

FARMINGTON CITY COUNCIL
SPECIAL MEETING
September 8, 2009

A special meeting of the Farmington City Council was held on Tuesday, September 8, 2009, 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 7:05 p.m. by Mayor Knol.

ROLL CALL

COUNCIL MEMBERS PRESENT: Buck, Knol, McShane, Wiggins, Wright.

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: City Manager Pastue, Deputy City Clerk Pohto, City Attorney Schultz.

APPROVAL OF AGENDA

09-09-177 MOTION by Buck, seconded by McShane, to approve the agenda as amended to remove item 6 – Discussion – Suburbs Alliance Energy Participation Agreement, for discussion at a later date. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ADOPT RESOLUTION AUTHORIZING SUBMITTAL OF A JOINT GRANT APPLICATION WITH THE CITY OF FARMINGTON HILLS TO EVALUATE DEVELOPING A CORRIDOR IMPROVEMENT AUTHORITY ALONG GRAND RIVER FROM EIGHT MILE ROAD TO THE EASTERN BOUNDARY OF THE DDA.

City Manager Pastue discussed his work with Farmington Hills City Manager's office regarding an application for a joint grant application program "Partnerships for Change Sustainable Communities", a multi-jurisdictional, planning assistance program developed by the Land Institute Access Association. This Association includes the MML, MTA, MSU Extension Service, Michigan Association of Planning, whose purpose it is to foster cooperation between communities that contribute toward the preservation of cultural and natural resources and to encourage urban redevelopment and discourage inefficient and low-density development. He noted both cities have had similar problems along the Grand River Corridor, east of the downtown, which include shallow commercial lots that abut residential areas.

Pastue commented the grant would provide an opportunity to facilitate developing this corridor improvement authority between the two cities, evaluating some of the important aspects from a research standpoint in helping to define what boundaries should be included.

Pastue stated by passing this resolution each city would contribute \$5,000 toward the grant and the formation of a committee to evaluate implementing a corridor improvement authority.

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McShane asked if there would be an overlap of financing regarding the Grand River boundaries and the eastern boundary of the DDA. Pastue responded there would be no overlap with the DDA. He noted part of the process involves whether to put together a tax-financing plan.

In response to a question by Wright, Pastue replied there would be two different authorities with two separate accountings for consistency purposes; such as allocation of resources, land use planning, and other decisions that go along with an authority. Wright asked about the scope of the authority. Pastue responded it would be similar to the Downtown Development Authority (DDA). Wright verified some expenditures along the Corridor Authority might be borne by the Authority versus the General Fund. Pastue noted these details and issues would be worked out during this process of structuring two authorities.

Wright questioned who would be in charge. Pastue replied due to its geographic nature there wouldn't be a staff like the DDA. He commented the City Manager's staff would be responsible for administration, however, in Farmington Hills it could be delegated to the community development staff. He noted it would be similar to the DDA in that there would be oversight by the separate boards. In response to a question by Wright, Pastue responded each city has to form a separate authority and return to each of their boards and Councils for approval.

Wright verified the request before Council is to approve a resolution authorizing submittal of a joint grant application in order to obtain funding to evaluate the formation of a Corridor Improvement Authority along Grand River.

McShane verified there would be two separate boards with an agreement between the two cities. Attorney Schultz explained there would be an agreement between the two cities and the two Councils would have to approve on an individual basis how to jointly administer under two separate authorities. He commented they might have to approve issues independently.

Mayor Knol noted there would be appointees from each city and they would come together with a mission that jointly unites them, but they still have to follow the direction of their respective cities. Attorney Schultz commented there would have to be a mechanism set up in the agreement enabling them to make joint decisions.

McShane expressed hope the separate entities would work well together as a board. Pastue commented the intent is to have it function as one, but the statute is structured for separate boards, and to have it be as seamless as possible.

Discussion followed that the Authority provides for a structured, ongoing process for reviewing all of the land use development and capital improvements along Grand River. Pastue noted the City has similar issues regarding the need for redevelopment and the same challenges and to make the transition from Farmington to Farmington Hills seamless based on the land use and design standards.

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Discussion followed regarding expenses under the Authority versus those under Tax Increment Financing (TIF)

Buck stated this is a good opportunity to work with Farmington Hills and to create economic and business development along the Eight Mile Corridor.

09-09-178 MOTION by Buck, seconded by Wright, to adopt a resolution authorizing submittal of a joint grant application with the City of Farmington Hills under *The Partnerships for Change Program (PfC)* to evaluate developing a corridor improvement authority along Grand River from Eight Mile Road to the eastern boundary of the Downtown Development Authority. MOTION CARRIED UNANIMOUSLY.

HISTORICAL COMMISSION UPDATE AND DISCUSSION

Historical Commission Members Present: Sharon Bernath, Mike Harrison, and Laura Meyers, Chair.

Pastue discussed the adoption of the Master Plan by the Planning Commission and he noted discussion with the Historical Commission in regards to the demolition of an historical home on Grand River to make way for a dry cleaning business. He pointed out the DDA is looking forward to continuing their evaluation of the Historic District within the downtown. He noted there is some overlap in what is recognized by the Department of Interior as a Historic District and what the City has as geographic boundaries. Pastue commented the Historical Commission has expressed a desire to revisit the ordinance relative to tax incentives that would be possible.

Laura Meyers reviewed the handouts that discussed resurrecting a historic ordinance in compliance with Michigan Public Act 169. She noted the process began 4 years ago. She stated Council needs to inform the Commission what information is needed by the Commission to support what the homeowners want and what is best for them and the City. She commented they are serious about historic preservation in the City of Farmington and it is time to protect it. She stated they need to look ahead to the future and prepare for it.

Meyers noted administration requested a plan for the Warner Museum, a plan to work with the DDA regarding buildings downtown and all of the residences covered by the local Historical District ordinance. She noted it is strictly an advisory end of the Commission.

Meyers stated the National Historic District was established in 1974 and placed on the National Register in 1976. She noted if they were to add to the current local Historic District they would have to requalify all of the residents currently in the District. She discussed historic preservation on the other side of Grand River.

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Meyers reviewed the ordinance which included historic buildings 75 years or older. She commented they propose adding additional historic homes on Oakland, Wilmarth and Grand River.

Sharon Bernath, volunteer at the Governor Warner Mansion, presented a wish list for antique shop purchases of items common to most well appointed Victorian homes and a tentative schedule for repairs on the Governor Warner Mansion.

Bernath discussed the printed Mansion tote bags and tee shirts promoting the Mansion, and printed pencils that were given out last Halloween. Meyers noted they were working more closely with Brian Golden on Mansion books and merchandise, Founders Festival, and the Heritage Festival.

McShane asked if the Commission had thought about obtaining signage in front of the Mansion listing events and times. Meyers responded there is signage by the front door and on the circular drive. McShane stated it is hard to see from Grand River.

Knol asked if they are still conducting school tours for 3rd graders when studying Michigan history. Meyers commented it is now the second grade.

Bernath commented she had sent letters to the schools regarding field trips to the Museum and there was no response due to lack of funds. Knol noted the importance of the exposure for the students.

Knol asked if the Commission had someone who could do minor repairs at the Museum. Bernath responded they have someone to take care of changing light bulbs, etc. Pastue stated since Mr. Carvell passed away last year the Historical Commission has been asked to take a more active role. He would work with the Clerk's office and DPW to resolve these issues. Knol suggested finding a volunteer with some construction experience to do small projects.

McShane verified the Garden Club is still working at the Mansion. She confirmed the brick paver program with pavers starting at the rear steps of the Mansion going to the gazebo was still under consideration.

Discussion followed regarding placement, style, color and pricing of pavers.

Wright voiced concern regarding the water problem in the basement. Pastue stated he would consult with Director Gushman regarding the water issue.

Bernath reviewed the proposed 2009-2010 calendar of events for the Governor Warner Mansion. She discussed having Wednesday night porch parties in May with games, and simple refreshments. She noted having an open house and a table at the Farmers Market has helped to bring in volunteers.

McShane discussed the prior success of the Friends of the Mansion and the newsletter. Bernath commented they need an enthusiastic leader and she would

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review the list of Friends of the Mansion volunteers and potential contributors. McShane suggested they have a sign-up table.

Mike Harrison stated he wanted to see that the integrity of the Historic District is preserved. He voiced concern about losing additional buildings and homes due to demolition. He requested Council pass a pro-active ordinance that would encourage the public to maintain these homes.

Knol thanked the Commission and their volunteers for their work and contribution to the Mansion.

Meyers discussed the lack of action on a relocation and demolition policy. Pastue noted Attorney Schultz could explain how to create an ordinance enforcing the policy.

Knol stated the policy couldn't be incorporated into an ordinance unless there is a binding Historical Commission. She noted you couldn't require someone to relocate or not demolish his or her private property unless you have the binding commission. She stated this is fine as a suggestion, but a binding district needs to be established under Michigan statutes.

Attorney Schultz advised there needs to be a decision on whether there should be zoning ordinance provisions to a district with "teeth" or not.

Harrison discussed past decisions made by the previous administration regarding the Historic District. He noted it would be helpful to have "teeth" in delaying or preventing demolition. Harrison requested adoption of an ordinance within the boundaries of PA 169. He suggested the City look at other communities to see what they allow.

Knol explained Council had reviewed this issue several years ago and requested administration or Attorney Schultz research the steps involved in establishing a local Historic District. She wanted to know where they were in the process.

McShane pointed out there is previous data pertaining to this issue. Knol noted the Commission should not "spin their wheels". Meyers commented they are currently at step five to prepare a preliminary Historic District Study Committee Report.

Attorney Schultz stated there was a report previously transmitted to Council. He noted Council could start the process where they left off. He voiced concerns that property rights would be taken away from the property owner. He stated the safest action would be to ensure all of the steps previously taken are still good. He commented it would provide protection against a challenge. Knol verified they would have to go back to step one, but steps one through five could be an update of what was decided 4 years ago. Pastue noted there could be more additional background in the study than was done previously.

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Wright asked about the final decision authority and the appeal process. He will review what was previously decided. He asked about advantages and disadvantages to homeowners from a short and long-term perspective. He commented he was unaware of significant tax advantages for preservation work on an historic residence. McShane commented there was a 25% tax credit for residences within the district. Discussion followed regarding the threshold of the tax credit.

Wright requested a survey of the existing residents within the district to determine their support.

Harrison commented in the past homeowners outside the district were not concerned with tax credits for homeowners within the district. He discussed a spreadsheet of homes that were 75 years and older that was prepared by the City Assessor. He noted it should be incorporated into a broader historic district if the homeowner wanted to opt in or out. He commented homeowners should be informed of PA 169 if they have a home 75 years or older.

Knol stated Council makes the decision and it must be for the overall welfare of the City.

Buck stated he was happy Council was revisiting this issue and was optimistic that there would be a lot of support by putting this into place. He concurred with Wright that there needs to be an opt-in or an opt-out provision. Schultz responded it has to be within this particular area.

Harrison stated they want the homeowner to come to the Commission to fill out an application to be in the Historic District and receive a tax credit. Buck did not see anything wrong if the Commission was selling the preservation aspect and not the tax credit.

Buck noted there was a lot of controversy regarding past discussion. He stated some homeowners felt it was an encroachment, which made it hard to legislate. He noted only 26 out of 130 homeowners expressed approval. He stated there needs to be an education process for the community. His suggestion was to start at step one and try to show why it is beneficial for the City. He wanted to make the City more of a destination for families.

Harrison advised the presentation needs to be fresh with forward thinking.

McShane expressed her support for historic preservation. She commented this is an example of a progressive means to preserve the City's history and provide economic development for the residents. She noted there are incentives for the homeowners and that Farmington has lost thousands of dollars by not having it. She noted two homes on Oakland Avenue next to the Salem Church are subject to be torn down and replaced with buildings similar to the dry cleaners. She was in total support of an effort to resurrect the committee, provide data, and develop an educational program and would like it fast-tracked.

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Wiggins stated he agrees with 90% of what has been discussed. He concurred with Buck and Schultz that Council start with step one and closely follow procedure so that a challenge to this ordinance does not occur. He noted the importance of making this process sound fresh and new. Wiggins reviewed the process of going before several commissions, which he considered an inequality. He felt the tax credit was positive, but was surprised by the lack of interest from homeowners. He had previously received a significant amount of mail from people both in and out of the district that did not want it. He acknowledged this was why he did not support the action four years ago.

Wiggins suggested starting at step one, do everything correct, and create an education process similar to what was done for the streetscape. He stated he did not think a super majority was needed within the district. He noted Council has to make the best decisions for the City.

Knol stated education is important, but Council needs to make decisions that are best for the integrity of the community at large. She noted her support four years ago and suggested this process move forward. She commented it is important to preserve the integrity of the district. She discussed the homes in the City that define the City. She noted if these homes are in a district it makes the City unique which needs to be secured for future generations.

Knol asked administration if they could have a resolution prepared for the next Council meeting. She stated a committee could be appointed after support of a resolution. Pastue stated a resolution could be presented at the meeting on September 21st.

Knol asked if further information is needed for Council members to be prepared to vote on a resolution to conduct a study.

Pastue noted there is a brochure with general terms provided by the Michigan Society of Historical Preservation that outlines the benefits of the Historical District.

Knol reiterated this was merely a resolution to establish a study.

Wright noted he would review the tax credit under current law.

Council concurred they were in agreement to place the resolution on the agenda at the meeting on September 21st.

Council took a short break.

DISCUSSION – PROPOSED TRANSPORTATION ENHANCEMENT GRANT FOR GROVE STREET AND FUNDING FOR OTHER IMPROVEMENTS IN DOWNTOWN FARMINGTON (HANDOUTS PROVIDED AT MEETING)

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Pastue reviewed proposed revenue sources for Phase Three of the Downtown Improvement Projects. He is contemplating expansion of what would be included in the grant application. He noted the Municipal Street Fund would be used for Warner Street and the Streetscape Grant from MDOT for the Grove Street project.

Pastue discussed extending the water flow along Farmington Road, along the alley to Thomas and connecting it to Warner. He noted this measure would allow for fire flows on the north side. He commented some of the Municipal Street monies could be used for Thomas Street and grant funds for the streetscape. He stated funding for the parking lot behind the theatre would have to come from the DDA. He noted in order to provide for the improvements to Grove Street, Grove Street water, North Parking Lot, Warner Street, Thomas Street, Thomas water main and street repair there would need to be a postponement for the Hawthorne Street improvements north of Shiawassee. He commented they could proceed with normal construction if the grant is not received. He stated the grants would not be reviewed until November.

Wiggins asked if the City is better off with the larger project or is improving Grove Street enough. Pastue responded there is some risk to Grove Street by including the other projects, but felt there is grant money that can cover these improvements if accepted. He noted administration would be talking to MDOT officials involved with administering the grants and obtain their thoughts.

Wiggins questioned if the completed work on Grand River is helpful. Pastue replied it shows commitment from the community and would provide a strong argument for the City application.

McShane stated she is willing to move forward and stressed the importance of improving the infrastructure.

Buck commented the math makes a lot of sense and the improvements need to be done. Pastue discussed continuing the theme along Warner Street and noted a small issue with the tree by Dimitri's Restaurant.

Buck noted by making improvements to Warner Street they could look at the design for facilitating the connection to Shiawassee Park.

Wright asked about the status of the sign issue on Grove Street. Pastue responded that it is still unresolved.

Wright discussed restricting parking as suggested in the parking study. He suggested lighting at the Training Center would help to utilize more parking and could be part of the Thomas Street process.

Pastue concurred with Wright and discussed the improvements that could be made behind the restaurant. He noted the City needs \$1 million from MDOT to expand the improvements as projected.

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Knol asked if the water main improvement on Thomas Street stop at Warner Street. She also asked if the water flow continued east on Thomas Street would it be adequate for fire suppression for the Training Center and possible redevelopment. Pastue noted he was not sure and would discuss the issue with Director Gushman.

In response to a question by Knol, Pastue responded there is not enough room to provide 2 or 3 parking spaces along Warner Street.

**CONSIDERTAION TO SCHEDULE A SPECIAL MEETING TO DISCUSS
LABOR NEGOTIATIONS AND CONVERSION TO MERS PENSION SYSTEM
(NO HANDOUTS)**

Knol noted a review of the City Manager's contract could be done at the special meeting also.

Council concurred to schedule a Special Meeting to discuss labor negotiations and conversion to MERS Pension System on September 22nd at 6:30 p.m.

OTHER BUSINESS

Pastue discussed the Free Press article which listed Farmington on a watch list for fiscal problems with the State. He commented he would e-mail information to Council members regarding the criteria used by the State to compile the list. He noted everybody needed to be worried about declining property values, revenue sharing and the State's financial problems.

PUBLIC COMMENT

No public comment was heard.

COUNCIL COMMENT

McShane requested a recruitment campaign to encourage recruitment of new businesses to the City. Discussion followed regarding pros and cons of a real estate tour. Knol did not feel it was justified to hire a consultant for recruitment of new businesses as is done in the City of Birmingham. Knol requested more information.

Knol noted Kimco Property Management has a recruiter for their properties.

Buck concurred with McShane that something has to be done to promote the City more effectively. He suggested a real estate person might see providing this service as a real business opportunity.

Wright commented realtors have tried to bring interest to Farmington.

Buck noted the City needed to provide a unique way of promoting Farmington. He suggested the Economic Restructuring Committee appear before Council

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with a presentation to bring in more retail business. Knol noted the DDA is working on a packet to be completed in October.

McShane stated there needs to be more aggressive recruitment throughout the whole City and the City can't just depend on the DDA.

Discussion followed regarding business recruitment and a method to provide this service.

Pastue suggested meeting to drive around town and look at businesses.

Knol voiced concern regarding the disrepair of the Uptown Center.

McShane stated the DDA has a lot on their plate and she would like to see professionals come in and share possible compromises and incentives for businesses.

Pastue reviewed the past discussion with the DDA in March and a battle of resources. He noted resources are needed to close the deal. He commented they will be meeting with the DDA Board soon and the question is what are they doing to promote business.

Council concurred to have Buck and McShane to provide a plan to enhance the whole City without burdening the DDA.

Knol stated she would ask Jim Kuiken, Chair of the Economic Restructuring Committee, to come before Council to provide an update.

09-09-179 MOTION by McShane, seconded by Wiggins, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 9:50 p.m.

Valerie S. Knol, Mayor

Susan K. Halberstadt, City Clerk

Susan Pohto, Recording Secretary

APPROVED: October 19, 2009