

## CITY COUNCIL MEETING MINUTES FROM APRIL 14, 2015

The Regular Meeting was called to order by Mayor Pro Tem Pearson at 7:30 p.m.

At the request of Mayor Pro Tem Pearson, Councilmember Patricia M. Randall gave the invocation and City Council and the audience recited the Pledge of Allegiance.

The City Clerk called the roll with the following members present: Councilmembers Nasim Ansari, Richard Ford, Patricia M. Randall, Claudette Reid and Mayor Pro Tem Jim Pearson. Councilmember Terry Urban and Mayor Peter Strazdas were absent with notice. Also in attendance were City Manager Laurence Shaffer, City Attorney Randy Brown and City Clerk James R. Hudson.

**PROCLAMATIONS:** Mayor Pro Tem Pearson issued a Child Abuse Prevention Month Proclamation, a National Arbor Day Proclamation and a Parkinson's Disease Awareness Month Proclamation

**APPROVAL OF MINUTES:** Motion by Reid, seconded by Ansari, to approve the Special Meeting, Committee of the Whole Meeting and the Regular Meeting Minutes of March 24, 2015, as presented. Upon a voice vote, motion carried 5 to 0.

\* **CONSENT AGENDA:** Mayor Pro Tem Pearson asked Councilmember Ansari to read the Consent Agenda. Councilmember Reid asked that Item F.3, Acquisition of City Centre Properties (203 East Centre Avenue and 208 Brown Avenue), be removed from the Consent Agenda. Mayor Pro Tem Pearson removed Item F.4, Director of Parks, Recreation & Senior Citizen Services Appointment, from the Consent Agenda. Motion by Reid, seconded by Ford, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 5 to 0.

\* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF APRIL 14, 2015:** Motion by Reid, seconded by Ford, to approve the Accounts Payable Register of April 14, 2015, as presented. Upon a roll call vote, motion carried 5 to 0.

**STATEMENTS OF CITIZENS:** Gary Wager and Mary Torres, 5936 Concord Street, expressed a concern for pedestrians owing to semi-trucks and through traffic traversing Concord Street in violation of posted signs, "No Thru Traffic" and "No Trucks" and a lack of enforcement of the speeding on Milham Avenue; plus, they requested a "right-in and right-out" for Concord Street on to Milham Avenue. Mr. Wager spoke of a conversation in 2011 he had with Chris Barnes, who offered some ideas which Mr. Wager discussed and asked that they be explored as options. Mayor Pro Tem Pearson suggested that he present a formalized letter or set a meeting with the City Manager for more information. Mr. Shaffer agreed. Discussion followed.

Jim Lutton, 2295 Woddy Noll Drive, indicated that in late February, he found a blue slip on his door that read he had excessive water use. He investigated but found no problems with the water in his house; however, within three days the Treasury Department called to let him know his water bill was going to be over \$1,000 and asked him to call the Water Department to see if there is a broken meter. He said an employee came to his home and determined that the meter was fine, but was registering an enormous amount water through it. Upon further investigation, he discovered that the water was running through the water softener; so, he turned it off, but not until 122,000 gallons of water had flowed through. As a result, he suggested a grievance procedure, and explained that there are situations where mitigation may be in order. Discussion followed. In answer to Mayor Pro Tem Pearson, Mr. Shaffer offered to draft a grievance procedure. Discussion followed.

## **REPORTS FROM THE ADMINISTRATION:**

**PRESENTATION OF PROPOSED FISCAL YEAR 2015-2016 BUDGET:** City Council received the Presentation of Proposed Fiscal Year 2015-2016 Budget from City Manager Laurence Shaffer. Mr. Shaffer thanked Finance Director Bill Furry and Deputy Finance Director Lauren Vanderveen, Deputy City Manager Rob Boulis and all of the Department Heads for the many hours devoted to crafting this Budget. He discussed some of the highlights of the Budget, including: an increase in the overall budget to almost \$68 million which is up 5.2%; a 15% increase in Capital Improvements to just over \$14 million; a total taxable assessed value increased by almost 3% with 1.5% related to construction; a tax stabilization fund for emergency circumstances requiring a 2/3 vote of City Council for acquisition and use; elimination of the Benefit Services Department by combining those responsibilities with the Employee Development and Finance Departments for an annual savings of approximately \$250,000; kayaks, canoes and special events as part of the Parks and Recreation effort for an additional \$40,000; improvements in the Information Management System at a cost of \$50,000, such as the new social media efforts, time and attendance ADT System and Wi-Fi at Celery Flats; a new Fire Training Officer position; testing of body cameras for Police Officers; two non-Public Safety Hybrid vehicles; a study of all municipal buildings for the potential of solar adaption to address legitimate environmental and sustainability issues; and a new Code Enforcement Officer in the Community Development Department. He indicated that he was looking forward to working with City Council in the review of the Budget and restated his appreciation to City Staff for all of their hard work in creating this Budget. Discussion followed.

\* **ADOPTION OF RESOLUTIONS REGARDING THE REFUNDING OF 2008 AND 2008B CAPITAL IMPROVEMENT BONDS:** Motion by Reid, seconded by Ford, to adopt the Resolution Authorizing Refunding of the City of Portage Capital Improvement Bonds, Series 2008 and Series 2008B and the Resolution Approving the Undertaking to Provide Continuing Disclosure by the City of Portage for the Capital Improvement Refunding Bonds, Series 2015A. Upon a roll call vote, motion carried 5 to 0. Resolution recorded on page 461 of City of Portage Resolution Book No. 45.

**ACQUISITION OF CITY CENTRE PROPERTIES (203 EAST CENTRE AVENUE AND 208 BROWN AVENUE):** Mayor Pro Tem Pearson deferred to Councilmember Reid, who indicated she wanted some discussion regarding the City Plan for the property in question. She asked whether the City Center Plan for the area on the west side of South Westnedge is no longer going forward; is the City looking at utilizing the area between Brown Avenue and East Centre Avenue to have a plan similar to the one behind the Police Station; and, why is the City purchasing this land?

Mayor Pro Tem Pearson deferred to Mr. Shaffer, who referred to a discussion of the City Centre concept in the two iterations of the Portage 2025 Visionary Sessions and in the recent Comprehensive Plan adopted by the Planning Commission in the summer of 2014. He said he, Community Development Director Vicki Georgeau and Deputy Director Chris Forth attended a general meeting with the property owners to discuss their interest in a City Center Concept and what they might be willing to contribute during some of the initial phases. He indicated that they described the Portage 2025 Plan and the Comprehensive Plan to the property owners, and he expressed the need for a feasibility study, a marketing study, to ascertain whether the mixed use plans made financial sense. He said the concepts are great, but unless they can attract the appropriate level of investment and, unless there is a market there to generate such an investment, a plan remains “just a plan.” He said the next logical step is to create and conduct a marketing study and fund it from a variety of sources, including Michigan State Housing Development Authority (MSHDA) which sponsors such an option. He introduced a survey which revealed a strong interest in such a plan of around 70%.

Mr. Shaffer indicated that he and staff looked at all of the city-owned properties, and these four properties surfaced as they were separated by a property that was for sale, prompting staff to undertake an effort to get the property under contract conditioned upon City Council approval. He explained that this acquisition adds 1.2 Acres to the 2.2 Acres already held by the City in order to create a larger piece that has the size and assemblage necessary to do something in miniature to “jump-start” the process, and that the acquisition adds value to the existing assets there.

He indicated that the asking price for the property was \$195,000; that they are under contract for \$180,000; and that the appraisal was at \$189,000. He summed up by saying that the property acquisition is well-priced, adds value to the existing City-owned assets, provides an assembled parcel that is much more easily developed than the two smaller separated properties, and contributes to a long, articulated plan for a City Center Area. Discussion followed.

Councilmember Reid asked for a plan for the two residential plots, especially for those who own property who were not present for the meeting, and whether there has been any direct contact with them. Mr. Shaffer was unsure whether there has been any contact with these property owners, but expressed his assurances that there is no intention to diminish the value of any of these properties; rather, whatever the City does will presumably enhance the value of the properties.

Ms. Georgeau concurred and indicated that there has not been any direct contact with the property owners and the City has no specific plan at this time, but the idea is to add additional value to the properties already held by the City. She provided some history of why the City originally purchased the properties and reviewed some of the future possibilities for the development of the properties. Discussion followed.

In answer to Mayor Pro Tem Pearson and his question regarding the future uses of this property per the Comprehensive Plan, Ms. Georgeau indicated that the City Centre Area is a smaller area within the larger study area that is bordered by Garden Lane on the North and East, Central Middle School on the South and Perry Street on the West. She indicated that the Plan for this smaller area is for mixed uses and explained some of the options contemplated for the area.

Councilmember Reid reminded everyone that when the City purchased property in this area, the intent was for the development for a City purpose, i.e. the City Centre, the Senior Center expansion, etc., and listed some of the possible private uses now contemplated by this action. Ms. Georgeau agreed that the City will not participate in developing these properties (with public uses, for example). Mr. Shaffer concurred that there is neither an intent for the City to be the developer, nor to develop a public use or a community center in this area and explained.

Mr. Shaffer provided assurances to Councilmember Reid that the two residential plots are not under any risk of eminent domain proceedings to fill out this development as this is a very undesirable practice that he would only recommend in the most severe of circumstances, and that this is not the case here.

City Attorney Randy Brown concurred and added that the Supreme Court has discussed it and the Michigan Legislature has changed the law and made eminent domain very restrictive, plus a City can not take property through eminent domain for the mere purpose of transferring it to a private third party for economic development. He explained that this is a public purpose matter and eminent domain is a public use doctrine. He indicated that the breadth and width of a public purpose is much wider than a public use, so the City is permitted to use public funds for a public purpose and in this case, it could be economic development which is supported by the four reasons given by City Manager Shaffer. Lastly, he said just because the City doesn't do this much doesn't mean it is illegal, and recommended that whoever makes the motion include the four reasons as stated by Mr. Shaffer as well as the intent to move forward and discuss how this property once assembled can then be used.

Councilmember Reid indicated that she appreciated the discussion and felt because the City does this so infrequently, that she felt it was important to have open discussion so City Council and the citizens are aware of what this is.

Councilmember Ford revealed that the two residential properties are zoned B-3, and confirmed that one of the residential owners did attend one of the City sessions, but Ms. Georgeau indicated that they did not reveal their intentions even though she was able to talk to them. Councilmember Ford spoke in favor of the acquisition.

Motion by Randall, seconded by Ansari, to authorize the city acquisition of 203 East Centre Avenue and 208 Brown Avenue, owned by Marian Meyer et al., for the amount of \$180,000 and authorize the City Manager to execute all documents related to this matter and, at the suggestion of City Attorney Brown, to discuss the details of how the entire assembled piece will contribute to the articulated vision of the Comprehensive Plan and, further, that the acquisition of these parcels create additional value to the City properties owned to the east and the west and give the City the flexibility to solicit redevelopment of the assembled area, as this is consistent with the provisions of the Portage 2025 and the 2014 Comprehensive Plan regarding this area. Upon a roll call vote, motion carried 5 to 0.

### **DIRECTOR OF PARKS, RECREATION & SENIOR CITIZEN SERVICES**

**APPOINTMENT:** Mayor Pro Tem Pearson deferred to City Manager Shaffer, who expressed his pleasure to submit his recommendation for the position of Parks, Recreation & Senior Citizen Services Director, Kendall Klinglesmith. He indicated that Mr. Klinglesmith has extensive experience in the realm of Parks & Recreation; is a Certified Park and Recreation Professional; spent many years in Kentwood building a very intricate park system there; and was most recently the Executive Director for the YMCA of Greater Grand Rapids. He then introduced Mr. Klinglesmith, his wife and two children. Mr. Klinglesmith expressed his appreciation for the opportunity to return to the Parks and Recreation realm and shared a few of his explorations of the City thus far.

Mayor Pro Tem Pearson indicated that the City Parks are the jewels of the community; that the acquisition of the Eliason Nature Reserve presents a great opportunity for the new Parks Director; and referred to the Park Board and Environmental Board as very active, supportive advisors for the Parks Department.

Motion by Randall, seconded by Reid, to confirm the appointment of Kendall Klinglesmith as the Director of Parks, Recreation & Senior Citizen Services, effective April 15, 2015. Councilmember Ansari indicated that the City has been fortunate in the past to have had excellent Parks Directors, and mentioned past Parks Director Bill Deming and past Parks Deputy Director Barry Bacon. He welcomed Mr. Klinglesmith and expressed his appreciation for having him as the new Director. Upon a voice vote, motion carried 5 to 0.

### **\* RESOLUTION ACCEPTING NEW PUBLIC STREETS – ACT 51 MILEAGE**

**CERTIFICATION:** Motion by Reid, seconded by Ford, to adopt a resolution accepting all new streets constructed within residential plats approved by City Council during calendar years 2008, 2013 and 2014 as public streets. Upon a roll call vote, motion carried 5 to 0. Resolution recorded on page 473 of City of Portage Resolution Book No. 45.

**\* APRIL 28, 2015 COMMITTEE OF THE WHOLE MEETING:** Motion by Reid, seconded by Ford, to set a Committee of the Whole (COW) Meeting for Tuesday, April 28, 2015, at 6:00 p.m. in Conference Room No. 1 to discuss the topic of audit and enhance aging infrastructure. Upon a roll call vote, motion carried 5 to 0.

**\* SPECIAL MEETING FOR BOARD AND COMMISSION APPLICANTS:** Motion by Reid, seconded by Ford, to set a Special Meeting on Tuesday, May 12, 2015, beginning at 5:15 p.m., to interview Board and Commission applicants. Upon a roll call vote, motion carried 5 to 0.

## COMMUNICATIONS:

**ANNUAL UPDATE OF THE HUMAN SERVICES BOARD, SANDRA SHEPPARD, CHAIRPERSON:** Human Services Board Chairperson Sandra Sheppard reviewed the Goals and Objectives of the Human Services Board. Mr. Shaffer updated City Council on the Panhandler issue and the effective use of the cards devised by the Human Services Board. Ms. Georgeau pointed out that both the Police Officers and the Park Rangers had training on how to address the Panhandlers and how to direct them to the various service agencies as necessary. She also gave examples, including providing the cards to the Treasurer, to assist with citizens who may also make use of some of the community service agencies. Discussion followed. Motion by Ford, seconded by Ansari, to receive the Annual Update of the Human Services Board, Sandra Sheppard, Chairperson. Upon a voice vote, motion carried 5 to 0.

**ANNUAL UPDATE OF THE PARK BOARD CHAIRPERSON KATHLEEN HOYLE:** Park Board Chairperson Kathleen Hoyle reviewed the Goals and Objectives of the Park Board. Discussion followed and Ms. Hoyle indicated that Friends of the Park Membership can be obtained on line for \$50 and the benefits are listed there as well.

Motion by Ford, seconded by Ansari, to receive the Annual Update of the Park Board Chairperson Kathleen Hoyle. Upon a voice vote, motion carried 5 to 0.

**TIM ROGOWSKI, 8083 GLENWYND DRIVE, KALAMAZOO:** Mayor Pro Tem Pearson asked for a status update regarding this situation, and Mr. Shaffer indicated that this is a private road and staff has had conversations with the owner of the road who indicated that there are plans to improve the road, which does not include repaving, only a lot of patching. He indicated that he met with the owner recently, did not broach the subject at that time, but plans to bring it to his attention in the not too distant future. He explained that there are many issues with that road involving private properties which are responsible for driving the poor condition of the road. He also noted the recommendation, or maybe a dictum, from the City Council to sign that road as a private drive. He asked to be allowed to reserve action until he has had a more fruitful and comprehensive conversation with the private property owner in order to reach a resolution that is more amenable than the public notice.

Since Council has been discussing this matter for several years and this is an important area of the City and important for commerce, Councilmember Reid asked whether Martin Luther King Drive meets the standards of a public road. She also asked whether the City should investigate the possibility, or is it desirous, to assume the road if we are not able to get a resolution from the property owner. Mr. Shaffer asked for the opportunity to address this matter incrementally, step by step, without anticipating what options the City might have if discussions do not prove fruitful.

In answer to Councilmember Randall, Mr. Shaffer indicated that the owner plows the snow and all other maintenance on the road. Mr. Brown answered Councilmember Reid that the streets accepted under Item F.5 were already public streets as part of a plat which is distinguished from a private street such as Martin Luther King Drive.

Motion by Ansari, seconded by Ford, to receive the communication from Tim Rogowski, 8083 Glenwynd Drive, Kalamazoo, regarding the rough condition of the private road known as Martin Luther King Drive, and to receive the communication from the City Manager under G.2.a. Upon a voice vote, motion carried 5 to 0.

## **UNFINISHED BUSINESS:**

### **BROWNFIELD REDEVELOPMENT INCENTIVE POLICY UPDATE:**

Mayor Pro Tem Pearson introduced the item and indicated that it was tabled owing to some questions, and Councilmember Reid indicated that she asked the matter to be postponed to receive more information. She referred to her desire to determine what “functionally obsolete” means in the terms of the Brownfield Redevelopment Incentive Policy and expressed her appreciation for the explanation as she considered it fairly clear. She expressed her opinion that, even though it is ambiguous, a Brownfield has to be identified and verified by a level 3 or level 4 Assessor and has to be evaluated in a standard way.

Councilmember Reid expressed her ongoing concern for adding the “creation of jobs” as a requirement under the Brownfield Redevelopment Incentive Policy because areas where the City has had Brownfields in the past read, “jobs created and retained,” and the language in the proposed Policy reads, “new jobs.” She disagreed with adding jobs creation in addition to Brownfield concerns and expressed her opinion that job creation is appropriate for Act 198 Industrial Tax Abatements for industrial projects, but not as a Brownfield Redevelopment Incentive.

Ms. Georgeau pointed out that the proposed Policy grants a Tax Increment Finance (TIF) time period longer than the original Policy which allowed five (5) years. She indicated that since the criteria for jobs was very general, this is an attempt to be “more clear” and Act 198 Industrial Tax Abatement Policy was considered. She cited Page 4, Section 3.a, 3.b, 3.c, and 3.d of the Policy and explained. She provided a discussion of some of the examples and distinguished them from properties that would qualify under the Act 198 Industrial Tax Abatement Policy.

In answer to the concern for a “claw-back” provision by Councilmember Reid for a Brownfield Redevelopment, Ms. Georgeau indicated the need for a specific agreement that specifies the criteria that would trigger a “claw-back” provision.

Councilmember Reid indicated that when considering the option that an applicant may go through the County and obtain an extra five years to pay back the TIF, it seems advantageous for the Brownfield to go through the City to be able to get the upfront costs within a shorter period of time. Ms. Georgeau indicated that a survey of 20 communities, many communities opt for a shorter period than the 30 year period, and the County expressed the need to recapture their five years of costs if they were going to help with the upfront costs and explained.

Councilmember Ford expressed support for the jobs section owing to the need for an applicant to recoup some of the costs to remediate the contaminants when a company leaves behind a Brownfield site.

Motion by Randall, seconded by Ansari, to approve the revisions to the Brownfield Redevelopment Incentive Policy. Councilmember Reid indicated that because the Policy includes the language “new jobs” and disagrees that this language should be a part of the Policy, so she will not be supporting the motion. Upon a roll call vote, motion carried 4 to 1. Yeas: Councilmembers Ansari, Ford and Randall and Mayor Pro Tem Pearson. No: Councilmember Reid.

\* **MINUTES OF BOARDS AND COMMISSIONS MEETINGS:** City Council received the minutes of the following Boards and Commissions:

Portage Park Board of March 4, 2015.

Portage Human Services Board of March 5, 2015.

## **COUNCIL COMMITTEE REPORTS:**

### **COUNTY ENVIRONMENTAL HEALTH ADVISORY COMMITTEE (EHAC):**

Mayor Pro Tem Pearson asked Councilmember Ford whether he had anything to report and Councilmember Ford indicated that Saturday hours have been returned to the Household Hazardous

Waste Pick-up Site at the Kalamazoo County Fairgrounds on the second Saturday of the month except August and September from 8:00 a.m. until noon. Discussion followed.  
Motion by Ford, seconded by Ansari, to receive the Kalamazoo County Environmental Health Advisory Board Report from Councilmember Ford. Upon a voice vote, motion carried 5 to 0.

**KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY:** Mayor Pro Tem Pearson asked Councilmember Reid for a report on the Dispatch Authority.

She indicated that the Authority received a report from the Task Group, who received the Requests for Proposals for a Search Firm, interviewed three Firms and selected Strategic Resources, Inc. She said that the Authority also selected a Task Group to develop a budget. Lastly, she indicated that the Kalamazoo County Commission has agreed to provide some funding to allow the Authority to get started on the hiring of the search firm and the other legal types of things that need to happen to get things started before funds from the 42 cents per phone in the County are received in November or early December 2015 and explained.

Mayor Pro Tem Pearson expressed appreciation to all of the governmental entities for their volunteerism and service to the Authority, and mentioned that there was a fine level of cooperation among all of the municipalities and the County.

Motion by Reid, seconded by Randall, to receive the Kalamazoo County Consolidated Dispatch Authority Report from Councilmember Reid. Upon a voice vote, motion carried 5 to 0.

#### **OTHER CITY MATTERS:**

**STATEMENTS OF CITY COUNCIL:** Councilmember Reid announced the Inclusion Conference 2015, Transitioning & Inclusive Employment Options, at the Fetzer Center, WMU, April 20, 2015, from 8:30 a.m. to 4:00 p.m. where Lt. Governor Brian Calley will be the keynote speaker. She also mentioned the Hidden Talent Tour led by Lt. Gov. Brian Calley and Justice Richard Bernstein with Southwest Michigan First providing assistance locally. This tour will highlight untapped skills, local hiring resources and will highlight the opportunities for hiring Michiganders with disabilities across the state. The Hidden Talent tour aims to showcase the skills of Michiganders with disabilities that are often overlooked. The effort will encourage businesses to develop disability hiring policies while connecting businesses with resources to fulfill workforce needs. She indicated that a meeting will take place at 9:30 a.m. at the KVCC Groves Campus. She stated that April is National Occupational Therapy Month and, as an Occupational Therapist, she let everyone know she is looking forward to attending her national conference in Nashville, Tennessee, this week. Discussion followed.

Councilmember Ford announced the Youth Advisory Committee Greenathon on Saturday, April 25, 2015, from 11 a.m. until 3 p.m. at Celery Flats.

Councilmember Randall welcomed Kendall KlingleSmith as the Director of Parks, Recreation & Senior Citizen Services, and expressed her appreciation to Mr. Shaffer for his selection saying he is doing a fine job of hiring.

Mayor Pro Tem Pearson said, "Spring is here" and asked everyone to enjoy the lakes and the sun, but to also remember to wear sun screen.

**ADJOURNMENT:** Mayor Pro Tem Pearson adjourned the meeting at 9:14 p.m.

James R. Hudson, City Clerk

**\*Indicates items included on the Consent Agenda.**