

CITY OF STERLING HEIGHTS
MINUTES OF REGULAR MEETING OF CITY COUNCIL
TUESDAY, OCTOBER 18, 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 on the upcoming Sterling Frights Halloween event to be held at Dodge Park on Saturday, October 22, 2016 from 10 a.m. to noon for kids under 12 years of age. He stated there will be live music, a straw maze, hay rides, cider & donuts & goodie bags for all participants. He added there will be inflatable activities for all young participants, and their classic Scarecrow and Ms. Pumpkin will be there.

Mr. Vanderpool reported that the City has hosted three community forums on the *ReCreating Recreation Initiative* to present as much information as possible on the upcoming ballot proposal. He stated that not everyone could attend these forums, so took some time to review what was presented. He explained why it is important to plan for the future and not accept the city's natural course of evolution, and he outlined the steps of a city's evolution. He stated a city starts out growing with a lot of room for development, residents and businesses move in, population increases and then a plateau occurs. It becomes fully developed, population drops off, homes and businesses start aging, people move out, school enrollment starts to drop, and the community ends up in a perpetual decline. He stated that both Utica Community Schools and Warren Consolidated Schools have had declining enrollment. He stated Sterling Heights is not willing to accept that fate, and was able to survive the city's worst financial crisis due to a solid self-imposed emergency financial plan. The city is fully-developed, although there are pockets of new development, so if they do not look to the future and plan for quality of life, they are taking a risk of going the way of this natural path of evolution. A few years ago, they completed the city's Visioning 2030 Plan, which involved feedback from businesses, residents and other stakeholders, and he reviewed their vision, which was summed up as "Sterling Heights – A Bold Vision for an Exceptional Quality of Life". This included vibrant and attractive commercial centers with unique offerings, and many of the older centers are now being redeveloped. The vision also included a desire for safe, well-maintained

neighborhoods, enhanced by great schools, and a destination for emerging high-tech industries. The vision addressed well-maintained and aesthetically-pleasing roads and greenspace, focal points to serve as destinations to residents and businesses, and plentiful leisure and recreation opportunities, including fully-utilized parks and paths for biking and hiking. Mr. Vanderpool explained that after years of cutting costs to survive the recession by eliminating 200 full-time positions, fixed pensions, retiree health care, and contracting out services, the City was able to save about \$30 million from their operational budget. He added that doing this and focusing on the quality-of-life services in the Visioning 2030 will result in prosperity rather than a path of decline. He stated that the *ReCreating Recreation Initiative* is a direct result of the Visioning 2030 Plan, and if it is passed by the voters on November 8th, it will save the future of the City for current and future generations.

A short video was shown to explain all that encompasses the *ReCreating Recreation Initiative*. Upon conclusion of the video, Mr. Vanderpool stated that if this initiative is passed by the voters, it will cost the average homeowner \$5.25 per month. He addressed one of the most common questions asked at the symposiums, which was why this could not be done on a “pay-as-you-go” basis out of the general fund, and he explained it would not be possible to complete this work in phases because they do not have the necessary funding available to implement these improvements without new revenue sources. He stated the second common question was how fast this would be implemented if the initiative

is passed, and he replied that the city is committed to have it all completed within three years, although some of the non-structure components, such as the splash pad, the Farmer's Market pavilion and the ice rink, could be completed quicker, but the community center would take longer. He concluded that the comments from the symposiums were very positive. He welcomed anyone to contact the city with questions and added that these videos are available on the website.

Mayor Pro-Tem Romano stated that this initiative involves a 20-year commitment that residents "will be passing on to their sons and daughters" and that both sides of the *ReCreating* Recreation Initiative should be presented. He requested five minutes to respond.

Mayor Taylor stated he will give Mayor Pro-Tem Romano time to speak later in the meeting but indicated they are now moving on to the first presentation on the agenda.

Moved by Romano, to overrule Mayor Taylor's ruling so that he can make a 5-minute presentation regarding the *ReCreating* Recreation Initiative.

The motion failed for lack of support.

PRESENTATION

Councilwoman Schmidt explained that for the past two years, Key Safety Systems' employees have volunteered to participate in the Sterling Heights Initiative for Neighborhood Excellence (SHINE) program, which matches volunteers with Sterling Heights' property owners who, because of age and/or physical disabilities, need assistance in maintaining their residences. She added

that their employees have also been regularly volunteering for charitable events, including Habitat for Humanity, the Clinton River clean-up, American Red Cross drives, St. Leo's Soup Kitchen and the Christmas Giving Tree sponsored by the Macomb Charitable Foundation.

Councilwoman Schmidt presented the Nice Neighbor award to Mr. Anthony Penner, on behalf of Key Safety Systems, Inc., nominated by Mr. Luke Bonner, Senior Economic Development Advisor, in recognition of their efforts to assist the community and contributions in making Sterling Heights' overall quality of life second to none.

Mr. Anthony Penner stated their company has been in this community for forty years, and he thanked the City for making it easy for them to be involved in the community. He explained it is time-consuming for the managers of companies like theirs to organize community events, but opportunities like the SHINE Initiative make it very easy for them to be involved. They hope to stay involved and be around for many more years, and he thanked the City for this award.

PUBLIC HEARING

1. Mr. Luke Bonner, Senior Economic Development Advisor, explained that DM Tool & Fabrication started its business in Sterling Heights in 1989. They currently employ 85 people at their location on 18-1/2 Mile Road, and manufacture items such as aluminum, nickel alloy and steel fabrications as well as manufacturing metal prototype tooling, molds and offer custom painting, packaging, plate-burning and water-jet cutting, all for aerospace, automotive and

military industries. They are investing \$1.8 million for a 22,000-square-foot facility, which will allow them to bid on much larger projects. He explained there are over 100 companies in Macomb County that are involved in the defense and commercial aerospace industries, and he named many of those companies in Sterling Heights. He stated the staff recommendation is for a 10-year abatement, adding that the company is proposing 30 new jobs on location. They anticipate, over that period, the city will gain new tax revenue in the amount of \$68,340 and the schools will gain an additional \$123,950. He stated that Mr. Rico Valente, owner of DM Tool and Fab, was called to an out-of-state customer and is unable to attend the meeting this evening but relayed his apologies and his appreciation for the Council's support, and he asked that they look favorably upon this request. Mayor Taylor opened the public hearing.

Mr. Joe Judnick - opposed to tax abatements and concerned about lost revenue to the city and schools; pleased they are expanding but felt they should pay full taxes rather than half.

Mayor Taylor closed the public hearing.

Moved by Romano, seconded by Skrzyniarz, **RESOLVED**, to adopt the Resolution approving the application by D M Tool & Fab Inc. for an Industrial Facilities Tax Exemption Certificate at 6101 18-1/2 Mile Road for a period of 10 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.

Mayor Pro-Tem Romano stated if they want businesses to continue to come into Sterling Heights and expand, these tax breaks are necessary.

Councilwoman Koski inquired as to whether it is true that the schools will lose \$123,950 over the ten-year period.

Mr. Bonner replied they look at the investment, which is generating new tax revenue, and there is a net gain to the schools and city because of the new investment. He stated there is a concept with tax abatements that taxes will be “lost”, but he reminded that without the new and/or expanded business, the taxes were not there to begin with. He stated it is a 50% tax abatement, and the businesses can get this relief under PA 198.

Yes: All. The motion carried

RESOLUTION

A resolution of the Sterling Heights City Council approving the application by D M Tool and Fab 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 18th 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: Romano and supported by: Skrzyniarz.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on October 21, 2008, the City Council established by resolution an Industrial Development District (IDD); and,

WHEREAS, D M Tool and Fab 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 18th, 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 September 13, 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 D M Tool and Fab 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

T2N, R12E, SEC 9; COMM AT W 1/4; SEC 9; TH S86*28'E 102.0 FT,
TH N03*26'E 349.69 FT, TH S86*28'E 328.39 FT TO POB;
TH S86*28'E 1.61 FT, TH N03*26'E 264.0 FT,
TH S86*28'E 330.0 FT, TH S03*26'W 290.69 FT,
TH N86*26'W 230.0 FT, TH S03*26'W 217.67 FT,
TH S79*37'51"W 103.33 FT, TH N03*09'52"E 269.06 FT TO POB; 2.74 AC

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 10 years after completion.

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

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 18th day of October, 2016.

Mark Carufel, City Clerk

ORDINANCE INTRODUCTION

2. Mr. Chris McLeod, City Planner, explained this is the consideration of an introduction for a conditional rezoning for the southeast corner of Nathan West and Ryan Road, just north of 17 Mile Road, from R-60 (One-Family Residential) to C-1 (Local Convenience Business). The proposal is to develop a low-intensity commercial development of approximately 13,500 square feet with nine tenant spaces. The subject 1.9-acre parcel has 368 feet of frontage on Ryan Road, with property to the south, east and north currently zoned R-60. He added the property to the south would be isolated as residential if the subject property is rezoned. Property further to the south, at the 17 Mile/Ryan intersection, is zoned commercial. Mr. McLeod stated the Master Plan for Future Land Use indicates residential for this area and calls for commercial use only for the property at the intersection of 17 Mile and Ryan. He explained the conditions that are being

proposed along with this request, including the following: a 23-foot greenbelt around the back portion of the property abutting the residential districts, which is about 2.3 or 2.4 times what the current zoning ordinance requires; increased frontage landscaping; all-brick building; no ingress/egress directly to Nathan West; and a series of conditions that would limit the use of the property, which would prohibit the use for meat and fish markets, fruit and vegetable markets, restaurants, carry-out restaurants, taverns and bars. He advised that the Planning Commission's recommendation was for denial based on the following: the rezoning would be considered a spot-zoning; it is contradictory to the Master Plan, and the property can be developed as zoned.

Mr. Anthony Penna, of Moore Penna & Associates, 38600 Van Dyke, Sterling Heights, Michigan 48312, representing May and Sam Alisa, the petitioners, stated they have spent a lot of time working on this conditional rezoning proposal, and he does not feel what they are proposing fits into the traditional "C-1" designation. He explained their uses of their prospective tenants will be much "softer" than what is typically found in the C-1 district. They have provided additional greenbelts, and the elevations resemble an office complex. They have restricted uses, and two of the anchor tenants will be owner-occupied. He explained Sam Alisa has been a barber in the 16 Mile/Ryan area for 20 years and he has outgrown his current facility, so his plan is to move forward with this center and he will occupy one of the units. His wife, May, has operated a floral shop for 15 years, so she will relocate that shop to this new center. Mr. Penna

informed that 5,500 square feet will be occupied by May and Sam Alisa, adding that they have been saving money for this, and this has been their dream. He stated they purchased the property 12 years ago and it is debt-free. They have been working on this plan since the end of 2012, and they feel this is the best use of the property. Their proposed plan complies with all ordinances and they will need no variances. He stated they have gone above and beyond to restrict the uses, and added that this would be a contract with the City, so the City can shut them down for any breach of that contract. Mr. Penna explained they shifted the building further south on the property, away from the residential district, leaving 23 feet of greenspace to the east abutting the residential district, and another 40 feet adjacent to Nathan West. They will have a 6-foot-high decorative stamped concrete brick wall adjacent to the residential homes to the east. They are also proposing abundant landscaping, including over 20 Norwegian Maples every 30 feet, with more clumped in the northeast corner. The dumpster will be against the building on the south side. There will be no parking spaces on the east side of the building. He showed the elevations, stating it will be of brick construction on front and back to give it a residential look so it blends into the neighborhood. The roofline will have residential shingles and dormer windows that will resemble an office complex. Mr. Penna added they want to be good neighbors and feel this will generate tax revenue for the City, rather than continuing to leave the property vacant.

Mr. Penna explained the adjacent property to the south is developed with a very old single-family residence that has been vacant since 2013, when the owner passed away and it was inherited by his daughter, although there is an ongoing estate issue. Mr. Penna explained they have created an access to the property to the south because his clients have tried to purchase it.

Mr. Giulio Russo is opposed. He stated regulations too restrictive will hurt the plaza, and he questioned why they cannot consider O-1 zoning that would still allow their businesses but not burden the neighborhood.

Mr. Joe Judnick has no objection to a barber shop and a florist, but questioned other commercial uses that would be permitted.

Mr. Henry Paulus, 4206 Nathan West, is opposed. He stated the petitioner purchased residentially-zoned land when he could have purchased commercial land for this use. The residents invested a lot of money into their homes with the promise it would remain residential.

Another resident spoke, and he is in support of the request. He stated it is on a main road and residential property values increase when there is some commercial development in the area.

Mr. Arthur Gorney, 4223 Nathan West, stated the Planning Commission voted 6-2 to deny this for many reasons, including danger to pedestrians, increased traffic and accidents in the area, a school bus stop at the corner, a house on the property to the south that is zoned residential, and it would be considered spot zoning. He is opposed to the rezoning.

Ms. Abby Hakim is in favor of the conditional rezoning. She owns a boutique and would love to locate in this shopping center. It will create jobs, it is on a major road, and the owners want to “build their dream.”

Mr. James Van Dyke, 4171 Nathan West, purchased his home this year and is opposed to the proposed conditional rezoning. He questioned C-1 being defined as “Local Convenience Business District”, yet the petitioner assures there will be no “convenience stores”. He questioned if the property to the south will be rezoned commercial also, because Mr. Penna had indicated the petitioners want to buy it. He stated left turns from Nathan West are difficult and will get worse. He said this plan may be the petitioner’s dream, but the neighbors also have a dream of enjoying their homes in a residential setting.

Mr. Michael Slocum, 4685 Nathan West, is opposed. He could see no hardship, and the Master Plan indicates “residential” for the subject property. He suggested the petitioner develop the subject property as residential, take the profits from the sale and invest it into commercial land where they can build their “dream”.

Ms. Giralda Miuri, 4616 Nathan West, one of the three original owners of the subject property and the surrounding residential land, explained they subdivided it and sold the lots. She stated they sold the subject property as residential, and the buyers promised that was how they were going to use it. She is opposed to the rezoning.

Mr. Jeffrey Berg, 4314 Nathan West, is opposed, stating the petitioners should not have purchased residential property with the intent to change it. He stated traffic on Ryan is bad and suspected it will worsen if the property is rezoned. He is concerned that a commercial zoning will result in more traffic driving through their subdivision, deteriorating their roads which are already getting bad.

Ms. Dolores Hatton stated there are a lot of strip malls and many of the units are empty.

Dr. Abrhiem, 43321 Aspen, is in favor of the request. He understood the concerns with traffic but feels shopping centers are a benefit to a community. He urged the residents in the area to look at the positive side of having this property developed rather than remain vacant. He added the owners have a good history with the city, and he stated the area will become safer because it will be lit up.

Ms. Majid Kattula, 5310 Dickson, 28-year resident and part of the focus group for the 2030 Visioning plan, is in favor of the request. She commended the owners for working with the city, and she feels commercial developments are necessary to keep residents in the area. She urged people to set aside their emotions and make their decisions based on the good of the city.

Mr. Hithem Choulagh, 43798 Holmes, is in favor of the rezoning, stating it is better to have a property developed rather than to remain vacant

because it generates tax revenue. He does not feel it will be dangerous to the residents.

Moved by Shannon, seconded by Koski, RESOLVED, to deny introduction of the map amendment to conditionally rezone property on the east side of Ryan Road, south of Nathan West, in Section 17 from R-60 (One Family Residential District) to C-1 (Local Convenience Business District); Case No. PZ15-1136.

Councilman Shannon visited the abutting neighborhood and talked with some of the residents. He agrees with the Planning Commission's recommendation. He is concerned that this plaza would infringe on the quality of life for the families on Nathan West. He pointed out that the properties along Ryan are not commercial except for the corners. He indicated that the subject property can be developed as residential, and the land was purchased as residential, so there should be no assumption that it can be changed. He stated that a barber shop and a florist are great uses, but questioned what other businesses could go in, and if nothing can be found, he is concerned the property would eventually have to be rezoned to allow broader uses.

Councilwoman Koski stated she lived at 14-1/2 Mile and Ryan for nearly 33 years, and Ryan was a two-lane dirt road. She stated that with the shopping center being pushed to the south, she is concerned about people making left-hand turns out of the subject development with the speed limit of 50 miles per hour on Ryan. She looked at the homes in the area last week, stating the first home is gorgeous and she would be concerned if she was living there and looking at a

shopping center every day. She inquired as to what would happen with the property to the south because it is zoned residential but would be sandwiched between two commercial properties.

Mr. McLeod replied that having a residence between two shopping centers is feasible, but he anticipated the City would eventually be presented with a rezoning application for that parcel as well, from residential to commercial or office. He replied to inquiry if the abutting property is rezoned in the future to office or commercial, it could be developed with a small office building or commercial use with several more tenant spaces, but he did not believe they would design it to be perpendicular to Ryan because they would want the frontage on Ryan. He stated that, based on this site plan provided with the conditional rezoning, there is a connection to the property to the south, so that would connect parking lots, and at that time, the City would work with them to provide cross access to the corner parcel.

Councilwoman Koski questioned whether the parcel to the south, if rezoned to commercial, could still maintain its own ingress/egress.

Mr. McLeod replied that typically a commercial parcel would have its own ingress/egress, but if it is connected to the two adjacent parcels, there could be discussion at that time to try to discourage another ingress/egress.

Councilwoman Koski stated she is opposed to the conditional zoning, adding that the properties on Ryan Road have typically been residential, with commercial developed on the corners of the intersections.

Councilwoman Schmidt questioned what uses are allowed in the C-1 district.

Mr. McLeod read the lengthy list of uses outlined in the ordinance that are permitted in the C-1 district. He stated that restaurants are allowed in C-1 with special land use approval, enabling a future owner to come in and apply for special land use to allow a restaurant in the shopping center.

Councilwoman Schmidt inquired as to the definition of “convenience store” because that was not on the list of allowed uses.

Mr. McLeod stated the ordinance does not define “convenience store” but it would fall under the “general retail” provision. It would be allowed as long as they were not selling anything that would be prohibited in that district. He stated a 7-Eleven would be considered a convenience store.

Councilwoman Schmidt felt the term “convenience store” is vague. She agrees with the Planning Commission that this would be spot zoning, and she agrees with the safety concerns of the residents. She stated there are new homes on Ryan so she feels the property can be developed as zoned.

Councilwoman Ziarko commented on the beautiful unique homes on Nathan West, and understand their desire to keep their area residential. She understands that the petitioners have a dream, but feels it is in the wrong spot. She stated when they purchased the residentially-zoned property for this purpose, they were assuming the city would approve a rezoning. She agrees that this would be spot zoning. She felt the dedication of the petitioners to seek out their dream is a true testament to them, and she assured if this property were already zoned C-1, this

development would not be an issue. She stated that this property is not going to remain vacant, however, because it is a valuable parcel, and the owners have a right to develop it. She agrees with the Planning Commission that approving the conditional rezoning is not the right thing to do, and is not in the best interest of the people who are living there and driving through there every day. She is concerned that if the rezoning is approved, the property could be sold and the next owner may not have the same dedication or dream. She inquired as to who has the responsibility of paying to fix the residential street.

Mr. Vanderpool replied that, through the Special Assessment process, the residential street becomes the City's responsibility to maintain. They would have to look at it and address any area in disrepair.

Councilwoman Ziarko commented that there would be two sides of the residential neighborhood with brick walls.

Mayor Pro-Tem Romano inquired as to the impact on the residents. He could understand where the residents on Nathan West would be impacted. He questioned the distance from the back of the commercial building to the homes abutting that property.

Mr. Penna estimated the distance would be approximately 110 feet. He replied to further inquiry that there is 23-foot greenbelt proposed along the rear property line. He estimated the residential lots are each 80 feet in width, but they are deep lots. He stated the concrete wall will be 6 feet in height and the commercial building will be 25 feet in height at the highest peak.

Mayor Pro-Tem Romano inquired as to what businesses, in addition to the barber and the florist, may go in this commercial center if it is approved.

Mr. Penna stated there is a demand for this type of use. He questioned why the former owner did not include the subject parcel in with the homeowner's association when the homes were developed. He stated this property is not marketable for residential because Ryan is a major thoroughfare. He respects where the former owner is coming from, but he stressed they would not be here if her dream was to keep this all residential. He stated the center will be full if it is approved, and they have already lined up a cell phone store, a computer repair store, a home décor and gift shop, an appraisal company and a travel company. He added that there are no vacancies in shopping centers along Ryan. He understood the neighbors' concerns about traffic, but pointed out if the property is developed as residential, there could be four lots with four ingress/egress points.

Mayor Pro-Tem Romano referred to an earlier question from a resident as to how he would vote if this were abutting his home, and he replied that he would love a brick wall behind his house because it would give him privacy. He stated there should not be a lot of truck traffic for the types of businesses proposed. He agreed there should be no grocery stores or restaurants, but he did not anticipate that the conditional rezoning as proposed will impact the value of the surrounding area. He could not see people wanting to build single-family homes on Ryan because it is a main road with a high speed limit. He stated he is not opposed to the conditional rezoning request.

Councilman Skrzyniarz stated he can see both sides of this issue and both sides presented very good points. He does not feel there will be much impact on traffic, and he cannot see where there is significant proof that safety will be affected if this is approved. He stated data shows that developments such as this tend to increase the value of homes in the surrounding area. He added there are some challenges with the Master Plan, but he pointed out there are conditions in the proposed conditional rezoning contract to fit in with the Master Plan. He stated it is impressive to see the great lengths the owners and developer are going to make this fit into the area. He stated if this was a great residential property, it would have already been developed. He pointed out that someone is willing to invest money in the property and is trying to do it in partnership with the City to address their concerns. If the City Council turns it down, he questioned whether other developers will be willing to go to these extremes to try to make it work for the neighborhood. He stated if it remains zoned residential, the property could stay vacant for a long time. He stated the inventory of vacant commercial units in Sterling Heights is very low, and the local shopping centers are full. He stated he is opposed to the motion on the floor and feels City Council should approve the request.

Mr. Penna explained they created an access point to the adjacent southerly property, and understands his clients will have an opportunity to purchase that adjacent property. If that occurs, they would not need to create another ingress/egress because they would just expand the center. He stated this is a great

transitional use as presented, and he added that the Master Plan is a document that can be changed because the zoning pattern in the area has started to change. He urged the City Council to approve the request.

Mayor Taylor stated some of the residents in the area indicated they would be in favor of a multiple-family residential development for that property. He inquired as to whether the developer could construct multiple-family residential apartments on the property.

Mr. McLeod replied they may be able to construct connected units at the same density rate, so it would be a four-plex. He replied that typical single-family homes are 1500 to 2000 square feet and they could be connected.

Mayor Taylor inquired as to whether the owner could build more units if he obtained a rezoning to multiple-family residential.

Mr. McLeod replied a rezoning to multiple-family residential would enable them to build more than four units, and the property would accommodate close to 10 units.

Mayor Taylor inquired as to the height of the building that would be permitted.

Mr. McLeod replied they would be allowed up to a 30-foot height, which could be a substantial building.

Mayor Taylor inquired as to whether the developer would be required to put in a greenbelt and trees on the east and north sides if the property were to be developed as multi-family.

Mr. McLeod replied they would not be required to put in the extensive landscaping and setbacks that are being offered in this conditional rezoning. He replied to further inquiry that a development with 10 multiple-family residential units would require 20 parking spaces, but the garage space can count toward that. He replied to still further inquiry that the ingress/egress could be out to either Ryan or Nathan West, whereas a commercial development would not have a driveway out to Nathan West.

Mayor Taylor felt the multiple-family residential would be more intense of a use than what is being proposed with the contract rezoning. He stated they can decide that this site is going to remain vacant for a long time, or they can consider a proposal for a commercial development where they can get a lot of restrictions to make sure it is a good transitional use that fits in well with the surrounding neighborhood. Another option would be for the property to be rezoned to multiple-family residential and become developed with a lot of units that could have direct access to Nathan West. Mayor Taylor stated the residents would most likely not be happy with that option. He explained there was a commercial development that went up at the end of the street where he used to live, and it had no negative impact on his quality of life, and possibly improved it slightly because he could walk to the center. He stated the proposed conditional zoning makes the most sense to him, but he pointed out this is only an introduction. He explained that if there are questions to be answered or other details to be worked out, this can be introduced tonight and there would be two weeks to obtain

answers or resolve issues. At that time, the City Council can approve it or deny it. He stated if it is denied this evening, he does not know where they can go from here. He stated there is a motion on the floor to deny the request, but if that motion is withdrawn, he would be in favor of introducing the ordinance for consideration at the next meeting. He added it can still be denied at the next meeting.

Councilman Shannon stated he could not see the residents coming forward within the next two weeks with any feelings other than opposition to the request. He felt their concerns are valid. He also does not see what the petitioner would say in the next two weeks to change the residents' opinions or the Council members who are opposed. He questioned what changes they would request of the petitioner that would change the minds of those who are voting against it.

Mayor Taylor stated he is hearing concern from residents that is vague. He suggested a clear explanation from a planning and zoning perspective may help as to the alternatives that would be available if this is turned down.

Councilwoman Koski stated the City cannot request anything from the petitioner. When a contract zoning is offered, it must be offered by the petitioner. She stated they can ask the petitioner if there is anything else they are offering.

Roll call vote: Yes: Shannon, Koski, Ziarko, Schmidt. No: Romano, Skrzyaniarz, Taylor. Motion carried.

COMMUNICATIONS FROM CITIZENS

Mayor Taylor noted that since it is 10:00, they will entertain communications from citizens at this point.

Larry – water bills, and questioned possibility of legally challenging Great Lakes Water Authority; opposed to Regional Transportation Authority (RTA) ballot proposal; *Re*Creating Recreation and its individual components; more than one dog park.

Mr. Jeffrey Norgrove – questioned if Maple Lane will be widened to 3 lanes; RTA ballot proposal; Rizzo contract.

Ms. Jazmine Early - *Re*Creating Recreation symposiums; water bills, surveys in mail; agreement with City of Warren regarding community pool; Rizzo contract.

Ms. Dolores Hatton – sidewalk along Schoenherr between Clinton River Road and 17 Mile lacks a guardrail; water bills; Great Lakes Water Authority; Splash Pad; agreement with City of Warren regarding community pool.

Ms. Linda Godfrey – Rizzo contract; *Re*Creating Recreation and its proposed cost to each homeowner; pool contract with City of Warren.

Mr. Joe Judnick – video outlining *Re*Creating Recreation; vacant property at Mound and Poplar; campaign donations from Rizzo PAC and Mitten Leadership Fund.

Mr. Giulio Russo – looking at options for zoning and development of vacant property fronting main roads and abutting residential properties;

condition of roads; tax abatements; complimented Police and Fire
Departments on excellent service.

3. CONSENT AGENDA

Mr. Joe Judnick – Item “E” – purchase of long guns; inquired as to
whether these are assault rifles and whether “no cost” means the police
officers will be paying for them.

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

- A. To approve the minutes of the Regular Meeting of October 4, 2016, as presented.
- B. To approve payment of the bills as presented: General Fund - \$612,230.48, Water & Sewer Fund - \$3,171,967.09, Other Funds - \$4,485,310.42, Total Checks - \$8,269,507.99.
- C. **RESOLVED**, to award the bid for installation of new scoreboards at L.W. Baumgartner Park to J. Ranck Electric, Inc., 1993 Gover Parkway, Mt. Pleasant, MI 48858, in the amount of \$34,644 and authorize a budget amendment to 24700700 (Land & Water Conservation Fund) 972000 (Land Improvements) from Land & Water Conservation Fund reserves for the amount of the bid award.
- D. **RESOLVED**, to award the bid for printing of the City of Sterling Heights magazine to Grand Blanc Printing Company, Inc., 9449 Holly Road, Grand Blanc, MI 48439, for a two-year period at the following unit prices:

Price per printing (53,500 pieces) \$11,700.00

Bundling and Delivery to the Post Office Included

- E. **RESOLVED**, to award the bid for the purchase of long guns for the Sterling Heights *Police Patrol Rifle Program* to Michigan Police Equipment Company, 6521 Lansing Road, Charlotte, MI 48813, at unit prices bid.
- F. **RESOLVED**, to set a public hearing on Tuesday, November 15, 2016 at 7:30 p.m. regarding the application and concept plan submitted by Maple Lane Holdings LLC for a Planned Unit Development on 288 acres situated north of 14 Mile Road, west of Maple Lane Road, PPCM-1161.
- G. **RESOLVED**, to approve the Cost Sharing Agreement between the Macomb County Department of Roads, City of Sterling Heights, and City of Warren for purposes of securing federal grants for the reconstruction of Mound Road from I-696 to M-59 and authorize the Mayor and City Clerk to execute the Agreement on behalf of the City.
- H. **RESOLVED**, to adopt the resolution authorizing Official Statement and Continuing Disclosure Undertakings by City officials for refunding of Macomb Interceptor Drainage District Drain Bonds, Series 2010A, Limited Tax General Obligation.

Yes: All. The motion carried.

CONSIDERATION

4. Mr. Vanderpool explained there are three bargaining units which have collective bargaining agreements with the city that provide for a job reclassification process. He stated that, due to a decision by the Michigan Municipal League to eliminate professional consulting services utilized by the City for analyzing employee job reclassification requests, the City was forced to renegotiate this process with the three unions. He explained that, through this process, new language was incorporated into the collective bargaining agreements. He added that the MAPE Technical Office Employees has a current contract from July 1, 2015 through June 30, 2018, so they negotiated a Memorandum of Understanding (MOU). Mr. Vanderpool thanked and acknowledged the MAPE Technical Office employees for working collaboratively with City administration to reach this agreement, and he requested it be approved by City Council.

Moved by Romano, seconded by Skrzyniarz, **RESOLVED**, to approve the Memorandum of Understanding between the City of Sterling Heights and Michigan Association of Public Employees Technical/Office Employees Union and authorize the Mayor and City Clerk to sign it on behalf of the City.

Yes: All. The motion carried.

5. Moved by Skrzyniarz, seconded by Romano, **RESOLVED**, to appoint Ryan Makowski to the Ordinance Board of Appeals II as a regular member for a term ending June 30, 2019, 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.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to appoint Nancy E. Kijek to the Ordinance Board of Appeals II as an alternate member for a term ending June 30, 2019, 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

Mayor Taylor read the following statement prepared by City Administration: Rizzo Environmental Services was awarded the waste disposal and recycling contract in Sterling Heights based upon an open public and competitive bid process, whereby it was determined to be the lowest most qualified bidder. On October 3, 2016, Sterling Heights was notified that GFL USA, Inc. acquired Rizzo Environmental Services, Inc., and City Administration is in the process of reviewing the matter to determine whether the City will continue utilizing those services.

Mr. Vanderpool reported on an earlier question that Maple Lane will be widened in the future, as indicated on the Master Plan for Future Land Use, but it will not be occurring within the next couple of years.

Mr. Vanderpool responded to the citizen's comment about the safety of the sidewalk on Schoenherr, and explained there was a dirt walkway established but with the installation of the sidewalk, it is much safer for pedestrians. It is now

concrete and a steel guardrail is being installed over the bridge to make it safer for pedestrians and bikers, and he anticipated it will be completed soon.

Mr. Vanderpool addressed the comments on the *Re*Creating Recreation, clarifying that the cost to build out the projects highlighted in the video will be \$45 million. That cost will be funded through a bond, and the .97 mil, which is in the ballot question on November 8th, covers the \$45 million bond cost and any operational costs associated with the project. He stated this would cost the average homeowner w \$63 annually, or \$5.25 a month.

Mr. Vanderpool clarified, regarding the comments made about Rizzo's services, that Rizzo Environmental Services was the low bidder and are saving the City approximately \$250,000 a year in its base refuse cost. The recycling subscriber cost, when it becomes effective, will be reduced from \$67 to \$57.

Mr. Vanderpool addressed the question regarding the rifle program. The rifles being purchased are FN 15 Tactical Carbine Rifles, and are in addition to the guns the police officers are assigned by the City. Each officer pays for these guns through payroll deduction, which amounts to approximately \$20 per pay for two years.

Mr. Kaszubski had nothing further to report.

UNFINISHED BUSINESS

There was no Unfinished Business discussed.

NEW BUSINESS

Mayor Pro-Tem Romano read a prepared statement regarding in-house emergency transport by the Fire Department.

Moved by Romano, seconded by Skrzyniarz, **RESOLVED**, to direct City Administration to begin negotiations with Sterling Heights Firefighters Association, Local 1557, to make the necessary changes in the collective bargaining agreement required to implement the self-sustaining model for in-house emergency transport services.

Mayor Taylor stated the City has been provided a proposal by the firefighters to perform the transport service. It has been vetted by city administration, and they have put together a team of city employees in the Fire Department to put together a model that will not cost any more money to the city. It will require changes to the collective bargaining agreement, and he is in support of negotiating with the union to determine whether there is an opportunity to enhance the service without any additional cost to the residents.

Councilwoman Schmidt inquired as to how many new firefighters would be necessary under the self-sustaining cost-neutral model.

Mr. Vanderpool replied they received a proposal from the union that would have resulted in hiring 28 new firefighters. That proposal was not economically feasible and would have cost an additional \$1.5 million per year. The Fire Chief assembled a team including Chief Financial Officer Brian Baker and Assistant City Manager Jeff Bahorski, along with himself and other employees from his department. They were able to develop a self-sustaining model that would require

15 additional firefighters, but at no additional cost to the city. He stated there are some significant and difficult changes that would need to be made to the collective bargaining unit.

Councilwoman Schmidt inquired as to whether it is an assumption under that model that the city will be paid for these services.

Mr. Vanderpool replied there are several assumptions in that model but they are based on industry trends in terms of percentages that would be covered by insurance companies, number of runs and trending transports that would occur in the future. He stated they used conservative estimates, and while they cannot expect to receive 100% of what they bill, they may be likely to receive 70%, so all of that has been taken into consideration with the self-sustaining model.

Roll call vote: Yes: Romano, Skrzyniarz, Shannon, Taylor, Koski. No: Schmidt, Ziarko.

The motion carried.

Mayor Pro-Tem Romano stated he recently had dinner at Ike's Restaurant and the owner approached him to talk about his water bill, which was \$1,200. Mayor Pro-Tem Romano pointed out that is a monthly bill, not a quarterly bill, and the owner was present earlier this evening but left before he got an opportunity to talk because of the length of the meeting. He stated he will invite him back but suggested Mr. Baker contact him before that to discuss it, adding the owner is a great businessman and supporter of the city.

Councilwoman Schmidt highly commended the Police Department for their handling of some recent activities that occurred at Sterling Heights High School and in the Warren Consolidated District. She thanked them for stepping up and handling these so well.

Mayor Taylor addressed an earlier question on *ReCreating Recreation* and why the city cannot pay for the upgrades out of their budget rather than opting for this ballot proposal. He stated the City does not have the money to make the improvements to the parks without the passing of the ballot proposal in November. There are small amounts each year in the budget to do some minor repairs, but what they can do is a minimal amount with the couple thousand dollars budgeted each year. He stated the passing of this ballot proposal will enable the generational changes needed.

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn the meeting

Yes: All. The motion carried.

The meeting was adjourned at 11:05 p.m.

MARK CARUFEL, City Clerk