

FARMINGTON CITY COUNCIL
REGULAR MEETING
October 20, 2008

A regular meeting of the Farmington City Council was held on Monday, October 20, 2008, in Council Chambers, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 8:05 p.m. by Mayor Knol.

PRESENT: Buck, Knol, Wiggins, Wright.

ABSENT: McShane.

CITY ADMINISTRATION: City Clerk Halberstadt, Director Nebus, City Manager Pastue, and Treasurer Weber.

CONSENT AGENDA

10-08-196 MOTION by Wright, seconded by Wiggins, to approve the consent agenda as amended (removing Special Meeting Minutes of September 15, 2008 for further review by City Clerk):

- A. Regular Meeting Minutes of September 15, 2008
- B. Special Meeting Minutes of September 29, 2008
- C. Farmington Monthly Payments Report – September 2008
- D. Monthly Public Safety Report – September 2008
- E. Building Department 1st Quarter Report – July 1, 2008 through September 30, 2008
- F. Financial Report Quarter Ended June 30, 2008
- G. Financial Report 47th District Court Quarter Ended June 30, 2008
- H. Investment Report Quarter Ended June 30, 2008
- I. Special Event Request - American Cancer Society Relay for Life

MOTION CARRIED UNANIMOUSLY.

APPROVAL OF REGULAR AGENDA

10-08-197 MOTION by Wiggins, seconded by Buck, to approve the agenda as amended (adding item 6C – Amendment to Streetscape Resolution). MOTION CARRIED UNANIMOUSLY.

PRESENTATIONS/PUBLIC HEARINGS

PROCLAMATION – NATIONAL FAMILY CAREGIVERS MONTH, NOVEMBER 2008

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Council proclaimed November 2008 as National Family Caregivers Month in the City of Farmington.

DOWNTOWN DEVELOPMENT AUTHORITY TAX INCREMENT FINANCE PLAN AND DEVELOPMENT PLAN

Annette Knowles, Downtown Development Authority Director, gave a presentation on the function of the Downtown Development Authority (DDA) and how the DDA proposes to use the revenue from the proposed Tax Increment Finance Plan.

Public Hearing

10-08-198 MOTION by Wiggins, seconded by Wright, to open the public hearing to receive public comment on the proposed Downtown Development Authority Tax Increment Finance Plan and Development Plan. MOTION CARRIED UNANIMOUSLY.

Hank Borgman, 34011 Grand River, expressed confusion regarding how the TIF plan generates funds without increasing property taxes.

Mayor Knol clarified the TIF plan only captures tax revenue within the Downtown Development Authority District. It only applies to property owners within the boundaries of DDA.

Knowles clarified that this is not a new tax. It is simply a redirection of tax dollars that are already being collected. She assured Mr. Borgman his home is not in the DDA District and therefore he would not be affected by the TIF plan.

Richard Tengler, 36491 Vicary Lane, expressed concern regarding any new development in Farmington. He stated the City should be worried about surviving, not growing. He further stated the City should be evaluating how it can function more efficiently to reduce costs.

Jim Mitchell, 23211 Floral Street, expressed concern that the proposed ordinance should have been introduced prior to the approval of the Streetscape Improvement bond. He stated prior to the passage of the bond referendum DDA representatives claimed the DDA did not have the dollars to fund the project because it only received 50% capture under the TIF plan. He pointed out if 100% capture is granted, the DDA gets both parts of the pie. He stated the DDA would get the City supporting \$3.2 million bond proposal for the Streetscape Project and 100% funding for the TIF. He argued that the reason the City should keep 50% of the TIF capture is because residents are paying for the Streetscape improvement. He stated to do it any other way is to pull the wool over the eyes of the residents.

Mitchell expressed further concern regarding two City Council members who own real estate in the Downtown. He stated those Council members should recuse

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themselves from any vote concerning the proposed ordinance. He recommended the City consult with City Attorney Schultz before any decisions are made.

David Cornwell, property owner in the DDA District, indicated he is one of the property owners who pays the significant revenues currently being discussed. In response to Mr. Mitchell's concerns, he noted City residents voted overwhelmingly in support of the bond referendum. He stated residents understand that a vital downtown improves residential property values. He noted Farmington is competing in a very difficult environment and this is not the time to withdraw and retreat.

Cornwell indicated the people on the DDA Board to a large extent are property and business owners in the community. He stated these are folks who have invested in the community and pay the largest part of the revenue that supports the DDA. They take part in the decision making process in how the DDA funds are spent. He did not see this as a conflict of interest. He recognized the benefit of City Council members who have invested money in the community.

Hearing no further comments, Mayor Knol asked for a motion to close the public hearing.

10-08-199 MOTION by Wright, seconded by Wiggins, to close the public hearing.
MOTION CARRIED UNANIMOUSLY.

Introduce Ordinance C-735-2008 to Amend City Code Pertaining to the Downtown Development Authority

Councilmember Wiggins expressed support for the ordinance amendment because it will provide direction for funds that are already being generated. He stated that not only will the DDA capture the additional 50% in increased property values, but they will gain some responsibility that the City was previously providing. He further stated this will be a better accounting of the TIF funds.

Councilmember Wright noted Farmington is competing with other communities to attract both businesses and residents. He stated the City will not benefit from investment opportunities unless residents are willing to commit to developing their community. He noted there is a direct correlation between investment in the downtown and growth in property values and long term viability. He stated Farmington has lacked the willingness in the past to commit to its downtown. He further stated some of the realities facing Farmington today are a direct result of past lack of commitment.

Wright noted other communities have moved beyond Farmington. He stated the proposed change in the TIF plan is just one of many steps towards invigorating the downtown. He stated if there was ever a time to commit to ourselves it is today and it is precisely because of the declining economy. He stated people will

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be traveling less which presents an opportunity for the downtown. He noted the changes occurring on Wall Street work to the advantage of the City's downtown.

Mayor Knol noted the bond referendum for the Streetscape passed by an overwhelming 68% of the voters. She stated the community was not led to believe the City would invest in the downtown Streetscape because the DDA only captured 50% of TIF revenue.

Knol stated the reason the entire City is involved in the Streetscape is because of the benefits of the project. She noted the Streetscape will improve safety for both motorists and pedestrians. It will facilitate the recruitment and retention of businesses. It will help prevent blight which in turn reduces crime. It will improve the aesthetics of the downtown. She stated a healthy and vibrant downtown is good for the entire community, not just property owners in the downtown.

Knol advised with this change in the TIF plan the DDA will be taking on additional infrastructure projects. She reminded everyone that the City has never asked the DDA to fund repaving projects in the downtown because those are streets that are traveled on by everyone in the community.

Knol advised residents in a small community can fill a number of different rolls such as serving on Council and owning property in the downtown or a business owner serving on the DDA Board. She stated residents like the fact that we have a tight knit community with an opportunity to serve in a number of different roles. She congratulated Councilmembers for making an investment in the downtown. She stated her belief that this is not a conflict of interest for Councilmembers holding property in the downtown because it is a separate DDA Board that determines how funds will be spent. She stated this has never been a conflict of interest in the past and the City Attorney has not advised otherwise.

Councilmember Buck noted residents have indicated a desire for more stores, restaurants and activities in the downtown. They want to see the downtown more vibrant. He stated this change in the TIF Plan will provide more focus in downtown activities and allow the City to prioritize funding in that direction. He expressed pride in owning a home in the community and investing in a building in the downtown. He expressed pride in the City's goals for the downtown making Farmington more competitive. He encouraged entrepreneurship in the downtown.

City Manager Pastue noted most communities capture 100% under a TIF plan. He stated with this change the City will be transferring some operational responsibilities to the DDA that were previously the responsibility of the Department of Public Works. In addition, the City will be transferring some capital improvement projects.

In regards to a conflict of interest, Pastue advised the statute for the DDA requires that a majority of its boardmembers own property or have a business interest in the downtown. Therefore if this represented a conflict of interest there

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would be no quorum to make decisions. He stated a conflict of interest occurs if there is a direct and specific benefit to an individual.

Pastue requested Council proceed with the introduction of the ordinance, however, the City will consult with the City Attorney concerning the question of a conflict of interest prior to its adoption.

10-08-200 MOTION by Wiggins, seconded by Wright, to introduce Ordinance C-735-2008 to revise Chapter 11 of the City Code to amend and restate the Downtown Development Authority Tax Increment Finance and Development Plans through December 31, 2038 and to increase the Tax Increment Finance Capture from 50% to 100%. MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT, PROGRAM YEAR 2009 APPLICATION

10-08-201 MOTION by Wright, seconded by Wiggins, to open the public hearing to receive public comment regarding the 2009 Community Development Block Grant Application. MOTION CARRIED UNANIMOUSLY.

Hearing no public comment, Mayor Knol asked for a motion to close the public hearing.

10-08-202 MOTION by Wright, seconded by Wiggins, to close the public hearing. MOTION CARRIED UNANIMOUSLY.

UNFINISHED BUSINESS

CONSIDERATION TO APPROVE PROGRAM YEAR 2009 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION

RESOLUTION 10-08-203 Motion by Buck, seconded by Wiggins, to approve a resolution authorizing the Mayor to submit an application for participation in the 2009 Community Development Block Grant Program. **[SEE ATTACHED RESOLUTION]**.

ROLL CALL

Ayes: Knol, Wiggins, Wright, Buck.

Nays: None.

Absent: McShane.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION OF RESOLUTION TO VACATE BROOKDALE COURT

City Manager Pastue indicated City Council held a public hearing on July 21, 2008 to consider vacating Brookdale Court. He further indicated at that hearing residents of Brookdale requested additional time for City Officials to meet with the condominium board regarding the proposed street vacation. Subsequent to

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the meeting repairs were made to Brookdale Court within the Local Street operating budget.

Pastue stated the City believes the 12' "road" is in very good shape to be turned back to the Brookdale Condominium Association.

At the request of Mayor Knol, Pastue reiterated the specific improvements that were made to Brookdale Court.

Buck confirmed with the City that Brookdale Court was built as a private road which is typical of condominium developments. Pastue discussed the circumstances under which the road was deeded to the City.

Wright noted that he attended the meeting with the condominium association board. At that time he had the opportunity to observe the street in question. He expressed surprise by the size of the road. He noted the road leads to where resident vehicles are parked and out to Grand River. He stated it certainly would not be what he considers to be a City road. He compared it to a driveway of a private residence. He stated it doesn't make sense for the City to continue to maintain it. He further stated it does not pass the "fairness" test.

Bob Fougere, 31831 Grand River, identified repairs that need to be made before the City vacates Brookdale Court. He expressed concern regarding the overall deterioration of Brookdale Court.

A list of repairs prepared by the maintenance person for Brookdale Condominiums was presented to Council.

Kelly Matner, Brookdale Condominium resident, stated the high property taxes she pays in Farmington should cover maintenance of her street. She expressed strong opposition to the City vacating Brookdale Court.

Pastue advised the City had previously made repairs to the street with review and approval of the management company. He stated additional repairs were made subsequent to meeting with the condominium association board. He advised the repairs that have been made are above and beyond what the City would normally do. He noted more crack sealing may be appropriate.

Knol confirmed with the City that Brookdale Court is structurally sound.

Wright noted Administration has addressed other issues in the City that did not represent parity to residents. He cited a recent change in fees for recycling services that effectively eliminated the cost to residents who do not use the service. He stated the City strives to achieve economic equity for residents and businesses.

Knol stated Council is often confronted with decisions that are not easy to make. She stated they strive for fairness in the community. She stated the City's

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infrastructure includes all public roads used by the great community. She recognized not everyone will agree with Council's decision, but their purpose is to provide fair and equitable treatment to the community as a whole. She pointed out that other apartment and condominium complexes maintain their own private roads.

Bob Fougere noted the sidewalk at the east entrance of the complex is in very poor shape. He stated the whole area is in a deteriorated condition.

Pastue stated the City would take another look at the sidewalk area specified and determine what additional repairs may be necessary.

Wright asked about tabling a decision until a later meeting. He suggested the City work with the condominium association to develop a list of agreed upon repairs.

Wiggins noted the decision to vacate Brookdale Court was tabled at the July meeting because of repairs that needed to be addressed. He stated the City addressed those issues and now there are seven more items to be addressed. He feared regardless of what action the Council takes there will always be items to be addressed. He recommended adoption of the resolution to vacate Brookdale Court with the condition that agreed upon repairs would be made. He stated he could support either tabling the resolution or adopting it.

Buck pointed out the City is bending over backwards to try to address the concerns expressed by the condominium association. He congratulated the association for their representation of the issues and City staff for following through on repairs.

RESOLUTION 10-08-204 Motion by Wiggins, seconded by Wright, to adopt a resolution to vacate public streets in the Brookdale Court Condominiums with the understanding that the cement slabs as identified at the east exit will be replaced and the cracks as identified will be sealed. **[SEE ATTACHED RESOLUTION].**

ROLL CALL

Ayes: Wiggins, Wright, Buck, Knol.

Nays: None.

Absent: McShane.

MOTION CARRIED UNANIMOUSLY.

AMENDMENT TO GRAND RIVER STREETScape RESOLUTION

City Manager Pastue noted at the October 6, 2008 meeting Council passed a resolution dealing with the Streetscape conceptual plan submitted to the Michigan Department of Transportation (MDOT). He stated MDOT has reviewed the resolution and requested removal of paragraph (a) "the removal of the existing left turn movement onto northbound Farmington road from Grand River

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Avenue, as required by MDOT, shall not be factored into the determination that the project improvements caused the decline in the level of service.”

Pastue stated Administration does not have a problem with removing that paragraph. He noted prohibiting the left hand turn will improve the level of service through that intersection.

10-08-205 MOTION by Buck, seconded by Wiggins, to amend Resolution No. 10-08-193, relating to MDOT approval of the Grand River Streetscape Project, by removing paragraph (a) from the resolution. [SEE ATTACHED RESOLUTION].

ROLL CALL

Ayes: Wiggins, Wright, Buck, Knol.

Nays: None.

Absent: McShane.

MOTION DECLARED ADOPTED.

Wright noted there needs to be signage informing eastbound traffic on Grand River that a left turn at Farmington is prohibited and offering alternative routes.

NEW BUSINESS

CONSIDERATION TO ADOPT IDENTITY THEFT PREVENTION PROGRAM

10-08-206 MOTION by Wright, seconded by Buck, to adopt a resolution establishing an Identity Theft Prevention Program as presented. [SEE ATTACHED RESOLUTION]. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE METRO ACT RIGHT OF WAY EXTENSION

RESOLUTION 10-08-207 MOTION by Wiggins, seconded by Wright, to adopt a resolution to amend the Michigan Bell Telephone Company, DBA as AT&T Michigan, Metro Act permit and extend the term of the permit through December 31, 2010. [SEE ATTACHED RESOLUTION AND PERMIT AMENDMENT].

ROLL CALL

Ayes: Wright, Buck, Knol, Wiggins.

Nays: None.

Absent: McShane.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION OF STATE TRUNKLINE OPERATING PERMIT AND INDEMNIFICATION RESOLUTION

10-08-208 MOTION by Wiggins, seconded by Buck, to authorize the City Manager to submit an annual permit application with the Michigan Department of Transportation (MDOT) for miscellaneous operations within state trunkline right-of-way, and to adopt MDOT Performance and Indemnification Resolution. [SEE ATTACHED APPLICATION AND RESOLUTION]. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE 2009 CITY COUNCIL MEETING DATES

10-08-209 MOTION by Wright, seconded by Buck, to adopt a resolution approving the 2009 City Council meeting dates as presented. [SEE ATTACHED RESOLUTION]. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO RATIFY TWO-YEAR COLLECTIVE BARGAINING WITH AFSCME PUBLIC WORKS BARGAINING UNIT

RESOLUTION 10-08-210 Motion by Buck, seconded by Wright, to ratify a two-year collective bargaining agreement with the AFSCME Public Works bargaining unit effective July 1, 2008. [SEE ATTACHED SUMMARY OF CONTRACT].

ROLL CALL

Ayes: Knol, Wiggins, Wright, Buck.

Nays: None.

Absent: McShane.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENT

None were heard.

COUNCIL COMMENT

Councilmember Buck noted the challenging economic environment the City is facing. He encouraged Council to consider scheduling study sessions to conduct an in depth study on how this economic decline will impact the City budget going forward. He stated the City needs to have a better handle looking out several years on what might occur in the local and national economy. He suggested meeting in January or February.

Pastue concurred such a meeting is critical and should occur sooner than January.

Councilmember Wright advised data needs to be reviewed in a comparable context, i.e. how does Farmington compare to a Pontiac or Plymouth in terms of assessed value or other measures. He suggested the creation of a report card that would include several economic components, but would go further in terms of customer satisfaction surveys. He would like to identify indicators that the City is moving in the right direction. He stated a measurement against industry standards would be useful.

Pastue stated as part of the budget process he will discuss performance measurement.

Mayor Knol noted the Oak Street Program sponsored by Oakland County that targets older, built-out communities. This program provides tools to the

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community to encourage residents to value and take care of their property. She stated there will be Street Fairs associated with this program and the first one will be held next year in Hazel Park. She has requested Oakland County consider Farmington for a Street Fair.

Knol thanked the students and staff at Longacre Elementary for their invitation to speak to the second graders regarding the Streetscape Project. She noted the students would be decorating grocery bags at Bush's to thank Farmington voters for their support of the Streetscape.

Knol presented an historic board game called "Opportunity Farmington" she received from a former resident, Colleen Conger.

ADJOURNMENT

10-08-211 MOTION by Wright, seconded by Wiggins, to adjourn the meeting.
MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 10:10 p.m.

Valerie S. Knol, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: November 17, 2008