that will help residents to stay connected to the City.

Mr. Vanderpool thanked Ms. Doyle and Mr. Steve Deon, I.T. Director, for their hard work in putting this together. He stated that on November 1st, they will be announcing their new online app, which is an expansion of their on-demand service for snow-clearing.

Mr. Vanderpool stated that he and the City Attorney are requesting a Closed Session to convene at the conclusion of tonight's meeting for the purpose of discussing strategy involving pending litigation.

PRESENTATION

Mr. Gary Isom, Chairperson of the Beautification Commission, stated he is proud to present the 2016 Beautification Awards to those who go above and beyond in beautifying their properties in Sterling Heights, making this City a more beautiful place to live, work and play. Over the last five months, they have received nominations for over 40 properties, and out of those, they selected those that had "the wow factor" when seen from the curb. They were selected based on aesthetics, beauty and artistic use of color, and the award categories include commercial properties, multiple-family properties, churches and schools, and single-family residential. He added the "Best of the Best" will be honored in each of those categories. He

introduced the Beautification Commissioners, and thanked them for their hard work. Those selected for awards include:

Commercial: DiSanto Travel Center, Mercury Promotions

Multi-Family: Aberdeen Gardens, Arden Courts Memory Care Community, Laurel Valley Apartments, Oakmont Sterling, Shoal Creek Apartments, and Washington Square Homeowners.

Churches & Schools: St. Jane Frances de Chantal, Grissom Middle School

Residential: Allam Residence (42112 MacRae), Jody Boehmer (37433 Clubhouse), Team Bronson (36239 Melbourne), Hoyt & Nancy Bush (12520 Raleigh), Edward Carroll (11336 Village), Joe & Sandy DeGeorge (38235 Sleigh), Gary & Lisa Gallant (40262 Sugar Springs), Linda & Lorenzo Howard (34401 Amsterdam), Beverly McQuade (11125 Grenada), Kim McQuade (43243 Chardonnay), (Kenneth & Barbara Milczynski (3251 Leason), Seana Moulliet (41215 Fieldview), Chuck Nay (8811 Clinton River), Karen Regan (13214 Grand Haven), Mike Saleh (14909 Liri), Mary Sanciminno-Polakowski, & Benjamin, Maria and Tina (35615 Rainbow), William & Gwendolyn Schoeb (33148 Monticello), Sarah Scott (36659 Adele), Mary Shamo

(4448 Kelly), Adrian Shehu (42247 Sycamore), Kevin & Diane Smith (4429 Kelly), Arthur & Margaret Stinson (14615 Lakeshore), Rick & Gail Straughen (14267 Lakeshore), John & Geraldine Tuharsky (2507 Pall Mall), Michelle VanArman (35475 Dearing), and Joe & Pat Wagner (8459 Leslie).

The "Best of the Best" include the following:

Commercial: Subway (Metro Parkway & Van Dyke)

Multi-Family: Nottingham Cove Condominiums/ Joseph Jovanovich

Churches & Schools: St. Michael's Catholic Community

Residential: Tony Pogota (39134 Poinciana)

Mr. Isom thanked everyone for attending tonight's award presentations, and thanked Eckert's Greenhouse for providing each of the nominees with a $25 gift certificate.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to individually and collectively recognize the 2016 Beautification Award winners and thank them for the dedication and effort in making their properties, neighborhoods and the City of Sterling Heights a more beautiful place to live, work and play.

Mayor Pro-Tem Romano recognized the time, hard work and money put into making these properties beautiful. He said these awards are the City's small way of expressing their appreciation for what these residents and business owners do to make the City a better place.

Mayor Taylor echoed Mayor Pro-Tem Romano's sentiments, adding the City appreciates when people go above and beyond. These beautiful yards increase property values and make it nice for everyone.

The meeting recessed at 8:05 p.m. and reconvened at 8:12 p.m.

Ms. Tammy Turgeon, Library Director, reported on a very generous donation of $2,000 from Mr. Edward Piet to the Ann Marie Given International Language Collection to purchase books in multiple languages including Arabic, Chinese, Polish, Spanish, Urdu and Vietnamese. She explained these books will provide increased access to various language materials for all residents. She stated this collection, started in 2002, is named after Mr. Piet's late wife. She explained the library's Memorial and Honor Book program, and stated that although Mr. Piet could not be present this evening, she wanted to honor him for donating over $20,000 to the collection over the years. She stated he has gone above and beyond in support of the library and meeting the needs of the community.

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to acknowledge and accept the donation by Edward Piet of $2,000 to the Sterling Heights Public Library to acquire materials for the Ann Marie Given International Language Collection.

Councilwoman Schmidt stated that Mr. Piet has donated over $27,000 to this collection over the last 15 years. She thanked him for his generosity.

Councilwoman Ziarko stated that Mr. Piet was a City of Sterling Heights employee, and continues to give back to the community in which he worked. She thanked him for his generosity.

Yes: All. The motion carried.

Ms. Tammy Turgeon, along with members of the Friends of the Library Board, honored Mr. Donald Schinzing for his years of service to the Sterling Heights Public Library from 1990 through 2015, many of those years serving as Chairperson. She outlined many of the accomplishments of the Library Board during those years.

Ms. Kathy Monak, President of the Friends of the Library, stated the Friends of the Library is a volunteer non-profit organization started in 1976 dedicated to enhancing and improving library service for the community. She commended Mr. Schinzing for his enthusiasm and all he has done, and stated the Friends of the Library would like to present him with a lifetime membership to the Friends of the Library.

Mr. Donald Schinzing thanked everyone, adding that he is humbled by this recognition.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to acknowledge and thank Donald Schinzing for his distinguished service to the Sterling Heights Public Library and recognize him as a recipient of a Lifetime Membership in the Friends of the Library, and she summarized many of his accomplishments.

Councilwoman Ziarko stated she often sees Mr. Schinzing working on his vintage John Deere tractor while taking her walks, and she expressed her appreciation for all he has done in his service to the Library Board.

Mayor Taylor stated he has been close friends with Mr. Schinzing over the years, and he appreciated everything Mr. Schinzing has done for him. He commended him for being a model citizen.

Yes: All. The motion carried.

PUBLIC HEARING

1. Mr. Luke Bonner, Senior Economic Development Advisor, explained the request. He stated the staff recommendation is for a 12-year exemption, and pointed out that of the qualified real property investment in the amount of $72,300,000, the majority will happen at the former paint facility which was closed under the previous expansion and investment in SHAP. He informed that the total tax savings over that 12-year period is approximately $23,311,350, and $6,587,600 of that is in city taxes. He stated this is a tax freeze, so the commercial parcels receiving the investment will have their taxable value frozen for twelve years, at which time it will return to the tax rolls.

Mayor Taylor opened the public hearing.

Mr. Joe Judnick – opposed to tax abatements because of loss of tax revenue for the city, county, schools and roads; questioned whether 700 positions are new or brought from Dodge Main.

Mayor Taylor closed the public hearing.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to adopt the Resolution approving the application by FCA US, LLC, for an Industrial Facilities Tax Exemption Certificate at 38111 Van Dyke Avenue for a period of twelve years in accordance with the guidelines established by City

Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.

Councilwoman Ziarko stated there is no way she can say no to something that is the best decision for the community. She added Chrysler is an "economic miracle" to the city, considering this site would have been sitting vacant several years ago. She clarified the truck is coming from Warren Truck and not Dodge Main. She was not sure how Chrysler will bring in the 700 jobs, but that is their decision. She stated it is very unusual for a big company like Chrysler to list the number of jobs they will be bringing in. She stated her husband was a 35-year Chrysler employee and she is aware of the investment their company made in Sterling Heights and Macomb County over the years. They provide the residents with income, and she wished them the best in this expansion.

Mayor Taylor understood Mr. Judnick's valid concerns, but stated they have to look at the whole picture. Chrysler had many different options and Sterling Heights was only one of many North American plants in the running for this expansion, including Belvedere, Illinois, Ohio and Mexico. It took a lot of stakeholders to provide attractive incentives in order to keep them in Sterling Heights. Mayor Taylor stated he does not look at what the City is losing, but rather what they are gaining and saving. He would like to be able to give millions of dollars in tax breaks to some of the smaller businesses but they would be foolish not to look at FCA and do what they can to keep the jobs in this city. He stated it is a success story for all

involved, including city administration, stakeholders and all of the residents of the county.

Councilman Skrzyniarz thanked Mr. Bonner and the entire team for putting this together.

Yes: All. The motion carried.

RESOLUTION

A resolution of the Sterling Heights City Council approving the application by FCA USA LLC for an Industrial Facilities Exemption Certificate for a Rehabilitation Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4th day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

ABSENT: None

The following preamble and resolution were offered by Ziarko and supported by Taylor.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on September 6th, 2016, the City Council established by resolution a Plant Rehabilitation District (PRD); and,

WHEREAS, Applicant has filed an application for an Industrial Facilities Exemption Certificate with respect to a rehabilitation facility to be installed within the PRD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4th, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before August 11th, 2016 the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by FCA US LLC for an Industrial Facilities Exemption Certificate is hereby approved with respect to a Rehabilitation Facility on the following described parcel of real property situated within the Plant Rehabilitation District, to wit:

LEGAL DESCRIPTION

PARCEL A (Part of Parcel No. 10-21-400-012)
A parcel of land located in the Southeast 1/4 of Section 21, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, being part of Parcel No. 10-21-400-012 and more particularly described as:

Commencing at the Southeast corner of said Section 21; thence along the south line of said Section 21, also being the centerline of 16 Mile Road (60 foot half width), S89°20'50"W, 666.00 feet; thence N00°06'00"E, 60.01 feet to the north line of 16 Mile Road and the Point of Beginning; thence along said north line, S89°20'50"W, 1461.55 feet to the east line of Parcel No. 10-21-400-009; thence along said east parcel line, N00°08'30"E, 600.00 feet; thence along the north line of said parcel, S89°20'50"W, 490.00 feet to the east line of Michigan Central Railroad; thence along said east line, N00°08'30"E, 1937.33 feet; thence N89°55'11"E, 2500.51 feet to the west line of Van Dyke Avenue (variable width);thence along said west line the following three (3) courses:
1) S00°00'40"E, 422.13 feet;
2) N89°59'20"E, 6.00 feet and
3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010;
thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002; thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning. Containing 135.186 acres of land, more or less.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

AYES: Ziarko, Taylor, Koski, Romano, Schmidt, Shannon, Skrzyniarz

NAYS: None

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

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Mark Carufel, City Clerk

2. Mr. Luke Bonner explained the project, also known as Mitchell Plastics. He stated the staff recommendation is for a 12-year tax abatement, adding they are proposing 122 new jobs on location. He informed that the total city tax abatement over the 12-year period is approximately $455,550, which means the city also collects the same amount of taxes for the 12-year period. The school tax abatement is $826,400, which means the school is collecting the same amount, for a total tax abatement of 1.6 million over the 12 years. He invited Mr. Hayes to talk about the project, noting it was a competitive process and there were other locations being considered.

   Mr. Dennis Hayes, Director of U.S. Operations for Mitchell Plastics, explained the company was founded in 1987 and their primary manufacturing is plastic injection molding, decorating and assembly. They supply interior products exclusively to the automotive industry. Their company has five manufacturing plants with locations in Canada, Indiana, Alabama and Mexico. They have over 2,000

current employees and this was a selection process because they had alternatives, including locations in Indiana and west of Toronto. He added they could have made the components in those locations and leased a distribution center, but instead, they selected Michigan, which is their first plant in this state. This location places them close to their customers and allows for consolidation with their sales and engineering offices, and balances their footprint in North America. They will produce a lot of the interior parts for the Dodge Ram truck that will be made at SHAP, including the center console. Mr. Hayes stated their company's investment of over $20 million on this project is substantial, considering the land acquisition, the new building construction and purchase of new equipment. The plant construction has started and is due for completion in Spring 2017. They anticipate hiring between 120 and 150 employees of all levels, and the hiring phase has started. They are happy to be in Sterling Heights, noting the depth of manufacturing talent and industrial resources, as well as a perfect location. He also noted that the support of the City has been outstanding.

Mayor Taylor opened the public hearing.

Ms. Jazmine Early - inquired how many of those jobs will be granted to Sterling Heights residents.

Mr. Joe Judnick - opposed to tax abatements; thanked Mr. Hayes for selecting Sterling Heights; cost-saving for company because it

involves shipping parts two miles instead of from Toronto; concerned about lost tax revenue.

Mayor Taylor closed the public hearing.

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to adopt the Resolution approving the application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Tax Exemption Certificate at 7191 17 Mile Road for a period of 12 years in accordance with the guidelines established by City Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.

Councilwoman Schmidt stated the addition of 122 jobs is exactly what they were talking about earlier in the meeting about how the increase of jobs affects the entire community. She pointed out the 700 jobs that will be brought in by FCA has now created the need for 122 more jobs with this company. She was pleased that they selected the City of Sterling Heights in which to locate, noting they could have made the decision to stay in Toronto. She inquired as to the impact the tax abatements had on their decision to locate in Sterling Heights.

Mr. Hayes replied that was one of the key considerations for their company. He stated it is not easy to acquire land, design and construct a new building, purchase new equipment and re-staff, so they balanced some of the incentives, customer service and the footprint and the resources of the community.

Councilwoman Schmidt thanked them for their investment in this community and looked forward to having them as a corporate neighbor.

Councilman Shannon clarified that this is not a zero net gain of tax revenue, and over the 12 years, the City will still receive an increase in taxes of about $455,000, so there are still new taxes coming in.

Mayor Pro-Tem Romano addressed the question of whether this company will hire Sterling Heights residents, and he was confident Mr. Hayes will hire those individuals who are qualified, and he hoped those qualified will come from Sterling Heights.

Mayor Taylor welcomed Mitchell Plastics to the City of Sterling Heights and wished them well. He stated this is located on the former Sunnybrook Golf Course, so there have been a lot of "twists and turns" getting to this point. He appreciated their patience and dedication to Sterling Heights.

Yes: All. The motion carried.

RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Exemption Certificate for a New Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4th day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

ABSENT: None

The following preamble and resolution were offered by Schmidt and supported by Ziarko.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on September 6th, 2016, the City Council established by resolution an Industrial Development District (IDD); and,

WHEREAS, Ultra Manufacturing (USA), Inc. (Applicant) has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be installed within the IDD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4th, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the new facility and installation of new machinery and equipment had not begun earlier than six (6) months before August 23, 2016, being the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the new facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Exemption Certificate is hereby approved with respect to a New Facility on the following described parcel of real property situated within the Industrial Development District, to wit:

LEGAL DESCRIPTION

<u>PARCEL A (Part of Parcel No. 10-21-400-012)</u>
A parcel of land located in the Southeast 1/4 of Section 21, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, being part of Parcel No. 10-21-400-012 and more particularly described as:

Commencing at the Southeast corner of said Section 21; thence along the south line of said Section 21, also being the centerline of 16 Mile Road (60 foot half width), S89°20'50"W, 666.00 feet; thence N00°06'00"E, 60.01 feet to the north line of 16 Mile Road and the Point of Beginning; thence along said north line, S89°20'50"W, 1461.55 feet to the east line of Parcel

No. 10-21-400-009; thence along said east parcel line, N00°08'30"E, 600.00 feet; thence along the north line of said parcel, S89°20'50"W, 490.00 feet to the east line of Michigan Central Railroad; thence along said east line, N00°08'30"E, 1937.33 feet; thence N89°55'11"E, 2500.51 feet to the west line of Van Dyke Avenue (variable width);thence along said west line the following three (3) courses:1) S00°00'40"E, 422.13 feet; 2) N89°59'20"E, 6.00 feet and 3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010;thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002; thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning. Containing 135.186 acres of land, more or less.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

AYES: Schmidt, Ziarko, Koski, Romano, Shannon, Skrzyniarz, Taylor

NAYS: None

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

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Mark Carufel, City Clerk

3. Mr. Luke Bonner stated that Ring Screw, more commonly known as Acument Global Technologies, is located on 18 Mile Road. He has been working with them for a long time, and this is based on their qualified investment in real property of $3,068,053. They intend to hire one full time position at the start, with the possibility of hiring up to five if this works. It is an 8-year tax abatement, and over that term, the City's tax abatement is $11,648 and the school tax abatement is $21,129, for a total tax abatement of $41,217. The other 50% of that goes to the city, the school and the other taxing jurisdictions. Mr. Bonner added these are both examples of foreign

direct investment that is coming into the community from outside of the United States.

Mr. John Clark explained they are investing $3 million in an add-on of a highly automated heat treat line to their existing facility. He stated Ring Screw LLC has been located in Sterling Heights for many years, and they have worked well with the city over the years. This is their largest facility in Michigan and they moved their corporate headquarters here from Troy. He stated they had several options for locations, including Indiana, but they are committed to remaining in Sterling Heights.

Mayor Taylor opened the public hearing.

Mr. Joe Judnick - opposed to all tax abatements; would not move for $5,000 a year; Three tax abatements tonight total $24 mil in lost tax revenue.

Mr. Bonner explained a lot happens behind the scenes and it takes a long time to put these packages together. He pointed out in all three requests tonight, there were other options for the companies. When the companies commit to this type of investment, they want to know what support they will be receiving from the community. Mr. Bonner felt there is a time and a place for tax abatements and tax incentives, and it is all part of trying to make these projects happen. Whenever they offer applied incentives, they have guidelines on how to support the investment they are making. He stressed they have to remain competitive because the competition is very real between other communities.

Mr. Giulio Russo – more selective in tax abatements; help smaller companies, many of whom have been in the community for a long time; concern over emissions from plastic injection mold plant.

Mayor Taylor closed the public hearing.

Moved by Skrzyniarz, seconded by Ziarko, **RESOLVED**, to adopt the Resolution approving Ring Screw, LLC for an Industrial Facilities Tax Exemption Certificate at 6125 18 Mile Road for a period of 8 years in accordance with the guidelines established by City Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.

Councilman Skrzyniarz inquired as to the City's gain in terms of tax revenue.

Mr. Bonner replied that the city tax for Ring Screw is $11,648, which is the same amount that was abated. For Ultra Manufacturing, the City gains $455,550 over a 12-year period, which is the same amount that was abated. He explained that for FCA US, they establish a Plant Rehabilitation District, where the values of those properties are frozen for 12 years to accommodate the investment. In this case, the real property investment is $72 million, with $6,587,600 being the tax dollars that are not realized because the values are artificially frozen over the 12 years. He replied the city tax revenue for those three projects over twelve years is approximately $460,000. When those lapse, the new tax dollars go to the taxing jurisdictions, so the City is not losing any money. He stated there are six years left on the tax abatement for the Chrysler 200 investment at the paint

and body shop, and once it expires, those taxes will return to the taxing jurisdictions.

Councilman Skryniarz stated that this is a very complicated, competitive process, and he is pleased that Ring Screw is making this investment. He stated the most important thing to him in his position as a public servant is good-paying jobs. Without them, it is difficult to raise a family, send children to college, and the cycle continues. He felt what occurred tonight is exciting for the entire City, and he is proud to be a part of it. He thanked Ring Screw for their continued investment in this community.

Councilwoman Ziarko agreed it is a competitive market, and if there are no incentives, companies will go elsewhere, and home values will go down if there is no business. As far as the environmental impact of a plastics company, she felt there are many guidelines set in place as to what can go out into the air. She requested that Mr. Bonner provide some information on the environmental impact of the air quality as a result of plastic companies. She stated the guidelines for these tax abatements are set up by the State, and businesses are entitled to this. If they are willing to remain in Sterling Heights, she expressed her willingness to keep them here, adding that it is all about the jobs.

Councilwoman Koski inquired as to how the abatement is handled for the schools and whether they are reimbursed since this is a state-sponsored program.

Mr. Bonner replied the local school tax, which is 18 mils, is eligible to be abated under Public Act 198 guidelines. He informed that the State of

Michigan has a school aid fund in place to make sure that the "per pupil" funding the school receives is there.

Councilman Shannon stated these are the rules of doing business in Michigan, and if the City were to take a position against tax abatements, these companies would go elsewhere. He explained the $24 million, which was a figure given earlier as the amount that will be "lost" through tax abatements, did not exist and will not exist because if there is no incentive, the businesses will not come here. He stated he does not look at it like the City is losing $24 million, but he looks at it as the City creating over $1 billion in economic impact.

Mayor Taylor thanked Mr. Clark and Ring Screw LLC for their long-term investment in Sterling Heights. He stated this is a small company and he was pleased to see this. He explained that he is not sure whether or not tax abatements are the best option, but it is an avenue offered to business owners, and it is very competitive.

Yes: All. The motion carried.

RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Ring Screw, LLC for an Industrial Facilities Exemption Certificate for a New Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4th day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

ABSENT: None

The following preamble and resolution were offered by Skrzyniarz and supported by Ziarko.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on October 4, 1994, the City Council established by resolution an Industrial Development District (IDD); and,

WHEREAS, Ring Screw, LLC (Applicant) has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be installed within the IDD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4th, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the new facility had not begun earlier than six (6) months before August 11, 2016, being the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the new facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by Ring Screw, LLC for an Industrial Facilities Exemption Certificate is hereby approved with respect to a New Facility on the following described parcel of real property situated within the Industrial Development District, to wit:

LEGAL DESCRIPTION

T2N,R12E,SEC. 9: COMM AT SW COR SEC. 9: TH E 502.0 FT ALG S SEC LINE (C/L 18 MILE RD) TO POB; TH N01*04'00"E 997.35 FT; TH ALG PLUMBROOK DRAIN S61*45'03"E 96.03 FT; & S65*47'08"E 96.19 FT; & S56*05'22"E 149.49 FT; & S81*28'32"E 118.55 FT; & S15*50'25"E 61.88 FT; & S64*56'17"E 349.76 FT; & S52*08'14"E 74.62 FT; TH LVG SD DRAIN S01*10'20"W 36.16 FT;

TH WEST 217.42 FT; TH S01*10'20"W 521.77 FT; TH WEST 595.98 FT ALG S SEC LINE TO POB EXC S 60' FOR ROAD ROW. COMB FROM 1009300012 & 027 FOR 1995

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 8 years after completion.

AYES: Skrzyniarz, Ziarko, Koski, Romano, Schmidt, Shannon, Taylor

NAYS: None

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

_____

Mark Carufel, City Clerk

ORDINANCE ADOPTION

4. Mr. Chris McLeod, City Planner, stated this was introduced at the last meeting. He briefly reviewed the ordinance and its benefits. He estimated that 98% of existing businesses would not be affected and would therefore have no additional cost. About 2% are non-compliant, and there is a "sunset clause" that would allow them the opportunity to come into compliance with the current ordinance by July 1, 2017. He explained that is not considered an added cost for those companies because they already supposed to be in compliance. For those who are not in compliance by that date, the new ordinance would kick in and it would then be determined on a case-by-case basis. He mentioned the question was raised at the last meeting as to how much this new ordinance will cost business owners. He stated they selected recent case examples of both new development and redevelopment to

compare the costs of meeting the current ordinance requirements versus meeting the requirements of this proposed ordinance, and in each case, it only resulted in an increase of 0.2%. Mr. McLeod mentioned other communities that have similar ordinances, including Shelby Township, Washington Township, Auburn Hills, Troy, Rochester, Canton Township, the City of Novi, and Pittsfield Township. He presented slides of businesses that are in compliance, such as AGM Corporation, the Subway on Van Dyke, the new shopping center on the west side of Van Dyke, north of Metro Parkway, and the Bank of America on Van Dyke. He also showed slides of businesses that are not in compliance.

> Mr. Juli Sala, a resident on Dickson – is a civil engineer and first impression of the proposed ordinance is sticker shock for new and existing businesses; questioned what triggers this ordinance for existing sites; could not see that existing businesses can accommodate additional landscaping; anticipated everything will need waiver for existing businesses; did not feel the a site should be non-compliant if it meets ordinances in place at time of development; questioned whether small change to a site plan for an existing business will require entire site to be brought into compliance.

Mayor Taylor stated they will ask Mr. McLeod and Mr. Andrews to respond to some of these questions, and he recommended Mr. Sala contact Mr. McLeod if he has more concerns or questions. He added that even if the ordinance passes, they can always make amendments.

Mr. Sala - in support of an ordinance like this but felt it needs some minor changes.

Mr. Giulio Russo - not against the ordinance but thinks it needs some "tweaking"; hoped requirement for more trees and shrubs will not result in obstructed views; confident new developments will comply; some properties throughout the city look bad so an ordinance is needed; hoped there will be continued work on this.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to adopt the ordinance amending Articles 23, 24, 27, 28 and 31 of Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City.

Councilman Skrzyniarz requested that Mr. McLeod respond to some of the questions from the residents.

Mr. McLeod reiterated if a site is in compliance, this ordinance will not affect them. If their site is modified in the future as far as building or parking lot expansion, they will be looking at it on a case-by-case basis. He cited the example of the ordinance requiring a brick building. If someone with an older non-brick building is proposing a slight addition, the City may not make them tear down their existing building so that it can be reconstructed with bricks. He stated the new ordinance calls for one tree for every five parking spaces, whereas the current ordinance requires one tree for every six parking spaces, which is not a huge increase, but it follows the overall intent to increase the tree canopy within the city. If an existing development is proposing a large addition, the city will try to encourage

compliance with the new ordinance as much as possible. He stated it will be determined on a case-by-case basis, and part of their site plan process is to assess the impact of the driveway or parking lot islands in terms of the proposed landscaping to make sure views are not blocked.

Councilman Skrzyniarz understood this ordinance is a tool they can use, and he inquired as to the process if someone is not happy with this requirement and wants to appeal.

Mr. McLeod replied the ordinance is designed to provide flexibility in a mainly built-out community. It allows the developer or business owner to accomplish things in many ways, and there is a site plan review process. He explained if there is a challenge to a decision, the legal remedy is to go before the Zoning Board of Appeals. He assured he has no problem looking at what is realistic, and stated this ordinance provides that flexibility but still drives the community toward compliance.

Councilman Skrzyniarz stated the presentation was good and his questions were answered. He added that it is apparent when driving through a community that has standards like this, and they are the more desirable communities in which to live and work. He inquired as to how this ordinance will affect FCA and Mitchell Plastics.

Mr. McLeod replied that Mitchell Plastics stepped up to the table and said they would do whatever the city requires of them. He stated they possibly have one of the most landscaped industrial sites in the entire area. They have agreed to be a model, and he was confident they will set the tone for not only Sterling Park but the entire city. He stated he worked with

Acument to increase their landscaping. They have some limitations on what they could do on their current site but they were more than willing to step up. He stated the cost for a rebuild site is relatively nominal.

Councilman Skrzyniarz thanked Mr. McLeod for all of his hard work on putting this together.

Councilman Shannon inquired as to whether the concerns raised by Mr. Sala were valid.

Mr. McLeod replied that existing sites will always be on a case-by-case basis. He added that developers become uneasy when there is an unknown. He was confident that the ordinance sets the expectations but also offers flexibility. He encouraged developers to come in with a concept plan.

Councilman Shannon stated he is uncomfortable with the "case-by-case basis" but added it is acceptable to him if those are the industry standards.

Mr. McLeod explained that an ordinance cannot be written to address every situation. He clarified that the small, already-established sites are where the case-by-case basis comes in. He stated they will not make a business owner tear up an entire parking lot to put in irrigation, but there may be easy solutions, such as putting a parking lot island near the greenbelt, where it would not be too difficult to add the irrigation.

Councilman Shannon stated as long as there is a mechanism in the ordinance to take it on a case-by-case basis, he is ok with it.

Councilwoman Schmidt is pleased with the "tweaks" and she likes the fact that the existing businesses, as long as they comply with current ordinance requirements, do not have to come into compliance with the new ordinance.

She inquired as to whether they will fine those businesses that are still not compliant by next July.

Mr. McLeod replied one method of enforcement is ticketing. Another alternative may be for the Department of Public Works to put in the landscaping and charge the owner. That determination can be made by Ordinance Enforcement as they go forward. He compared it to the enforcement of any other ordinance provision, adding that the City has always been aggressive in enforcement.

Councilwoman Schmidt presented a hypothetical scenario of Mr. Russo wanting to add five parking spaces to the back of his parking lot, and inquired as to whether he would be required to plan an additional tree, and if so, would it have to be in the back.

Mr. McLeod stated they would want the trees in the area the parking is expanded but he pointed out this is where the flexibility comes in. If no one uses the back and a tree in that area would be useless, they can consider Mr. Russo's request to add the tree to the front.

Councilwoman Schmidt stated she understands the City is willing to work with business owners to help bring them into compliance or close to compliance. She cautioned about trees in parking lots and along ingress/egress areas so as not to block the views of motorists. She stated she is in favor of the ordinance and appreciated the hard work that went into its preparation.

Mayor Pro-Tem Romano inquired as to the recourse they have in a dispute.

Mr. Clark Andrews, Attorney, replied that anyone who is unhappy with administration's decision can request a review of that administrative decision and the Zoning Board of Appeals, upon proof of just cause, has the authority to overrule that decision should they request a variance. Mr. Andrews stated they have tried to build flexibility into the ordinance, and he added that Mr. McLeod is very practical; however, if something is not spelled out in the ordinance, it is extremely difficult to enforce.

Mr. Romano could not see the reason for a new ordinance if it only addresses 2% of the properties in the City, because that 2% has the ability to comply with the old ordinance. He liked some of the specifications in the new ordinance, such as the requiring bike racks, reserving areas for future parking, requiring covered trash receptacles and screening of the transformers, eliminating chain link fences as screening for dumpsters, and requiring white tents for businesses wanting temporary tents. He was aware that some of the properties in the City are in need of some additional landscaping, but he stated they are being very restricted, especially for small businesses.

Mr. Andrews explained this is a way to bring non-compliant properties into compliance. He added there is nothing wrong with having additional tools to encourage people to comply. He stated this accelerates the process. He was confident that the property owners will follow the requirements, and since flexibility was built into the ordinance, he did not feel it is burdensome. He recalled they have had the current ordinance for a long time, commenting that developers have always had to step up

Councilwoman Ziarko stated she is in favor of this ordinance, and likes the fact that the petitioner has an opportunity to seek relief through a variance. She also liked that they are eligible for an extension as long as they are coming into compliance. She was concerned about how this will affect the small shopping centers, especially if they have to eliminate valuable parking spaces to make room for more landscaping. She agreed this could be done on a "case by case" situation. They can also amend the ordinance as they see fit. Councilwoman Ziarko agreed with Mayor Pro-Tem's comment about the need for more bike racks, and she suggested bike racks are needed at the Senior Center.

Councilwoman Koski questioned who has the authority to approve something that is flexible in the ordinance. She cited an example of a small business with a greenbelt and overhead wires in front. She asked how they can be required to plant trees with the overhead wires.

Mr. Andrews replied that the City Planner has the discretion to waive the requirement if it is impossible to meet for a particular site. If the Planner is not willing to waive the requirement, the petitioner can seek relief from the Zoning Board of Appeals. He replied to inquiry that the applicant would be required to pay the Zoning Board of Appeals filing fee because the Zoning Enabling Act has strict regulations with regard to publications. State law requires the mandatory publication, and there are costs involved for that.

Councilwoman Koski understood that the City Planner will have the power to approve or deny something, and if it is denied, the developer would then be required to pay to go before the Board of Appeals.

Mr. Andrews replied Councilwoman Koski is correct in her interpretation of the proposed ordinance. He explained the City has a provision that they can go for an administrative review comprised of three administrators other than the City Planner. That review, along with going before the Zoning Board of Appeals, are the only two provisions for relief within the state law.

Councilwoman Koski inquired as to the Planner's backup when he is out.

Mr. Andrews replied he will have to check on that and get back to Council.

Mayor Taylor explained the City is trying to improve its standards. They want people to be impressed when they drive through Sterling Heights, and he added this is not a "cookie cutter" community. He stated there may be some small issues that need to be worked out on this ordinance, but he was confident they can work through them. He said he is in support of this ordinance.

All: Yes. The motion carried.

CITY OF STERLING HEIGHTS

COUNTY OF MACOMB, MICHIGAN

ORDINANCE NO. 278-YY

AN ORDINANCE TO AMEND THE ZONING ORDINANCE TO ADD ARTICLE 23, SECTION 23.01, PARAGRAPH N TO PROVIDE FOR RESERVED PARKING AREAS; TO AMEND ARTICLE 24, SECTION 24.02 TO REQUIRE ADDITIONAL LANDSCAPING IRRIGATION; TO AMEND ARTICLE 24, SECTION 24.03 TO REGULATE INTERIOR PARKING LOT LANDSCAPING AND FRONTAGE LANDSCAPING; TO AMEND ARTICLE 24, SECTION 24.05 TO REGULATE THE PLACEMENT AND SCREENING OF TRASH RECEPTACLES AND DUMPSTERS; TO ADD ARTICLE 24, SECTION 24.07 TO REGULATE DECORATIVE FENCING ON NONRESIDENTIAL PROPERTIES AND USES; TO ADD ARTICLE 24, SECTION 24.08 TO REQUIRE FOUNDATION PLANTINGS; TO ADD ARTICLE 24, SECTION 24.09 TO REGULATE SCREENING OF TRANSFORMERS AND OTHER GROUND-MOUNTED APPLIANCES; TO ADD ARTICLE 24, SECTION 24.10 TO REQUIRE PEDESTRIAN CONNECTIONS; TO ADD ARTICLE 24, SECTION 24.11 TO REQUIRE INSTALLATION OF BICYCLE RACKS FOR CERTAIN COMMERCIAL BUILDINGS AND SHOPPING

CENTERS; TO ADD ARTICLE 24, SECTION 24.12 TO REQUIRE ENHANCED LANDSCAPING TREATMENTS TO BE INSTALLED; TO ADD ARTICLE 29, SECTION 29.05 TO REGULATE NON-COMPLIANT LANDSCAPING AND SITE IMPROVEMENTS; TO AMEND ARTICLE 28, SECTION 28.14, PARAGRAPH I TO REGULATE TENTS USED AS PART OF A TEMPORARY USE; TO AMEND ARTICLE 31, SECTION 31.01 TO ADD DEFINITIONS OF FOUNDATION PLANTING, FRONTAGE GREENBELT, FRONTAGE LANDSCAPING, FRONTAGE TREES, LINEAR FOOTAGE, ENHANCED LANDSCAPING TREATMENTS; AND TO AMEND THE TITLE AND MAKE ANY OTHER TECHNICAL CORRECTIONS RELATING TO ZONING ORDINANCE NO. 278.

Section 1. Article 23, Section 23.01 of Zoning Ordinance No. 278 shall be amended to add Paragraph N. which shall read as follows:

N. *Reserved Parking Areas.*

1. A developer or owner may request that a certain number of parking spaces be reserved for possible future installation if required. The proposed reserved parking spaces must be shown and labeled on the proposed site plan. The Planning Department (or the Planning Commission if preliminary site plan review is required under the Zoning Ordinance to be performed by the Planning Commission) may approve one or more areas of reserved parking spaces where (a) the developer or owner shows that the specific proposed use requires a fewer number of parking spaces than typically required by Ordinance based on (a) a smaller total usable floor area, (b) a substantially smaller total number of employees than typically anticipated for such uses, (c) the existence of a combination of uses which share parking facilities, or (d) the proposed use has peak hours of operation which vary from typical business hours making the required parking excessive, provided the proposed reserve parking for the development can be serviced safely and will not result in undue stacking of vehicles, and traffic flow throughout the parking lot can be maintained in a safe manner.

2. If the Planning Department (or the Planning Commission if preliminary site plan review is required under the Zoning Ordinance to be performed by the Planning Commission) determines that the development cannot be serviced safely, that excessive stacking is likely to occur, or that traffic flow cannot likely be maintained in a safe manner if reserved parking is permitted, the Planning Department (or Planning Commission as the case may be) shall not approve the developer or owner's request for reserved parking.

3. If the Planning Department (or the Planning Commission as the case may be) approves the request of the developer or owner for reserved parking, the site plan shall depict (i) the location and number of parking spaces required to be installed currently, (ii) the location and number of all of reserved parking spaces which may be required to be installed in the future identified as "Reserved Future Parking Area", and (iii) the total number of parking spaces which may be required if the reserved parking spaces are required to be installed in the future. The site plan shall contain a notation in each Reserved Future Parking Area that states "No buildings, structures or improvements shall be constructed in the Reserved Future Parking Area".

4. The owner of the site with one or more approved Reserved Future Parking Areas shall execute and deliver to the City a reserved parking agreement satisfactory to the City

Planner and City Attorney in recordable form which makes the reserved future parking area arrangement a matter of record so that future owners of the property will be on notice of the reserved parking arrangement and restriction on future development in the Reserved Future Parking Area, and the possible requirement for future installation of additional parking spaces as may be required by the City.

5. If the Planning Department (or the Planning Commission as the case may be) determines that traffic patterns, a change in use or an increase in intensity of the use on the property, either as a result of an increase in the number of employees or hours of operation, a decrease in approved storage area, etc. or any other factor requires the installation of some or all of the reserved parking spaces, the Planning Department may require additional parking spaces, as determined by the Planning Department, to be constructed in the Reserved Future Parking Area(s) shown on the site plan within six (6) months of notice of such additional parking being required.

Section 2. The last sentence of Article 24, Section 24.02, Paragraph A 2 of Zoning Ordinance No. 278 shall be deleted and the following sentence substituted in its place:

2. All landscaping shall have an irrigation (water sprinkler) system installed and maintained in good operating condition to ensure the maintenance of all landscaping in a healthy, thriving condition. The Planning Department may modify or waive the irrigation system requirements for natural vegetation areas of the site, where an alternative method of irrigation is provided, or where installation of an irrigation system is impractical or unfeasible due to the unavailability of a proximate water supply or other existing site conditions.

Section 3. Article 24, Section 24.03, Paragraph A of Zoning Ordinance No. 278 shall be amended to read as follows:

Section 24.03 Off-Street Parking Lot Landscaping Requirements

A. *Interior parking lot landscaping.*

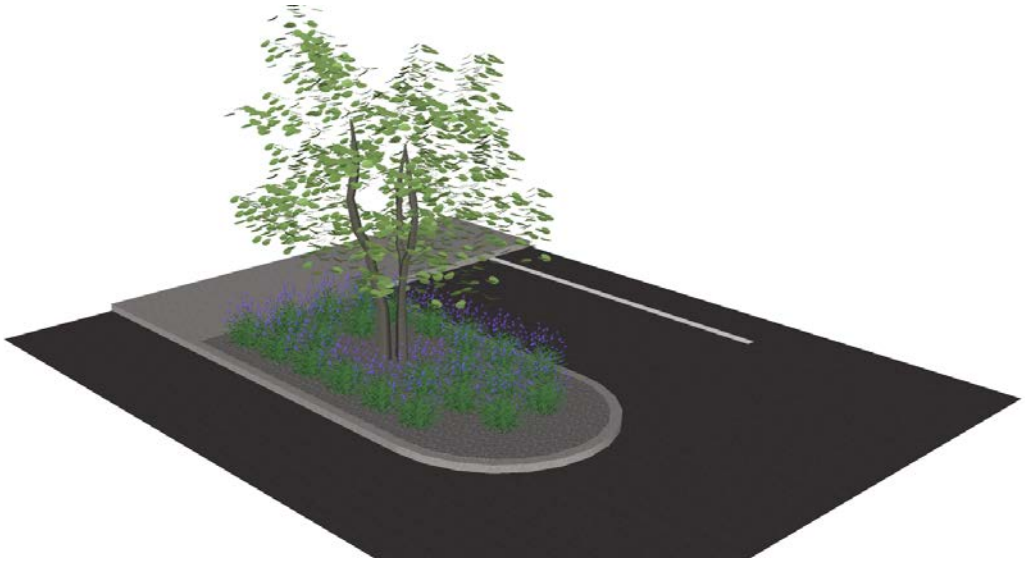
1. All off-street surface parking areas required under the Zoning Ordinance shall incorporate and provide curbed landscaped islands at the end of each parking row. The Planning Department or Planning Commission (as the case may be) may modify the requirement for curbed landscape islands in instances where the installation of curbed landscaped islands would impair the use of the site or otherwise be impractical, based upon the size, configuration or anticipated traffic generation on the site.

a. Curbed landscaped islands shall be a minimum of one hundred and fifty (150) square feet in area.

b. The curbed landscaped islands shall be planted with shrubs or other flowering plants that provide coverage of at least fifty (50) percent of the area of the island.

c. Interior parking lot trees shall be provided at a rate of one (1) tree for each five (5) parking spaces and shall be planted in curbed landscaped islands or adjacent to an off-street parking area. (See illustration below)

Curbed Landscaped Area at End of Parking Row



d. The minimum size of all parking lot trees shall be three (3) inch caliper at the time of planting. The following types of trees or similar types are considered to be suitable for off-street parking areas:

i. White fir;

ii. Norway maple;

iii. Tulip tree (magnolia);

iv. Austrian and red pine;

v. Moraine, skyline, majestic and sunburst locusts.

e. All trees, shrubs and other landscaping planted in or adjacent to an off-street parking lot shall be installed in a location and pruned and maintained in a manner to maintain clear vision for vehicles, bicyclists and pedestrians in the vicinity of the trees, shrubs, or other landscaping.

Section 4. Article 24, Section 24.03, Paragraph B shall be amended to read as follows:

B. *Frontage landscaping.*

1. A minimum of one (1) frontage tree shall be provided for each seven hundred and fifty (750) square feet of frontage greenbelt. Frontage trees shall include trees such as Honey Locust, River Birch, Spruce, Chanticleer Pear, Cleveland Select Pear, Basswood, Hackberry, Linden, Oak, Ginkgo, Maple, etc. Frontage trees shall be a minimum of three (3) inches in caliper at the time of planting.

2. In addition to the frontage trees required above, one (1) plant/shrub shall be provided for each three hundred (300) square feet of frontage greenbelt. Frontage plants/shrubs shall include but are not limited to: Knock Out roses, nearly wild roses, dwarf lilacs, hydrangeas,

maiden grasses, large hostas, sedums, densi yews, Carpet roses, Russian sage, etc. Plants or shrubs shall be a minimum size of two (2) gallon size at planting.

3. In addition to the plantings above, supplemental perennial grasses and flowers shall also be provided. Perennial grasses and flowers may include black-eyed Susans, fescue grass, oat grass, day lilies, Indian grass, dropseed, blue stem, etc.

4. Wherever a parking lot or vehicle parking space is located within fifty (50) feet of a public street, right-of-way or private street, the perimeter landscaping shall also include a landscape hedge of deciduous or upright evergreen shrubs. The number of required shrubs shall be equivalent to one (1) shrub for each thirty (30) inches of parking or maneuvering lane along the roadway or right-of-way, unless appropriate planting practices otherwise dictate. Plantings may be planted in either a formal hedge or in natural groupings. The Planning Department may approve other plant materials or configurations that the Planning Department determines provide the equivalent of the required frontage landscape.

5. The types of trees and shrubs planted as a result of this section shall be diverse in nature. No one (1) specific species of tree shall account for more than fifty (50%) percent of the total number of trees or shrubs.

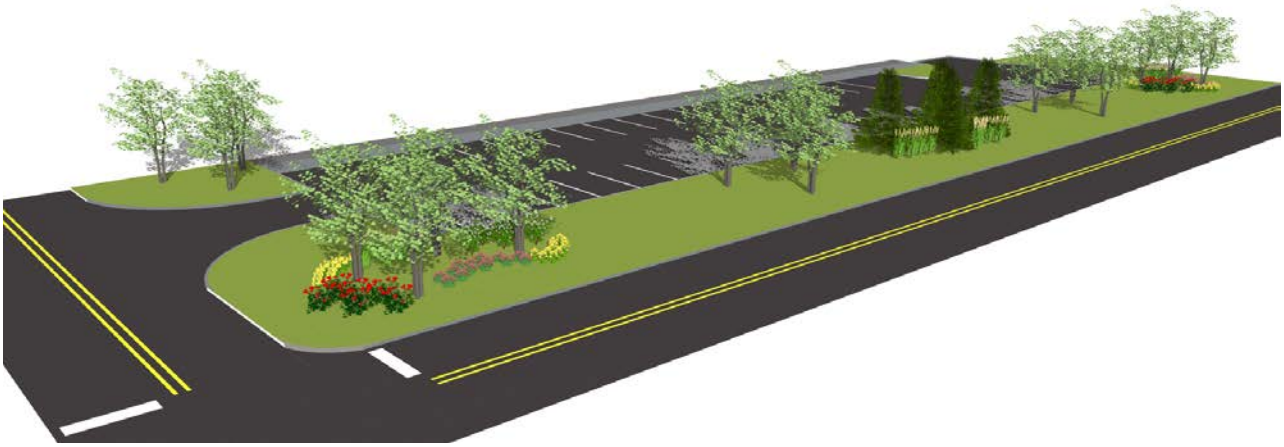
6. All plantings shall conform to the required corner clearance requirements of Section 28.03.

7. Properties that have frontage on Van Dyke Road between 14 Mile Road and 18 Mile Road shall incorporate landscape materials and plant types listed in the 2016 LDFA/Smart Zone Enhancement Report. A mixture of shade trees, ornamental trees, perennials and grasses shall be utilized from the list and planted in a manner consistent with the overall conceptual rendering for the corridor.

8. The proposed plantings shall provide a continuous landscaping scheme across the entire road frontage and meet the minimum planting requirements of Section 24.03.

9. Frontage landscaping may be installed in accordance with any of the following illustrations:

Permitted Frontage Landscaping on Corner Lots or Corner Parcels



Permitted Landscaping on Interior Lots or Interior Parcels

Section 5. Article 24, Section 24.05, Paragraph B of Zoning Ordinance No. 278 shall be amended to read as follows:

B. All trash receptacles shall be screened on three (3) sides by decorative masonry walls which are similar to or compatible with the exterior construction materials used elsewhere on the site. Chain link fencing with view-obscuring slats or wooden privacy fencing shall be prohibited. A door or gate of an enclosure screening trash receptacles or dumpsters shall be constructed of steel materials with a decorative wood or other decorative durable face material. All trash receptacles shall be placed on a concrete pad of not less than ten (10) feet by ten (10) feet in size with a minimum of six (6) inch thick concrete. Concrete or metal bollards shall be placed between the trash receptacle or dumpster and the rear wall of the enclosure.

1. For sites that utilize a trash compactor, the trash compactor shall be appropriately screened with a decorative wall, matching the heights of the trash compactor and that matches the architecture of the building. Other suitable screening mechanisms may be approved by the Planning Department (or the Planning Commission as the case may be), provided the screening is equivalent to the required wall.

Section 6. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.07 which shall read as follows:

Section 24.07 Decorative Fencing for Nonresidential Properties and Uses

A. All fences located on nonresidential properties or properties developed with nonresidential uses which abut a local collector, major, or regional roadway or a highway or expressway that are visible from such roadway, highway, or expressway shall be constructed of durable, decorative fencing material such as decorative wrought iron, PVC, etc. The use of standard chain link fencing shall be prohibited except in instances where the Planning Department (or the Planning Commission as the case may be) determines that the fence will not be visible from an abutting roadway, highway or expressway.

B. Fencing on a nonresidential property or for a nonresidential use shall only be permitted when necessary and in conjunction with a permitted principally permitted, approved special approval land use, or permitted applicable accessory use within the specific district in which it is located.

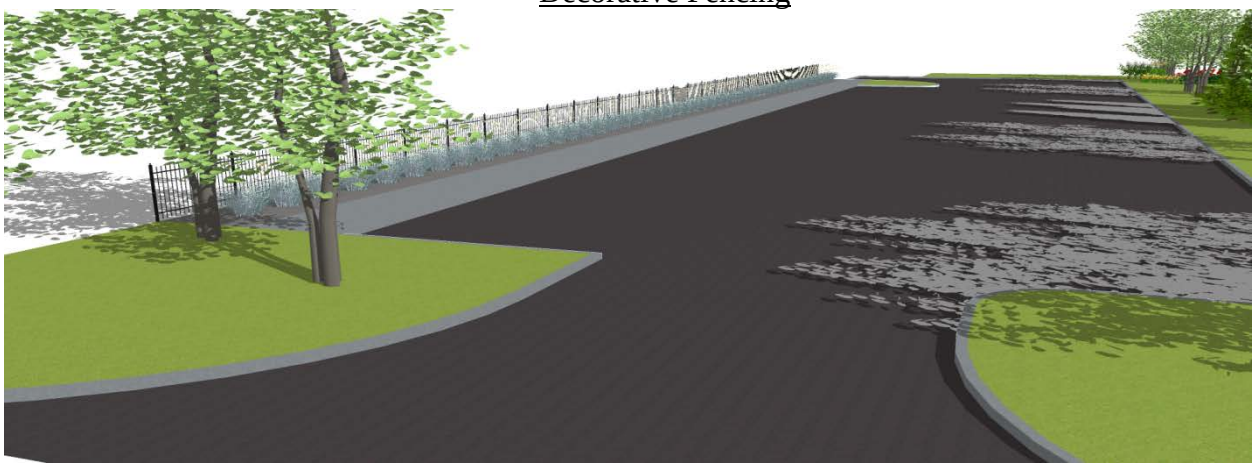
C. Fencing shall not be permitted within the required front yard. Fencing shall only be permitted within the non-required front yard. For those fences located in the non-required front yard, additional landscaping between the fence and the street right of way may be required by the Planning Department (or the Planning Commission as the case may be). Fencing may be permitted within the required side yard setback and within the required rear yard setback.

D. The use of slats or other strips of wood, metal, plastic or other materials inserted into a fence to provide screening or privacy shall be prohibited.

E. The provisions of this Section 24.07 shall not apply in instances where this Ordinance specifically requires fencing within the front yard or other area of the site.

F. Decorative fencing shall be installed similar to the illustration below:

Decorative Fencing



Section 7. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.08 which shall read as follows:

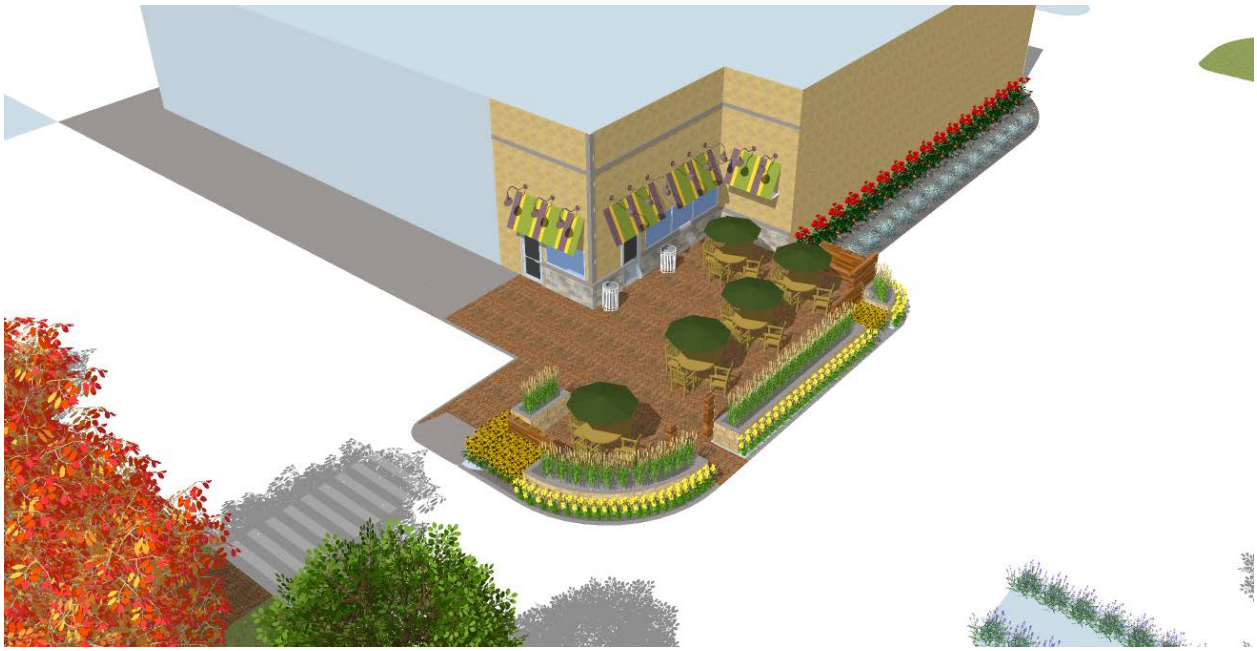
Section 24.08 Foundation Plantings

A. Foundation plantings shall be installed along a minimum of fifty (50%) percent of the linear footage of each side of an office or commercial building that is visible from a public thoroughfare. Buildings located on an outlot of a shopping center or otherwise built in front of the established front building line shall be landscaped with foundation plantings on those sides of the building that are clearly visible to the general public from the parking lot of the overall shopping center or site. For industrial sites, the landscaping requirement shall apply to that area of the industrial building dedicated to office and administrative use.

B. The foundation planting area shall be at least three (3) feet deep and may include in-ground landscaping, raised landscape beds, decorative container planters, or a combination of these. The Planning Department may approve other alternative landscaping schemes, such as green walls, increased landscaped island space, etc., consistent with the intent of this section.

C. The required landscaping shall be planted within twelve (12) feet of the exterior building walls. When a use contains an outdoor dining area or similar outdoor plaza area along the building frontage, the foundation planting area may be permitted to extend beyond the twelve (12) foot area to up to twenty-five (25) feet from the building or to a distance necessary to provide a landscaped treatment and/or screening along the perimeter sides of the outdoor dining area or outdoor plaza area which are furthest from the building, whichever is greater. (See illustration below).

Foundation Plantings Surrounding Outdoor Dining or Outdoor Plaza Area



Section 8. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.09 which shall read as follows:

Section 24.09 Transformer and Other Ground-mounted Appliance Screening

The location of any and all ground-mounted transformers, generators, air conditioning units or other similar appliances or equipment shall be shown on the site plan. Screening of the transformer or appliances shall be provided by the use of appropriate architectural features or landscaping which consists of plant materials of sufficient size and nature to provide a year round screen.

Section 9. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.10 which shall read as follows:

Section 24.10 Pedestrian Connections

A pedestrian connection shall be provided between the sidewalk along the frontage roadway and the entrance to the building. The pedestrian connection shall utilize parking islands, landscape areas, etc. to provide pedestrian protection to the greatest extent possible. The pedestrian connections shall be a minimum of five (5) feet in width and shall comply with all necessary accessibility requirements. Further, the pedestrian connection shall be integrated into the landscaping design for the entire site providing landscape materials to provide greater separation between the pedestrian connection area and any abutting vehicular maneuvering lanes or parking areas. (See illustration below).

Pedestrian Connections

Section 10. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.11 which shall read as follows:

Section 24.11 Bicycle Racks

A minimum of one (1) bicycle rack with spaces to park at least three (3) bicycles shall be installed at each commercial building or shopping center building that contains 5,000 square feet or more of useable space. The bicycle rack(s) shall be placed in one or more conspicuous location(s) within fifty (50) feet of a building entrance so that pedestrian access to the entrance or pedestrian movement on the site is not impeded.

Section 11. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.12 which shall read as follows:

Section 24.12 Enhanced Landscaping Treatments

In order to create a cohesively designed physical land use environment that portrays a sense of community specific to the City of Sterling Heights and a dynamic, flexible, and sustainable presence insuring long term value for both the community and the region, all nonresidential developments within the City shall provide at least two (2) outdoor enhanced landscaping treatments, at least one (1) of which shall serve the general public.

An enhanced landscaping treatment shall include at least two (2) of the following site elements or amenities listed in the following table, provided that such spaces are open, inviting, and accessible and total a minimum of five (5%) percent of the gross floor area of all buildings. Two (2) of the same types of elements may be selected, provided that they are located in two (2) distinct locations of the site and meet the requirements of this section. All enhanced landscaping treatments shall be maintained in good condition on a year-round basis.

Enhanced Landscaping Treatment	Required Element	Proximity and Accessibility Requirement	

Outdoor dining areas	The outdoor dining area shall be an integral element in the overall building and site design. If the use of the area ceases for dining purposes, the area shall be repurposed and maintained appropriately as a plaza area unless otherwise redeveloped.	Outdoor dining shall be provided in a location that is accessible to patrons or users as well as accessible for maintenance and upkeep. Outdoor dining areas shall also be afforded protection/separation from any abutting vehicular maneuvering lanes or parking areas.	
Pedestrian Pass Through	All pedestrian pass through areas shall be at least eighteen (18) feet wide. This requirement may be modified by the Planning Department if it is demonstrated that the pedestrian pass through is designed with architectural elements that reinforce an appropriate pedestrian scale. Pedestrian pass through areas shall include appropriate architectural and landscape elements which are in character with the remainder of the building and site. When uncovered, the pedestrian pass through shall include enhanced pavement that distinguishes the pedestrian pass through from adjacent sidewalks. Whether uncovered or enclosed, a pass through shall also include elements such as seating areas, trash receptacles, and pedestrian scaled	A pedestrian pass through area shall serve as a passageway through a building connecting place of interest or other significant site elements.	

	lighting. A bike rack shall be within the pedestrian pass through or located within thirty (30) feet of the pedestrian pass through entrance.		
Plaza	A plaza shall be designed to attract the general public. It shall include move-able seating, at least one (1) trash receptacle and one or more of the following additional items: a garden, landscape containers/planters, and/or water features such as fountains, reflecting pool, ponds, or waterfalls.	A plaza is separated from parking areas by a buffer, or landscape plantings at least three (3) feet in height.	

Alternatives. Alternatives will only be permitted if the Planning Department finds the proposed alternative(s) is/are in keeping with the spirit of this section. Any alternatives shall result in engaging, interesting, attractive, safe, context sensitive, and comfortable places.

Section 12. Article 29 shall be amended to add new Section 29.05 which shall read as follows:

SECTION 29.05 LANDSCAPING AND SITE IMPROVEMENTS; RESUMPTION AND RESTORATION

It is the intent of the City to improve the aesthetics and environmental quality of the City by requiring commercial and industrial properties with required landscaping or other exterior site improvements (such as roads, drives, parking areas, utilities, retention areas, walls, fences, open space areas, etc.) that have deteriorated over time due to a lack of care, maintenance, repair, or replacement to be brought into compliance with the current standards of the Zoning Ordinance.

A. Landscaping

1. Landscaping that is not in compliance with the provisions of the Zoning Ordinance shall be allowed to continue so long as it otherwise remains lawful and is properly maintained.

a. However, such landscaping shall not be extended, replaced, or moved except in a manner that complies with the terms of this Zoning Ordinance.

2. When existing landscaping on a site dies, becomes diseased, becomes overgrown, or is missing from the site despite being required in an approved landscape plan or site plan for the site, the dead, diseased, overgrown, or missing landscaping shall be replaced with landscaping that meets the current requirements of the Zoning Ordinance.

3. A property owner shall bring the landscaping on a site into compliance with all current Zoning Ordinance requirements in any of the following circumstances:

a. Whenever a property owner proposes to do site modifications that require a new site plan approval or replacement work relating to landscaping that requires a new landscape plan approval;

b. Whenever a property owner changes the use of the property or building;

c. Whenever a property owner undertakes improvements relating to a parking lot and/or paving, except that routine maintenance of a parking lot and/or paving shall not cause application of this provision unless the structural integrity of the parking lot or paving has deteriorated to the extent that it must be replaced rather than repaired;

d. Whenever the property is approved for expansion of a non-conforming use or structure; or

e. Whenever the property is approved for a map amendment to the zoning map or a conditional rezoning agreement.

B. Site Improvements

1. Site improvements that are not in compliance with the provisions of the Zoning Ordinance shall be allowed to continue so long as they otherwise remain lawful and are properly maintained.

a. However, such site improvements shall not be extended, replaced, altered, moved, constructed, or reconstructed except in a manner that complies with the terms of this Zoning Ordinance.

2. If an existing site improvement has deteriorated and/or has been destroyed, removed, or unlawfully modified to the extent that it is no longer in compliance with the Zoning Ordinance standards applicable at the time the site improvement was approved, the site improvement shall not be permitted to be resumed or restored to non-compliant standards but shall be brought into compliance with the current standards of the Zoning Ordinance, except that routine maintenance of a site improvement shall not cause application of this provision unless the structural integrity of the site improvement has deteriorated to the extent that it must be replaced rather than repaired.

3. A property owner shall bring the site improvements on the site into compliance with all current Zoning Ordinance requirements in any of the following circumstances:

a. Whenever a property owner proposes to do site work or work on any site improvement which requires a permit or City approval;

b. Whenever a property owner changes the use of the property or building;

c. Whenever the property is approved for expansion of a non-conforming use or structure; or

d. Whenever the property is approved for a zoning map change or conditional zoning agreement.

C. Phasing of Work for Compliance

1. The City Planner may allow a property owner who is required to bring landscaping or site improvements into compliance with the current requirements of this Zoning Ordinance pursuant to this section to do so over a period of time, provided the property owner executes and delivers to the City a Landscaping Upgrade Agreement or Site Improvement Agreement, as the case may be, in recordable form prepared by the City setting forth the property owner's commitments and obligations to install such landscaping or site improvements.

2. In implementing this phased compliance, the City Planner is authorized to allow a property owner a period of up to three (3) years depending on the nature, scope, and cost of the estimated work to bring the landscaping or site improvements into compliance with current Zoning Ordinance requirements. The phasing period shall require continuous, regular progress with respect to bringing the landscaping or site improvements into compliance with current Zoning Ordinance requirements.

3. Notwithstanding any other provision to the contrary contained in this section, a property owner shall not cause any condition or allow any condition to exist on its property which creates a hazard to the health, safety, or welfare of the public or anyone on the property.

D. Zoning Board of Appeals Authority

1. A property owner aggrieved by an administrative determination made relating to Section 29.05 may file an administrative appeal to the Zoning Board of Appeals in accordance with the provisions of Section 30.02 Paragraph B 1 of the Zoning Ordinance.

2. A property owner may seek a modification from the Zoning Board of Appeals of the requirements of Section 29.05 as applied to its property in accordance with the provisions of Section 30.02 Paragraph C 4 of the Zoning Ordinance.

E. Process

1. A written notice of violation shall be delivered to a property owner that fails to bring any landscaping and/or site improvement into compliance as required by this section.

2. Until July 1, 2017, the property owner may restore the landscaping and/or site improvement in a manner that complies with the requirements applicable to the property prior to the issuance of the notice of violation.

3. Effective July 1, 2017, if the property has been determined by the City to be substantially and materially out of compliance with its approved site plan, landscape plan, and/or the ordinance standards applicable to site improvements and/or landscaping on the property, the notice shall require the property owner to submit a new or updated landscaping plan and/or site plan to the City Planner which shall incorporate the current requirements of the Zoning Ordinance.

4. Failure to comply with these requirements shall subject the property owner to the remedial and enforcement provisions set forth elsewhere in the Zoning Ordinance and in Section 11-141 of the City Code.

Section 13. Article 28, Section 28.14, Paragraph I shall be amended to read as follows:

I. Any temporary structures shall be erected in a safe manner in accordance with applicable city codes, ordinances or standards. All tents used in conjunction with an approved temporary use shall be white.

Section 14. Article 31, Section 31.01 of Zoning Ordinance No. 278 shall be amended to add the following definitions to be inserted in their proper alphabetical sequence:

ENHANCED LANDSCAPING TREATMENT. An outdoor site element, feature, or amenity (such as an outdoor dining area, plaza, or pedestrian pass through) that (i) contributes to making a place more inviting and aesthetically pleasing to current or prospective residents, employees, businesses, visitors, or others who currently or may in the future live, work, play, do business, or visit the City, and/or (ii) promotes community spirit within the City, and camaraderie among those who live, work, play, do business, or visit the City.

FOUNDATION PLANTING. A planting providing decorative landscaping adjacent to (i) an exterior building wall visible to the general public from a public thoroughfare, or parking lot of the overall shopping center or site, or (ii) an outdoor dining area or outdoor plaza area.

FRONTAGE GREENBELT. A flat or undulating landscaped area or landscaped berm located in the front yard(s) of a lot or parcel of a depth not less than the required front yard setback.

FRONTAGE LANDSCAPING. Grass, shrubs, trees, other plantings, mulch, and decorative stones installed in a bed or other landscape area located in the frontage greenbelt of a lot or parcel parallel to the street(s) adjacent to the lot or parcel.

FRONTAGE TREES. Evergreen or deciduous trees installed in the frontage greenbelt of a lot or parcel. Frontage trees shall not include street trees planted in the right-of-way area adjacent to the front yard of a lot or parcel.

LINEAR FOOTAGE OR LINEAR FEET. The straight line measurement in feet of lot or parcel frontage on a street or of an object (such as exterior wall of a building).

Section 15. All other provisions of Zoning Ordinance No. 278 not amended in this ordinance shall remain in full force and effect.

Section 16. This amendment shall become effective seven (7) days after publication of this amendment or a notice of adoption.

This Ordinance was introduced at a regular meeting of the City Council of the City of Sterling Heights on the 20th day of September, 2016, and was duly adopted at a regular meeting of the City Council of the City of Sterling Heights on the 4th day of October, 2016.

MARK CARUFEL
CITY CLERK

INTRODUCED:	09-20-16
ADOPTED:	10-04-16
PUBLISHED:	10-12-16
EFFECTIVE:	10-19-16

COMMUNICATIONS FROM CITIZENS

Mayor Taylor announced that since it is past 10 p.m., they will take communications from citizens at this point.

Mr. Joe Judnick – tax breaks, *Re*Creating Recreation, repair of fire hydrant on Merrill, street sweeping, status of Polish Market and old Ping On Banquet Hall, Rizzo Services, Communications from Citizens portion of the meeting, water rates.

Ms. Jazmine Early – training offered by the Police Department for CERT, tax abatements, *Re*Creating Recreation

Mr. Giulio Russo – dual water meters

Ms. Dolores Hanton – taxes, bond issues, water bills, legal challenge of the Great Lakes Water Authority, upcoming election.

5. CONSENT AGENDA

Moved by Koski, seconded by Romano, **RESOLVED**, to approve the Consent Agenda:

A. To approve the minutes of the Regular Meeting of September 20, 2016, as presented.

B. To approve payment of the bills as presented: General Fund - $809,466.72, Water & Sewer Fund - $44,975.13, Other Funds - $2,369,176.32, Total Checks - $3,223,618.17.

C. **RESOLVED**, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding an emergency repair to the Fire Department's 2003 Sutphen aerial ladder truck by Apollo Fire Apparatus Repair 12584 Lakeshore Drive, Romeo, MI 48065 in the amount of $12,011.31.

D. **RESOLVED**, to purchase construction and utility castings from EJ USA, Inc., 301 Spring Street, East Jordan, MI 49727, at unit pricing available through the Oakland County Purchasing Program, Contract #004063, through February 28, 2017.

E. **RESOLVED**, to approve the Interlocal Agreement between the City of Sterling Heights and the City of Warren for Reciprocal Lending of Municipal Fire Apparatus and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

Yes: All. The motion carried.

CONSIDERATION

6. Mr. Kyle Langlois, Parks and Recreation Director, presented an added benefit to the proposed *Re*Creating Recreation. He stated that residents wanted an aquatic center, but to keep costs manageable, it was not included in the plan. There is a proposed Interlocal Governmental Agreement for Parks and Recreation Programs between the City of Sterling Heights and the City of Warren, which, if the *Re*Creating Recreation dedicated millage proposal is approved on November 8th, residents of Sterling Heights will have the ability to have year-round access to an excellent aquatics center providing open swim, lap swimming, water exercise classes, the water park, water aerobics, weight and fitness training and many other recreational programs in Warren at Warren's resident rates. There are currently 1,600 Sterling Heights residents using Warren's Community Center through annual membership or on a daily basis. He explained a non-resident daily pass for Warren's pool is $10; however, for Warren residents it is only $5 and residents of Sterling Heights would be afforded that same rate. The annual membership rates for members are $199 for youths, $230 for adults and $149 for seniors, and Sterling Heights residents will be able to take advantage of those same rates. In exchange for this service, the City of Sterling Heights would enter

into a 5-year agreement with the City of Warren and pay $100,000 a year for this service. He added there are options to renew and options to terminate. Mr. Langlois concluded that this arrangement would be very beneficial to residents of this City, and it would be a fiscally responsible solution. He stated the location of Warren's Aquatic Center is located just outside Sterling Heights' city limits, at 13-1/2 Mile Road.

Mr. Henry Bauman, Director of the Parks and Recreation Department in Warren, explained that their community has had a good relationship with Mr. Langlois and the Parks and Recreation Department's staff, and he was pleased to be able to make this offer.

Mr. Langlois thanked Mr. Bauman for attending this evening, and he presented a brief video.

Ms. Jazmine Early – questioned where the $100,000 annual fee is coming from.

Mr. Joe Judnick – questioned value of $100,000 annual fee to subsidize the estimated 1% of Sterling Heights residents who use the pool.

Mr. Giulio Russo – Utica Community Schools closed two of its pools, questioned why joining with Warren; city could have its own pool.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to approve the Interlocal Governmental Agreement for Parks and Recreation Programs between the City of Sterling Heights and City of Warren and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

Councilman Skrzyniarz asked about the cost and the breakdown as to the expectation of Sterling Heights resident usage of the Warren facility if the *Re*Creating Recreation is approved and this agreement is entered.

Mr. Langlois replied the City of Sterling Heights does not have the space for an aquatic center in their current inventory of land. He added 1,600 Sterling Heights residents currently use the Warren facility and paying non-resident fees, with approximately 220 families using it on an annual membership basis. He believed that for a city the size of Sterling Heights, he felt it is reasonable to expect they may get 1,000 families that will take advantage of this, and that does not count daily users and seniors.

Councilman Skrzyniarz would like the City to advertise and market the opportunity through social media and other mechanisms as much as possible to let residents know this opportunity is available for them. He stated he would love to see a world-class aquatic center in Sterling Heights but space and cost is an issue, in addition to ongoing maintenance. He said this is a smart strategic move and if, after three or four years they have a lot of families taking advantage of this, they can make an educated decision as to whether it is in the City's best interest to build their own aquatic center. He applauded City management for thinking outside of the box to come up with this proposal.

Mayor Pro-Tem Romano stated $100,000 is a lot of money and questioned why this is being discussed when the Parks and Recreation ballot issue has not yet been voted on. He inquired as to whether the City of Warren draws any money from their General Fund to operate their aquatic center.

Mr. Bauman replied they do not draw any money from their General Fund to sustain their pool. He added all of his staffs' part-time salaries are in his budget, as well as the building maintenance, so his department is self-sustaining. He stated that September and October are very slow months, but other activities pick up, such as pavilion rentals, which balances it.

Mayor Pro-Tem Romano stated this agreement would require $100,000 a year from the City, plus residents would be paying membership fees to the City of Warren. He explained it could get expensive, with the average $63 per year for the *Re*Creating Recreation and $300 for a family membership to use the Warren pool, in addition to their high water bills, possibly an annual assessment of $97 on average for the M-1 rail, not to mention the $100,000 the City is paying to the City of Warren as part of this agreement. He commented this should be postponed until after the election.

Mayor Taylor stated that the City cannot build and operate a pool for $100,000 a year, and he talked about the cost of constructing and maintaining a world-class aquatic center similar to that in the City of Warren. It was brought up before the election so the residents know what they will get for their money when voting on the recreation ballot proposal. He stated residents have complained that there is no aquatic option in the *Re*Creating Recreation proposal, and he explained that Warren's aquatic center is actually closer to some Sterling Heights residents than it would be if there was an aquatic center across from City Hall. He reminded that if this is approved, the residents will still pay a membership fee, but they

would have to pay that even if the pool was owned by the City of Sterling Heights. He stated this is a good compromise.

Councilman Shannon agreed with Mayor Taylor, and stated that some people may vote against the Parks & Recreation ballot issue if there is no provision for aquatics.

The meeting recessed at 11:01 p.m. and reconvened at 11:04 p.m.

Yes: Skrzyniarz, Taylor, Shannon, Ziarko, Koski, Schmidt. No: Romano. The motion carried.

7. Mr. Chris McLeod explained that any action taken tonight would not be for approval of the plan but only for distribution of the draft. It is the Planning Commission's recommendation that the distribution take place, and this distribution is required by state law. Once it is distributed, there is a 63-day review period, and it will go to other local communities and utilities. He stated that the utilities provide advisory comments only although they do not have to be implemented. Mr. McLeod said all of the hard work has been done, and now it is a matter of moving the plan forward.

Mr. Adam Young, of Wade Trim, outlined highlights of the proposed Master Plan and urged those with questions or comments to reach out to Mr. McLeod or himself. He added this plan is continuing with the goals set forth in the 2030 Visioning Plan and the key components include recognizing established neighborhoods, public parks and trails, Civic Center and service, traditional mixed use of development nodes, North Van Dyke Corridor Improvement Authority (CIA), Lakeside Mall

redevelopment, Van Dyke mixed uses and the Sterling Innovation District. Mr. Young explained the plan includes future land use goals and objectives.

Moved by Romano, seconded by Ziarko, **RESOLVED**, to approve the distribution of the draft Master Land Use Plan by the Secretary of the Planning Commission to all entities required by the Michigan Planning Enabling Act for review and comment.

Mayor Pro-Tem Romano stated this is a draft, and when the hard copy plan comes in for the City Council's approval, it will be reviewed and examined carefully.

Yes: All. The motion carried.

8. Mr. Michael Cacaj, President of INB Corporation, stated he was born and raised in the City of Sterling Heights, and he has been in the restaurant business for the last 18 years. He currently has a restaurant at 8 Mile and Grand River, and he has been serving diner food. He is confident he can handle this opportunity and is aware he has to complete some training. He informed that over the next few weekends he will be attending an "ABC Bartending" course.

Moved by Romano, seconded by Shannon, **RESOLVED**, that the request to transfer ownership of a 2016 Class C liquor licensed business located at 37142 Van Dyke Avenue, Sterling Heights, MI 48312, from Siracoff, LLC to IBN Corporation, with SDM license, Sunday Sales (AM / PM) and dance/ entertainment permit, be considered for approval.

Councilman Shannon stated he will vote "yes" but recalled that not too long ago, the Council, upon recommendation of the Administration, voted "no" on another request for a transfer of a liquor license. He explained that the State of Michigan overlooked the City's recommendation and concerns for that request, and approved it. He added that the City's opinion with regard to these licenses makes no difference to the State, and it is another area where the State is limiting local government from deciding what they want to happen in their community. He cited other examples where the State has acted on issues that directly affect the local residents.

Mayor Taylor wished the petitioner well. He stated he talked with Mr. Cacaj's friend, Victor, who vouched for him. He likes to see local residents who want to invest in the city, and he added that Mr. Cacaj has a good concept and a great location. He added that he will be checking it out.

Yes: All. The motion carried.

9. Moved by Romano, seconded by Ziarko, **RESOLVED**, to nominate Ryan Makowski for consideration as a permanent member appointee to the Board of Ordinance Appeals II at the October 18, 2016 regular City Council meeting.

Yes: All. The motion carried.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to nominate Nancy E. Kijek for consideration as an alternate member appointee to the Board of Ordinance Appeals II at the October 18, 2016 regular City Council meeting.

Yes: All. The motion carried.

10. Moved by Ziarko, seconded by Romano, **RESOLVED**, to appoint Pashko Ujkic to the Elected Officials' Compensation Commission to a term ending June 20, 2022, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Kaszubski and Mr. Vanderpool had nothing further to add.

UNFINISHED BUSINESS

There was no Unfinished Business discussed.

NEW BUSINESS

Mayor Pro-Tem Romano read a letter he received from a citizen expressing concern for all of these ballot proposals adding costs that he has to pay on a fixed retirement income, and objecting to *R*eCreating Recreation. Mayor Pro-Tem Romano commended Mayor Taylor for doing an excellent job at the recent State of the City address. He mentioned the successful Fire Department open house, adding that they served cider and donuts, and also presented three "Survivor Coins". Mayor Pro-Tem Romano talked about the *Re*Creating Recreation Initiative on the ballot next month, and calculated the annual amount that three members of council, along with the Assistant City Manager, will have to pay if it is approved, and he pointed out the average of those came to $84 annually and not the $63 average that is being advertised. He reminded it is a twenty-year commitment, along with the proposal for the Regional Transporation Authority (RTA), which is also a twenty-year commitment. He calculated some of the

annual amounts added in to his taxes, including the extra amounts for the school, veterans, regional transportation, and parks and recreation, and it totals an average of $217 extra annually. He stated that adding in the $300 annually for the aquatic membership brings that amount to an average of $517, which is a hardship on many people. He reminded people to vote, and stated the absentee ballots are going out in the mail this week.

Councilman Shannon responded to comments up by Mayor Pro-Tem Romano. He clarified that the RTA is not a "done deal" and they are not sure whether it will pass.

Councilman Shannon clarified that the $300 membership fee is not mandatory, and if someone cannot afford it, they do not have to make use of the Warren pool.

Councilwoman Ziarko questioned whether there is a calculator on the website so that residents can determine exactly how much they would be paying per year for the Parks and Recreation initiative based on their property value.

Mr. Vanderpool replied there is a calculator on the City's website so residents can determine their annual cost based on their property value.

Mayor Taylor stated that the average $63 annual fee for the *Re*Creating Recreation Initiave was determined by taking into account all of the homes in Sterling Heights, and it does not work by only selecting a few. He is aware of the concern those on fixed incomes have with regard to additional taxes, but he reminded each resident has the right to vote on this. He explained he looks at each item as to whether it will benefit him and whether he will get more value by keeping that money in his pocket or spending it on the proposal. He stated that

based on the average in Sterling Heights, most residents will spend about $5 a month for the parks and recreation initiative, although he will be paying closer to $10 a month. He added that amount is worth it to him and so he will be voting "yes".

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn into Closed Session.

Yes: Ziarko, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Koski. No: None. The motion carried.

The meeting was adjourned at 11:33 p.m.

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MARK CARUFEL, City Clerk