



FINAL

SPECIAL STUDY SESSION MEETING MINUTES

A Special Study Session meeting of the Farmington City Council was held on April 7, 2014, in City Council Chambers, 23600 Liberty Street, Farmington, MI. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:00 PM by Mayor William Galvin.

1. ROLL CALL

Attendee Name	Title	Status	Arrived
Greg Cowley	Councilmember	Present	
William Galvin	Mayor	Present	
JoAnne McShane	Councilmember	Present	
Steve Schneemann	Mayor Pro Tem	Present	
Jeff Scott	Councilmember	Present	

City Administration Present

Director Christiansen
City Clerk Halberstadt
Assistant to the City Manager Knowles
City Manager Pastue
Attorney Beth Saarela

2. APPROVAL OF AGENDA

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Cowley, Councilmember
SECONDER:	Jeff Scott, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

3. PUBLIC COMMENT

No public comment was heard.

4. PRESENTATION

A. 2014 Founders 50Th Anniversary Festival

Janet Bloom, Director of Programs & Events, GFACC, was present to discuss the 2014 Founders Festival.

Discussion followed regarding the location of the fireworks; how the festival can benefit downtown businesses; shuttle service; sponsorships and financial goals of the festival.

5. DISCUSSION

A. Proposed Kimco Site Plan

Present: Scott Tucker, Vice-President of Leasing for KIMCO Realty, Pat McCune, KIMCO Construction Manager, Joel Volpe, Herschman Architects, and Chuck Chzran, local Kimco Property Manager.

Christiansen briefly discussed current occupancy of the KIMCO Center and proposed site plan.

Pastue invited representatives from KIMCO and Herschman Architects to discuss the proposed site plan.

Mr. Tucker discussed a proposal from Fresh Thyme Farmers Market, to occupy space in the Downtown Farmington Center. He spoke about the logistics of the project, including the need for a complete tear down, parking and delivery challenges, and visibility and signage. He stated they will seek a Planned Unit Development (PUD).

Mr. Volpe commented on the challenges of fitting Fresh Thyme Market in the proposed space. He reviewed the floor plan, elevation and proposed baler storage in the rear of the building.

Christiansen indicated Fresh Thyme is a midwest grocery backed by Meijers. He discussed the challenges of dumpster support for the Center tenants and some of the challenges KIMCO faces in redeveloping the center.

Responding to a question from Schneemann, Mr. Volpe stated the plans are to demolish the entire section of the building where the grocery would be located.

Responding to a further question from Schneemann, Mr. Volpe stated construction staging would take place in the rear parking lot.

Responding to additional questions from Schneemann, Mr. Volpe confirmed the recessed loading dock will have a partial retaining wall; and the compactor will have a partial screen wall and would be located on city property.

Christiansen advised that in order to repurpose the center there needs to be an engagement by the city. He stated this is why KIMCO has suggested moving forward with a PUD process. This process would spell out every activity associated with the redevelopment of the property.

Responding to a question from Schneemann, Christiansen stated the encroachment into Orchard Street in the rear of the building will not impact the

travel portion of that street.

Pastue advised he has held off redoing Orchard Street knowing this area would eventually be redeveloped. He stated future needs of the property will probably dictate reconstruction of the road.

At the request of Schneemann, Mr. Volpe discussed the architectural design intent of the project. He stated the attempt was to marry the typical facade of the grocer and the requirements of the city.

Schneemann referred to the progressive redesign of The Groves Center and his desire to see something more innovative for the proposed KIMCO tenant. He would like to see something that compliments the existing architecture, but would take it up a notch.

Scott, in referring to the proposed design, expressed disappointment in the rehash of the 60's retail model. He noted KIMCO has had the opportunity to review the City's vision plan and what the city would like for that site. He stated instead they came in with a scrape and rebuild with some encroachment. He would like to see more responsiveness to the vision plan before he can support the project.

Scott stated he knows KIMCO can do better on the truck well so that it is totally within the building. He would like to see a mixed-use, multi-level development on that site. He stated the city has been dealing with the issue of having a strip mall in the downtown. He expressed concern regarding the building height in relation to the rest of the center. He understands it is KIMCO's property, but would like to see some give and take with the city in the design.

McShane commented she understands the proposed plans are preliminary. She expressed excitement to see this project move forward. She believes it is a wonderful opportunity for both KIMCO and Farmington. She noted there are a number of opportunities where compromise can be reached. Ideally, she would like to see Fitness 19 moved and have the side of Fresh Thyme Market on Farmington Road where they would have good visibility. She would also like to see a pass-thru where Tuesday Morning meets Fresh Thyme. She noted the south parking lot could be redone with the elimination of the park.

McShane stated the proposed building does not bother her and sees it as a tie-in to the eastern section of the center. She would like the city to work with KIMCO to make this project happen.

Responding to a question from Cowley, Mr. Tucker stated the estimated value of the project investment is approximately \$3 1/2 million.

Cowley expressed excitement about a 2-story structure and connecting one parking lot to the other. He asked how many additional parking spaces would be needed to make the market successful.

Mr. Tucker responded probably a lot more than is currently there. He stated

there would be more business opportunity with additional parking.

Responding to a question from Schneemann, Mr. Volpe stated Fresh Thyme typically stores carts inside their stores.

Cowley expressed support for the proposed tenant and believes it would be a home run for the downtown. He advised linking the two parking lots would be a crucial element to the success of the center.

Christiansen stated that based on the square footage of the proposed building approximately 150 parking spaces would be needed.

Galvin thanked the KIMCO representatives and Mr. Volpe for their presentation. He believes a market is the right fit for the proposed location. He believes all parties involved should come out winners. He stated Scott's comments resonated with him. He does not know that refilling the same footprint is the optimal solution. He would like to see different plan designs. He noted the Downtown Master Plan calls for a different design on Orchard Street.

Galvin asked how the property can be integrated with the neighborhood to the south rather than functioning as a barrier. He believes there is a solution and options should be explored. He noted the city owns property to the south. He stated the property needs to be consumer friendly. He cautioned that a Council decision will impact the city 40-50 years out.

Mr. Tucker spoke about the challenges of the center and that it would not be economically feasible for KIMCO to tear it down and rebuild.

Pastue asked about the timetable for the project.

Mr. Tucker stated they would like to have it done by this fall, but realistically not until spring. He stated if the project was delayed until the middle of next year the deal would probably fall through.

Responding to a question from Schneemann, Christiansen confirmed the plans would be required to be presented to the Downtown Development Design Committee.

Scott reiterated his belief that KIMCO can do better on this project.

6. BUSINESS ITEM

A. Consideration to Approve Construction Estimate No. 8 and Change Order No. 5 for the 2013 Streetscape & Utilities Improvements

City Administration requested payment of \$298,431.49 to Warren Contractors for work completed on the Grove Street and Warner/Oakland Street projects and change order #5 in creasing the contract amount by \$54.20. It was noted this item was pulled from the March 17th regular agenda as a result of discussion at the study session prior to the meeting. More detail has been

provided in the current staff report regarding work remaining on the project.

Schneemann confirmed with City Administration that after this payment, the remaining retainage would be \$30,000 and the amount of the contract yet to be earned is \$21,500, totaling \$51,500.

McShane expressed concern regarding the length of the punch list and the possibility that the contractor may walk and leave some of the project undone. The contractor may decide the work remaining is not worth what the city owes them. She recommended establishing a timeline to complete the work.

Pastue advised the work should be done within a month. He stated many of the punch list items can be completed quickly. He believes the contractor is interested in the finishing the project and maintaining their reputation.

Scott pointed out that the manhole near Los Tres Amigos needs to be adjusted and noted it is not on the punch list. He asked if Orchard Hiltz has identified the value of the punch list.

Pastue responded no value has been placed on the list.

Scott would also like the establishment of a timeline for the work to be completed. He stated retainage should be released based on a time commitment.

Pastue recommended placing a May 15th deadline in the motion.

Responding to a question from Cowley, Pastue stated the Los Tres Amigos dumpster will not be enclosed as part of the project.

Schneemann and Scott recommended withholding \$50k in retainage.

Scott asked how the city will ensure the timeline is met.

Pastue will require the contractor to sign an affidavit that work will be completed by May 15th.

Motion to approve construction estimate #8 with Warren Contractors in the amount of \$278,431.49, maintaining a retainage of \$50,000, and approve change order #5 increasing the contract amount by \$54.20; with the stipulation that all punch list items and remaining work be completed by May 15, 2014.

The votes were taken in the following order: Galvin, McShane, Schneemann,

Scott, Cowley.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Cowley, Councilmember
SECONDER:	JoAnne McShane, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

7. BUSINESS ITEM

1. Consideration to Approve Second Amendment to the Sale of Land Agreement with Balfour Farmington LLC for the Purchase of the Old 47Th District Courthouse Property

Pastue reviewed the proposed second amendment to the sale of land purchase agreement with Balfour Farmington LLC.

Motion to approve a second amendment to the sale of land purchase agreement with Balfour Farmington LLC extending the period to submit a planned unit development application through May 31, 2014. [SEE ATTACHED AGREEMENT].

The votes were taken in the following order: McShane, Schneemann, Scott, Cowley, Galvin.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Greg Cowley, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

8. BUSINESS ITEM

1. Consideration to Renew Qualified Voter Agreement with Michigan Department of State

City Administration advised the City Clerk's office is requesting renewal of an agreement with the Michigan Department of State to provide computers to maintain the City's election records through the State network.

Motion to approve renewal of Qualified Voter Grant Agreement with Michigan Department of State and authorize the City Clerk to sign on behalf of the City. [SEE ATTACHED AGREEMENT].

The votes were taken in the following order: Schneemann, Scott, Cowley, Galvin, McShane.

Council recessed at 7:30 p.m. and reconvened at 7:40 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeff Scott, Councilmember
SECONDER:	Greg Cowley, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

9. DISCUSSION

1. Parking Authority

Pastue stated one of the goals identified in the 2014-2015 Work Plan was to establish a parking authority. He advised the City Attorney was asked to provide information to facilitate this process. He asked Attorney Saarela to review her findings.

Attorney Saarela advised the State of Michigan does not have a statute that would authorize the city to create a "parking authority." She discussed four options to finance and build a parking structure including: 1) the city could own the structure and finance it through revenue bonds to be paid in user fees; 2) the city could own the structure and finance it through special assessments; 3) the city could create a building authority to own the structure and finance it using bonds; and 4) the Downtown Development Authority (DDA) could construct and own the facility and finance it through any option available to a DDA.

Pastue recommended establishment of a "parking authority" by ordinance since there are no state statutes that apply. He cited a number of questions that need to be answered regarding this process.

Galvin reviewed his findings from 7-8 communities of similar size to Farmington that have parking structures. He stated only one of the communities had a "parking authority" listed under its boards and commissions. He noted at least one of the communities privatized its structure.

Cowley expressed his belief that a parking structure cannot be done without private investment and in turn there must be a tax advantage and return on investment.

Pastue discussed the different revenue streams that would be involved in financing a parking structure. He stated an authority would have the responsibility to coordinate financing.

Cowley stated he is looking for the "parking authority" to do the entire strategy.

Responding to a question from McShane, Pastue stated the authority would cover downtown parking only.

McShane discussed the wide range of responsibilities given to a parking authority. She liked the idea of a board with four members at-large and one city councilmember. She noted the authority is no small job.

Scott stated he sees the possibility for a parking structure on the east side of the city and suggested an authority should cover the entire community.

Schneemann expressed concern there is no state statute for a parking authority and that there are very few communities that have one. He pointed out that an authority seems tied to a structure, however, there are other challenges that need to be addressed regarding parking. He stated an authority could pursue other options to a parking structure. He suggested this group could be labeled something other than an authority.

Discussion followed regarding how the city will define the scope of an authority and finding a model that could be adapted to Farmington.

Galvin spoke about the need for the authority to be aware of all forms of transportation, including pedestrians.

Schneemann suggested the authority should have a liaison to the DDA Design Committee.

McShane expressed the need for the authority to have sufficient time to study the issue extensively before a recommendation is made. She pointed out a nearby city where two parking structures were built that are not being used.

Pastue advised he will do further research on parking structures including talking with other cities in an effort to create a model.

Responding to question from Cowley, Pastue suggested a goal of 90-120 days to draft an ordinance and provide to Council for a first reading.

Cowley suggested an authority that could start working on signage; meters on Grand River; revenue streams; coordination with existing parking lots and options on property. He state there is a lot that can be done without getting to the parking structure conversation.

Cowley would like to bring back valet parking in the downtown next winter and he would contribute financially to that effort.

Schneemann emphasized that alot can be done by a parking authority without necessarily going to a parking structure.

McShane suggested using the Traffic and Safety Board to address some of the parking issues.

10. CITY MANAGER UPDATE

Pastue provided an update on several ongoing issues/projects in the city as follows:

Grand River made the first cut for the \$115 million legislative appropriation for road repair. He met with residents who live on Grand River that are very frustrated with the lack of progress in repairing the road. He stated

the city will clean up some of the debris from the road that ended up in their yards.

Work will begin on the Caddell Drain with an end of June deadline.

Continue to work with the State Historic Preservation Office (SHPO) regarding the Farmington Road project. SHPO wants to see a complete design before they will provide an answer. Knowles advised a representative from SHPO has finally agreed to come to Farmington a couple of times for the planning review of the project.

The school board has approved a proposal for the development of the Flanders property and now the PUD process will move forward.

SMART is asking for an increase from .6 mil to 1 mil. There was no indication from them early on that this increase was being contemplated.

A community meeting was held recently to discuss with residents and business owners redevelopment in Farmington and the 2014-15 Council work plan. Director Christiansen also participate in this meeting.

A joint special meeting with the Planning Commission and Board of Zoning Appeals will be scheduled for Monday, April 28th.

A Council retreat will be scheduled to discuss redevelopment plans.

Christiansen discussed the upcoming Planning Commission meeting where four site plans will be presented. He commented on inquiries received for the Kmart Center.

Pastue and Christiansen will meet with representatives from the Historical Commission regarding historical structures that are vulnerable due redevelopment.

Discussion followed regarding the Historical Commission and the pursuit of a certified historic district.

11. COUNCIL COMMENT

McShane pointed out the City Council has never had the desire to preserve historic homes. She stated if the city had an Historic District Ordinance homes that are contributing would be saved. She noted if the city started knocking down homes that people consider to be an integral part of Farmington's charm they will come out in huge numbers.

Schneemann recognized the city needs something in place that helps preserve properties in the Historic District. He stated any action needs buy-in from residents in the district.

Responding to a question from Cowley, Pastue confirmed Representative Barnett is providing assistance on funding for repairs on Grand River. Pastue stated the brewery is still working out the details on its lease.

Galvin requested City Administration draft a resolution regarding repairs needed on Grand River. The resolution can be voted on at the next meeting. He would be willing to take it to Lansing.

12. CLOSED SESSION - LABOR NEGOTIATION

1. Motion to enter closed session to discuss Labor Negotiations.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Jeff Scott, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

The votes were taken in the following order: Scott, Cowley, Galvin, McShane, Schneemann.

Council entered closed session at 8:50 p.m.

2. Motion to exit closed session.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Steve Schneemann, Mayor Pro Tem
SECONDER:	Greg Cowley, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

Council exited closed session at 9:02 p.m.

13. ADJOURNMENT

1. Motion to adjourn the meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Steve Schneemann, Mayor Pro Tem
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

The meeting adjourned at 9:02 p.m.

William E. Galvin, Mayor

Susan K. Halberstadt, City Clerk

Approval Date: _____