



Office Market Assessment Portage, Michigan

Presented by: Don Ziemke – Owner of Alto Convenience &
732 E. Centre Avenue

National Office Market Overview

- ▶ Tenants are downsizing physical office space, a result of technological advances to work anywhere/anytime
- ▶ Average amount of office space per employee is shrinking dramatically: from 250 SF/employee 10 years ago to 185 SF/employee today. A 26% decrease in demand
- ▶ Stagnant rental rate growth over the last 24 months
- ▶ Limited speculative development; a result of rising construction costs, stagnant rent growth, unfavorable financing & limited demand
- ▶ Challenges for 2014:
 - ▶ Higher taxes will negatively impact employment/hiring
 - ▶ New “work-place” trends (work from home programs/doing more with less physical space) will negatively impact office demand
 - ▶ Rising construction prices coupled w/ moderate rent growth will negatively impact new development

Source: National Association of Realtors & Costar

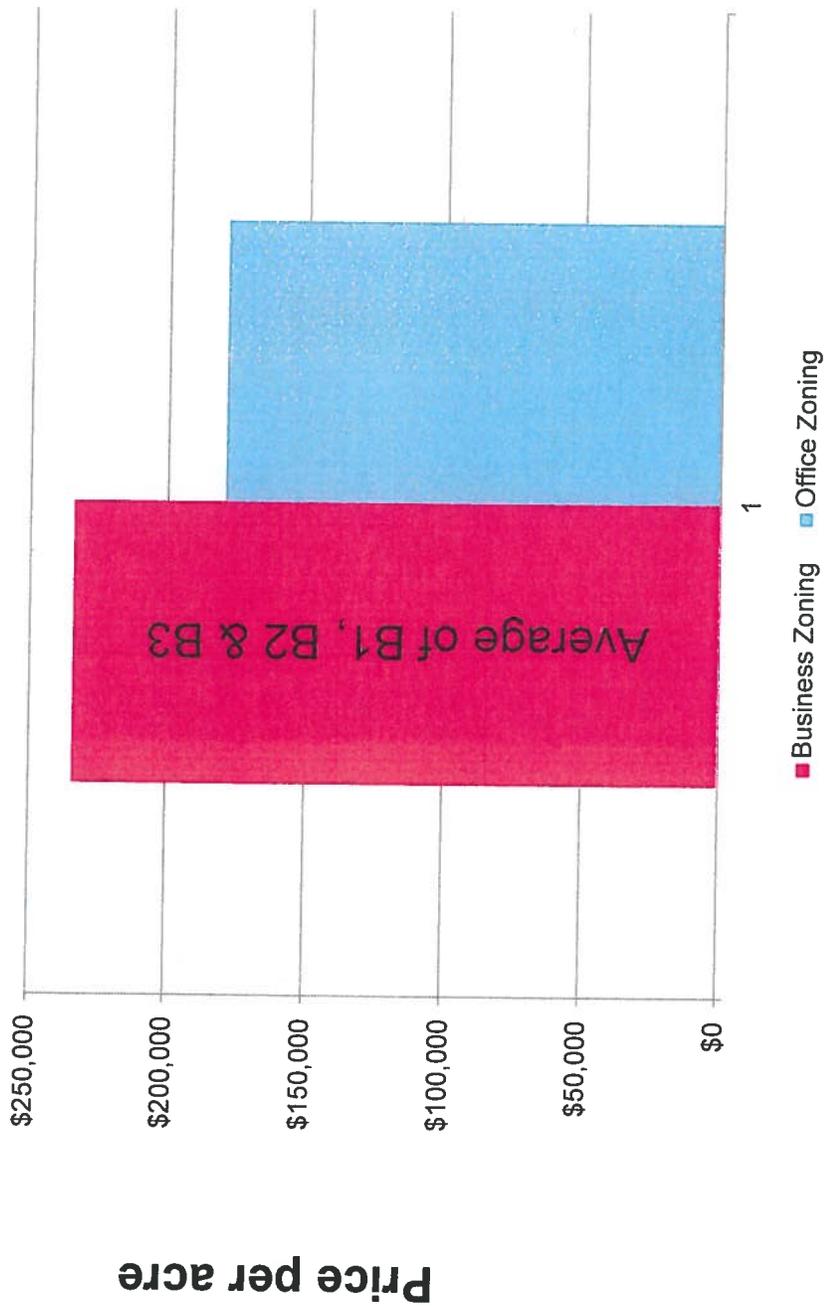
Local Office Market Overview

- ▶ Bradley Company 4Q2013 Office Vacancy Report:
 - ▶ 1,770,222 SF Existing in City of Portage
 - ▶ 493,022 SF of Actively Marketed Available Office Space
 - ▶ **28% Office Vacancy Rate in Portage**
 - ▶ **22% Office Vacancy Rate outside of Downtown Kalamazoo, up from 19% at year end 2012**
 - ▶ **Healthy Vacancy Rate is considered 8-12%**
- ▶ Limited new construction/speculative development a result of rising construction costs, lack of rental rate growth, unfavorable financing & abundant supply
- ▶ Movement of tenants within the market (flight to quality) but experiencing negative absorption outside of downtown

Source: Bradley Company Vacancy Index Report

Local Market Overview - Continued

Average Price per Acre for Vacant Land Sales 2010 – Present
Portage, MI



Source: SWMRIC

Local Market Overview - Continued

Average Price per Acre for Vacant Land Sales 2010 – Present
Portage, MI



Price per acre

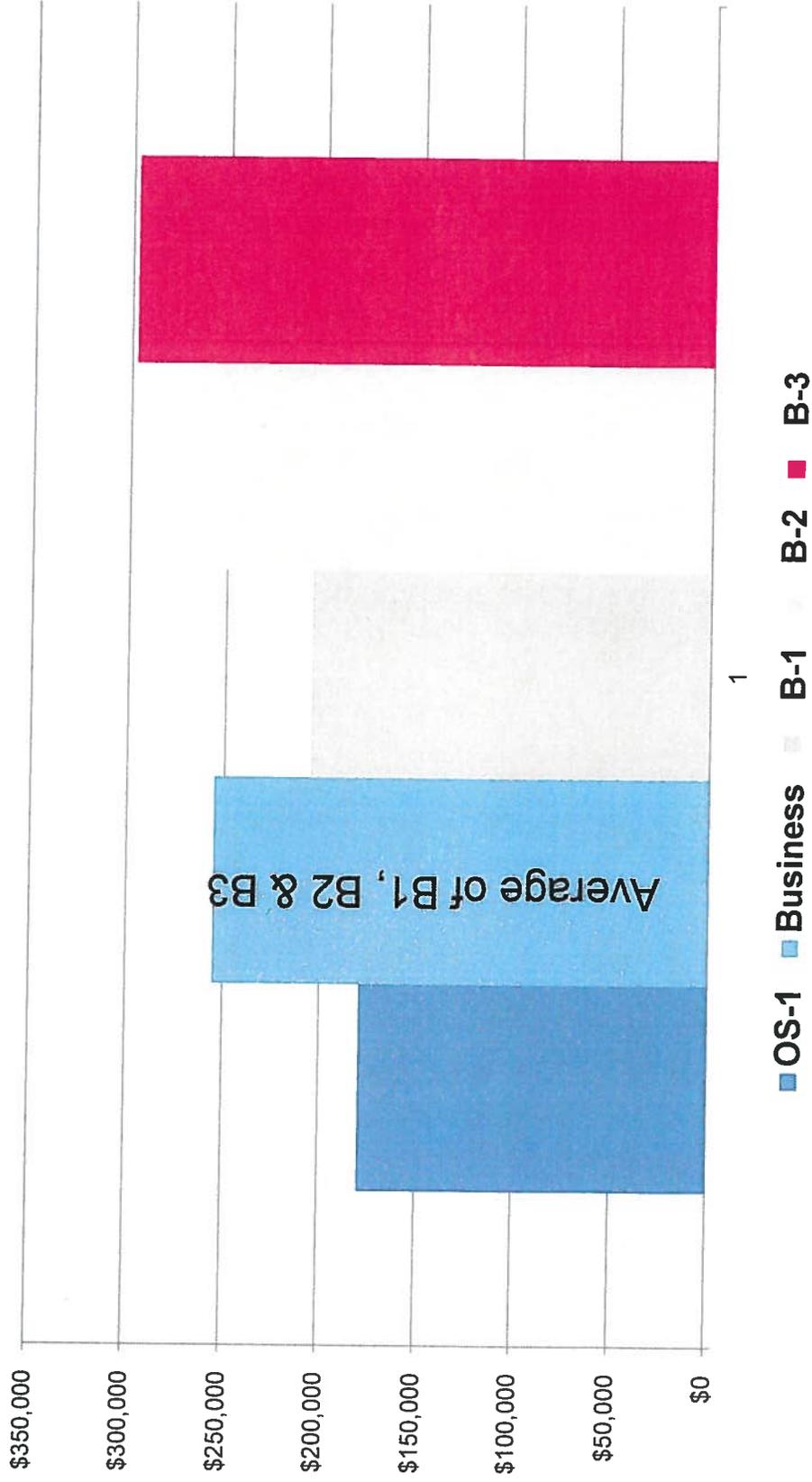
Note: All of the OS-1 sales comparables, except one, were under 2 acres, which commands a higher price per acre sales price. The one comparable sale at 2.0 acres, traded at a more market based figure comparable to the subject property at \$87,500 per acre.

■ Business Zoning ■ Office Zoning

Source: SWMRIC

Local Market Overview-Continued

Average Asking Price per Acre of Actively Marketed Properties in Portage, MI



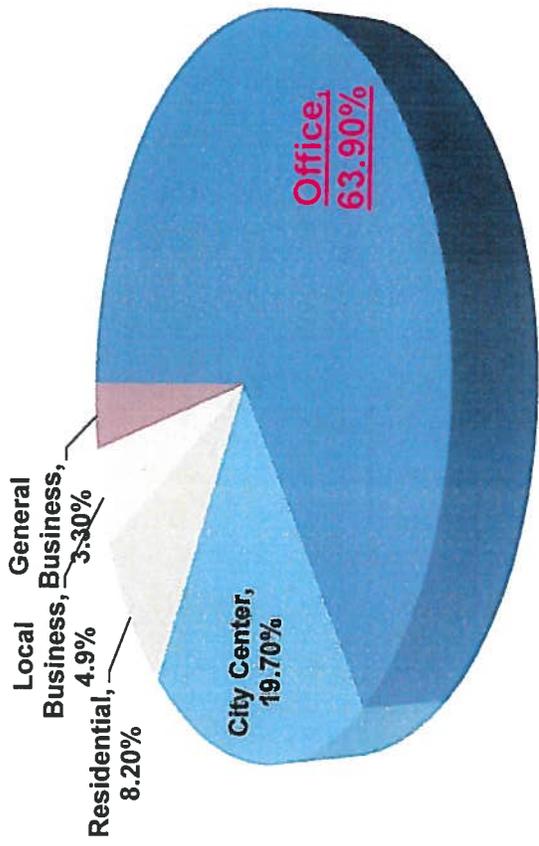
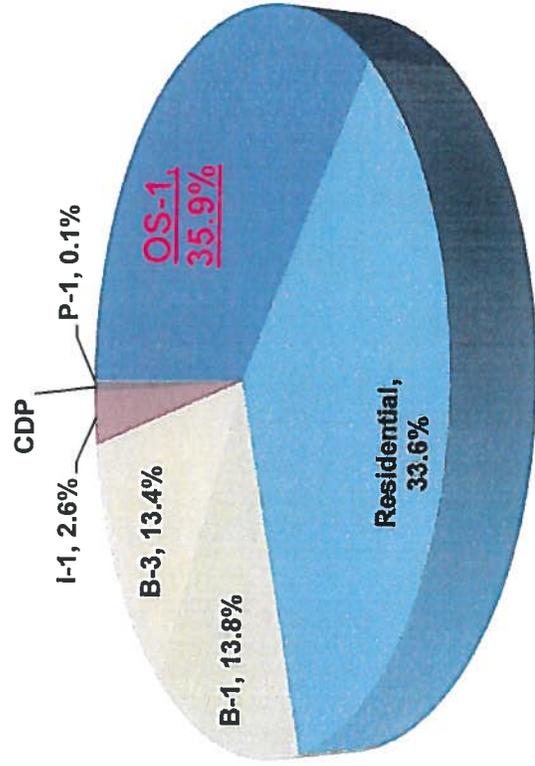
Source: SWMRIC

Centre Avenue Overview

- Primary East/West thoroughfare in South Kalamazoo County; intersecting residential, retail, and employment center concentrations
- Limited convenience retail development east of Westnedge/Centre intersection
- Poised for in-fill convenience retail development to service the population base
- Inflexible future land use plan will create an oversupply of OS-1 zoned properties, impeding future development & ultimately creating downward pressure on property values and tax base.

Centre Avenue Overview - Continued

Current Zoning vs. Future Land Use Zoning



Increase of Supply without increased market Demand will result in price depression for OS-1 zoned properties in this corridor.

SIMPLY: PROPERTY VALUES WILL DECLINE.

Source: SWMRIC; Bradley Company. Analysis based on acreage calculations from Portage Rd/Centre Avenue intersection to Oakland/Centre Avenue intersection.

Centre Avenue Overview - Continued

OS-1 Statistics for Centre Avenue Corridor* Portage Road Intersection to US 131

# of Actively Marketed Sites:	16 sites/developments
Actively Marketed Acres:	+/- 32 acres
Average Days on Market:	490 **
Average List Price:	\$173,656
Average List Price/Acre:	\$153,029

•Includes on-market properties only & does not account for the likelihood of a multitude of property owners open to a disposition of property or other OS-1 properties in other areas of Portage. See handout for list of availabilities.

** Days on market (DOM) statistic only includes properties listed on SWMRIC MLS. It does not include any developer controlled parcels. Including the developer controlled parcels would increase the DOM statistic.

Source: SWMRIC, Bradley Company

Centre Avenue Overview - Continued

Recent/Notable Comparable Sales on Centre Avenue

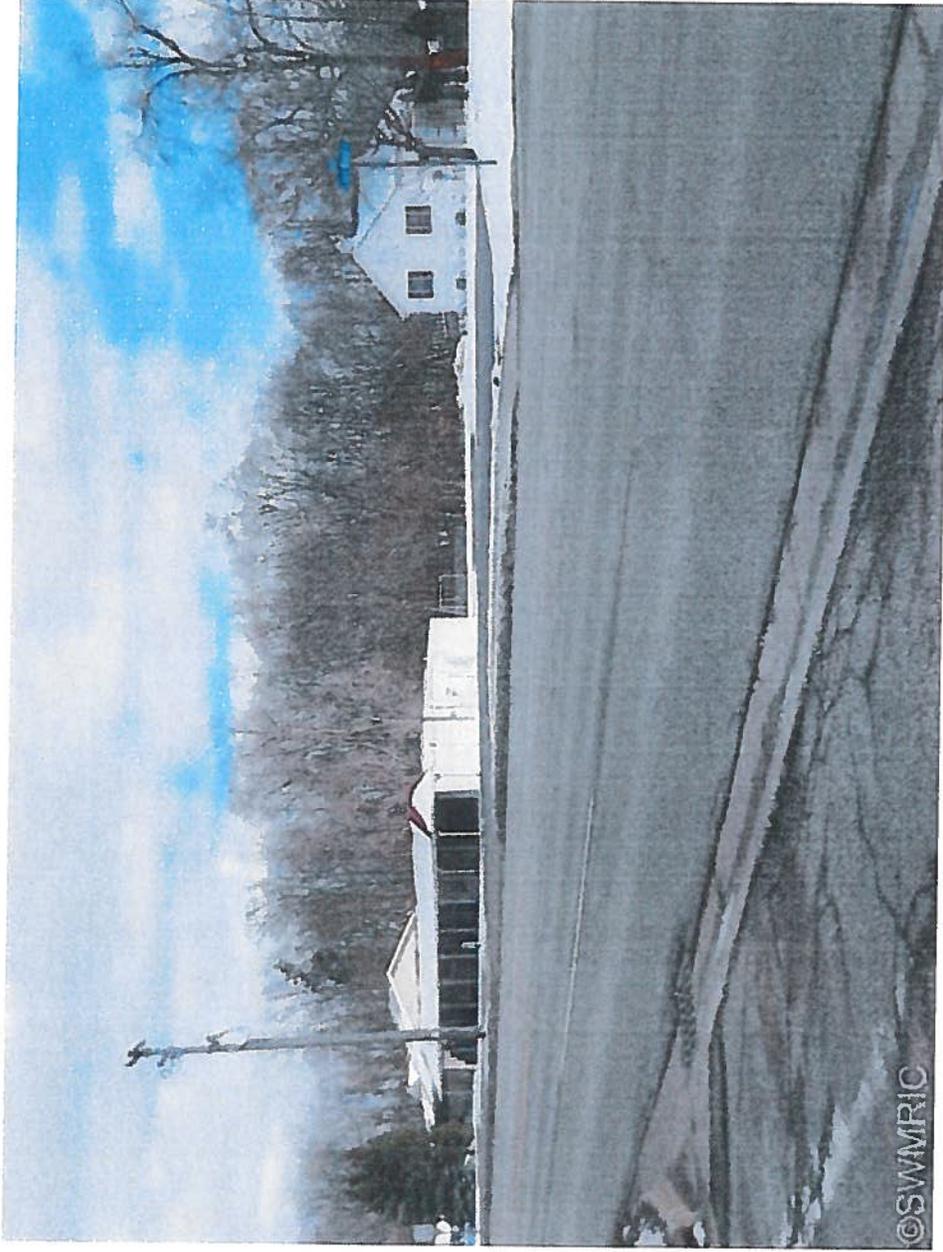
- ▶ Dr. Nicola, DDS Sale:
 - ▶ 1510 W Centre Avenue | 0.89 acres
 - ▶ \$133,596 per acre
 - ▶ Zoned OS-1
- ▶ Appletree Christian Learning Center Purchase:
 - ▶ 1518 - 1530W Centre Avenue | 2.56 acres
 - ▶ \$51,562 per acre
 - ▶ Zoned R1-B

Likely buyer for vacant office zoned land is a specialty use, owner occupant that typically requires less than 2 acres of land.

Source: SWMRIC

Centre Avenue Overview-Continued

- ▶ Subject Property



Centre Avenue Overview-Continued

- ▶ 821 E Centre Avenue - \$120,000



Centre Avenue Overview-Continued

- ▶ 827 E Centre Avenue - \$120,000



Centre Avenue Overview - Continued

614 E Centre Avenue-\$139,000



Centre Avenue Overview-Continued

- ▶ 626 E Centre Avenue - \$115,000



Centre Avenue - Suburban Office Market

Property	Zoning	Acres	Asking Price	Price/acre	Status	DOM	Comments
775 E Centre Avenue	OS-1	0.35	\$ 50,000	\$ 142,857	ReMax has listed.	40	801 E Centre Street is adjacent to this property and also listed for sale. Could be combined. Likely buyer is an owner occupant.
1305-1315 W. Centre Ave. & 8049 Brookwood	OS-1	3.36	\$ 545,000	\$ 162,202	Signature has listed.	836	1305 W. Centre 1315 W Centre and 8049 Brookwood 3.36 acres sold for \$114,000 in 2009. This property has been listed for over four years. Property value is close to where it was when purchased in 2009
FSBO 1411 W Centre	OS-1	1.22	Unknown	Unknown	FSBO	Unknown	FSBO parcel next to above property.
801 W. Centre Ave.	R-1a	1.11	\$ 155,000	\$ 139,640	ReMax has listed.	40	Residential property that may have the ability to be rezoned to future office land use. This property will not sell for office use anytime soon unless the building can be re-developed as office. Which is unlikely.
821 E. Centre Ave.	OS-1	0.70	\$ 120,000	\$ 171,429	ReMax has listed.	260	Property has been on the market for several years and has a highest and best use as residential rental. The office market absorption and rental structure is very low and cannot justify the cost to purchase, tear down the building and build new.
827 E. Centre Ave.	OS-1	0.70	\$ 130,000	\$ 185,714	ReMax has listed.	279	Property has been on the market for several years and has a highest and best use as residential rental. The office market absorption and rental structure is very low and cannot justify the cost to purchase, tear down the building and build new.
8075-8175 Creekside Dr.	OS-1	6.04	Available		MRG has listed	Unknown	Several vacant pad sites that have been available for over 13 years. There is not enough demand for larger space within our suburban market for these sites to be developed.
3500 W Centre Avenue	OS-1	1.97	\$ 299,000	\$ 151,777	Listed with Bradley Company	1,320	Woodbridge Hillis site next to Fifth Third Bank. On the market over 3.5 years
1622 E Centre Ave	OS-1	0.41	\$ 45,000	\$ 109,756	Listed with Callendar	39	
721 W. Centre Ave.	OS-1	0.69	Sold in 2006		Owner occupant	Unknown	This is one of the most recent offices constructed on the Centre Avenue corridor. The land was purchased by an owner occupant during the height of property value in 2006 for \$87,000. The current owner purchased the building and part of a business hence the inflated sales price of this building in 2010.
4200 W Centre Avenue	PD	1.00	Unknown-BTS Opportunity		AVB listed	Unknown	Pad site on the AVB parcel, slated for office user.

Property	Zoning	Acres	Asking Price	Pricelacre	Status	DOM	Comments
CentrePort Commons SEC Centre/Portage	PD	8.00	BTS		Treystar	Unknown	Up to 8 acres available for mixed use project. Four sites still available.
Oakland-Centre Lots West of Oakland/Centre Intersection	OS-1	3.75	BTS		Treystar	Unknown	Office development project west of Oakland/Centre intersection. Developed by Treystar.
FSBO E Centre Avenue	OS-1	1.00	Unknown	Unknown	FSBO	Unknown	For Sale by Owner Property across from subject property.
1511-1513 E Centre Ave	OS-1	0.91	\$ 89,900	\$ 98,890	O'Brein RE	873	Residential property that could be converted or developed into an office site. REO.
614 & 618 E Centre Avenue	R-1a	0.60	\$ 129,000	\$ 215,000	ReMax has listed.	726	Residential property that may have the ability to be rezoned to future office land use. This property will not sell for office use anytime soon unless the building can be re-developed as office. Which is unlikely.

31.31 \$ 173,656 \$ 153,029 490

This does not include other properties than can be utilized by an office user in different zoning districts or areas within the city of Portage.

Above is a limited snapshot of properties near the Subject Site and along Centre Avenue that could be utilized for office use. Many residences fronting this corridor are used as residential rentals not in conformance with the existing OS-1 zoning. This is primarily attributed to lack of demand as well as soaring costs for office conversion. The area of Centre stretching from Westnedge to Portage Road is not experiencing a high demand for office use. The demand for office lies primarily to the west, from Westnedge to US 131.

As of 4Q2013, the vacancy rate for suburban office space was north of 22%. New office development is virtually non-existent given the amount of available supply and stagnant growth of rental rates since the recession started in 2008. Demand for office has also declined over the last several years with office occupiers working from home, by phone/virtually or working in a more collaborative environment that requires less physical space. While there has been some movement of tenants within the market place (flight to quality), new demand (growth/new businesses) has been limited.

Office Vacancy Rates Notes:
It's also important to note the vacancy rate does not include the 300,000 SF office building formerly occupied by Pfizer on Portage and Bishop Roads. Adding this supply to the vacancy index would have an even greater negative effect on market indicators. However, until this building is multi-tenanted, it will not have much of an effect on the existing supply of space.



TO: Planning Commission **DATE:** May 9, 2014
FROM: Vicki Georgeau, ^{VA} Director of Community Development
SUBJECT: Charter Township of Texas – 2014 Master Plan Update

I. INTRODUCTION

Attached is a communication and draft copy of the 2014 Master Plan Update for the Charter Township of Texas. Pursuant to the Michigan Planning Enabling Act, Texas Township is requesting review and comment from all contiguous municipalities and other required agencies by June 5, 2014.

As indicated in the Introduction section of the document, the 2014 Master Plan Update is intended to serve as a five-year update to the original Texas Township Master Plan that was adopted in 1999 and subsequently updated in 2007. The Plan Update includes 2010 U.S. Census data with a *Demographic Profile* that primarily relates to housing alternatives for a growing population. The Plan Update also focuses on further implementation of items originally identified in the 1999 Master Plan including the following:

- Evaluation and revision of the Zoning Code to include a more user-friendly *Clearzoning* ordinance, expanded use of the PUD and creation of a new “RC” Resource Conservation District.
- Inclusion of a new wetland and floodplain map that includes 10-year wellhead protection limits (time of travel zones) to better define open space and resource conservations areas.
- A survey of farmland owners and analysis of farmland protection programs and options available.
- Better coordination between recommendations contained in the Plan and projects contained in the Capital Improvement Program (CIP).
- Preparation of a Sub-Area Plan for Texas Corners.
- Development of a plan for non-motorized connections.

The Plan Update also incorporated findings revealed through a 2013 community survey and included revisions to the Future Land Use Map and corresponding land use descriptions contained in the Plan. It is important to note that the Texas Township Future Land Use Map includes designations that are consistent and compatible with land use designations identified on the City of Portage Future Land Use Map, along the shared corporate boundary of South 12th Street. Residential/agricultural land use designations are predominant along the majority of South 12th Street with the exception of the area near the West Milham-Texas Drive-South 12th Street intersection where local/neighborhood commercial land uses are identified.

Staff has reviewed the draft 2014 Texas Township Master Plan Update and does not have any specific comments or concerns. The Planning Commission is advised to review the Plan document during the May 15, 2014 meeting. Any comments/concerns expressed by the Planning Commission will then be forwarded to township officials for consideration.

Attachments: Notice of Transmittal of Land Use Plan from Texas Charter Township Planning Commission
Charter Township of Texas – 2014 Master Plan Update (DRAFT)

RECEIVED

APR 17 2014

COMMUNITY DEVELOPMENT

TEXAS CHARTER TOWNSHIP PLANNING COMMISSION

NOTICE OF TRANSMITTAL OF LAND USE PLAN (MASTER PLAN) UPDATE

Enclosed is a copy of proposed update to the Texas Charter Township Land Use Plan. In accordance with Section 41 of the Michigan Planning Enabling Act (MCL 125.3841), the enclosed proposed amendment(s) is(are) being submitted to you for review and comment. In accordance with the aforementioned Act, any written comment that you wish to make with respect to the proposed amendment(s) should be submitted to the Texas Charter Township Planning Commission within 63 days from the submission of this Notice to you. Please direct any such written comments to:

Texas Charter Township Planning Commission
Att: Larry Loeks, Secretary
Texas Charter Township Hall
7110 W Q Avenue
Kalamazoo, MI 49009

If you are a Planning Commission or a legislative body, then you are required under the above-mentioned statute to concurrently submit a copy of any such written comments to the Kalamazoo Metropolitan County Planning Commission at 201 West Kalamazoo Avenue, Kalamazoo, MI 49007.

If you have any questions, please feel free to contact the Township Clerk Linda Kerr or Deputy Clerk Theresa Paddock at (269) 375-1591.

TEXAS CHARTER TOWNSHIP
By: Larry Loeks, Secretary

CHARTER TOWNSHIP OF TEXAS

2014 Master Plan Update

DRAFT

ADOPTED BY THE TEXAS TOWNSHIP PLANNING COMMISSION ON: _____

APPROVED BY THE TEXAS TOWNSHIP BOARD ON: _____

INTRODUCTION

The following plan is intended to serve as a 5-year Update to the original comprehensive plan adopted in 1999. The Plan was last updated in 2007 and this new 2014 "master plan update" is intended to follow the new *Michigan Planning Enabling Act*, which was adopted as P.A. 33 of 2008. This update includes the new 2010 Census data, with a *Demographic Profile* primarily related to housing alternatives for a growing population.

Since this last five-year update, a substantial amount of progress has been made on the original list of items from the 1999 Plan and the prior update. This list was as follows:

- 1) Evaluate and Revise the Zoning Ordinance
- 2) Revise and Expand Planned Unit Development (PUD)
- 3) Inventory Key Natural Features
- 4) Survey of Farmland Owners
- 5) Develop Farmland Preservation Programs
- 6) Promote the Purchase of Development Rights (PDR)
- 7) Coordinate Capital Decisions with the Plan
- 8) Develop Sewer Policy to Guide Development
- 9) Establish a Natural Area Conservancy
- 10) Prepare a Sub-Area Plan for Texas Corners
- 11) Develop a Plan for Non-Motorized Connections
- 12) Develop a Geographic Information System (GIS)
- 13) Improve Public Understanding of Growth Management Benefits

Directed at *implementation* of this list is the continued update to the Zoning Ordinance, which has now been revised as a more user-friendly *Clearzoning* ordinance. This new ordinance, which replaced the prior ordinance without changing the basic content, allows for online access and hyper-linked sections, which gives the user more direction in terms of definition of terms and access to both permitted and special exception use information. Graphics are also used to better explain or interpret the text. More recent amendments have been based upon other items on this implementation list.

The use of PUD has been expanded for use in both the Agricultural and Resource Conservation areas of the Township. A new "RC" Resource Conservation District was established to better assist in preservation of open space and natural resources. While not yet implemented through map amendments, this new district can be used in conjunction with many non-profit preservation areas in the Township, such as Pretty Lake Vacation Camp, Roat-Kiwan Boy Scout Camp, the City of Kalamazoo's Al Sabo Preserve (wellfield area) and even the grounds around the adjoining Kalamazoo Valley Community College (KVCC). A new wellhead protection ordinance has also been drafted to assist with preservation efforts.

New wetland and floodplain mapping has been incorporated into this plan update. This layer of mapping data has been utilized, with the wellhead data (Time-of-Travel zones), to better define open space and these resource conservation areas. There are additional

areas, some within the western and southern *Agricultural* designation area, that have been revised based upon this new data.

An analysis of how to better designate agricultural areas has been included and has led to an expansion of this designation north of I-94, west of the existing residential areas (zoned "R-1"). A small area in the northwest corner of the Township (Stadium/Michigan at 1st Street) has been retained based upon existing development, but the intent of this change was to reflect the fact that this is an area of larger parcels, not served by public services and difficult to develop based upon right-of-ways cutting through and "landlocking" some parcels.

The Planning Commission has also worked to provide the foundation for the Township's first Capital Improvement Program (CIP). This 6-Year program (the 1st year serving as the annual budget proposal for capital expenditures) will be based on input from Township staff and committees directed at Public Safety, Parks and Recreation and other elements, such as Roads. The Planning Commission will then look at such recommendations within the overall context of the master plan, coordinating projects where the plan, or sub-area benefit, may align with new development potential. This program may need to stimulate greater focus on the provision of sewer and water facilities in the near future.

The Corner's Business District (CBD) has been the primary commercial "sub-area" for concentration of ordinance amendments and new planning. The Downtown Development Authority (DDA), which has the same boundary as the *Central Commercial* designation, contracted with a firm (Viridis) to develop a new DDA Master Plan, which is being adopted as part of this plan update. In addition, the zoning ordinance has been amended in support of a new Mixed Use Site Condominium provision to allow for implementation of the Plan's greater density and intensity (See Option 3 Concept Plan). As part of this DDA Master Plan, the provision has also been made to incorporate new types of access, with "access connectors" allowing for more flexibility on private property and new public road options being considered by the Kalamazoo County Road Commission (KCRC) specific to this unique type of development area.

These new options also fit well with the Township's *Complete Streets* policy, which includes review of all non-motorized options at the time of any new expenditure for roads or related improvements. Increased focus on non-motorized connections has also been included in this plan update, with the intent to support an internal system, connecting residential development areas with the CBD or other community facilities, such as the Township Parks. In addition, having this system expand externally upon extensions to the Township boundaries allows for regional connections, such as the recent project along Texas Drive that will connect to the City of Portage system. Ultimately, cooperation with adjoining communities (north through Oshtemo Township to the Kalhaven Trail and west to the Village of Mattawan and Antwerp Township) will serve to make internal and external segment connections an ongoing priority. Increased focus on pedestrian and bikepath development and maintenance has been enhanced by the recently adopted Sidewalk and Pathway Ordinance.

COMMUNITY SURVEY

In 2013, Texas Township, in conjunction with three other Townships, undertook a community survey. This survey was conducted by Cobalt Community Research and was based upon a series of study goals. These goals included three elements linked to this planning process: (1) Planning and Zoning Regulations; (2) Future Service Opportunities; and (3) Parks and Recreation. These were several different methods utilized, including a random sample of 1500 residents (from voter records) . Generally, the results revealed that the residents were satisfied with the community, would recommend it to others as a place to live and anticipated remaining in the community. The community image also scored well in terms of being a safe place to live, physically attractive and growing responsibly).

In terms of planning and zoning, residents supported increased restrictions on nuisance-related issues (blight, noxious weeds, noise, etc.) and wanted to see less signage along the roads. In most other instances, they believed current regulations were adequate. If regulations were to be reduced, they cited garbage collection and leaf burning as possible issues to address. In addition to increased police services and road maintenance, parks and recreation scored very highly for service improvements. When asked specifically as to type, expansion of nature trails and the bike path system scored the highest.

Overall, the survey response should lead to better decision-making direction, with support for many of the services now in place and expanded services in public safety, road maintenance and parks and recreation. The Township's committee structure and capital improvement programming (CIP) process should assist with keeping public input on the forefront of these survey recommendations.

DEMOGRAPHIC PROFILE

This element of the Plan provides the background data related to population, housing and the potential for future development. It is based upon the United States Census, which allows for some interpretation based upon the nature of the survey and other national and state trends that influence the results. From the perspective of the Plan, population and housing growth may lead to further expansion of areas for new residential development. If "growth management" is the focus or if limited growth is anticipated over time, there may not be the need for increased capacity in residential land use designations.

Population

Table 1 provides a breakdown of population change for the Township over the last 20 years. While the intent of the master plan is a 20-year look into the future, the past plays an important role in the overall direction for the community.

Table 1 - Population

1990	2000	Change % 1990-2000	2010	Change % 2000-2010	% Change (1990-2010)
7,711	10,919	3,208 +42%	14,697	3,778 +35%	6,986+91%

The Township's large population growth between 1990 and 2000 (3,208 persons) was followed by an even larger increase between 2000 and 2010 (3,778 persons), even though the percentage declined from roughly 42% to 35% . It is anticipated that this number would have even been higher if economic conditions had not deteriorated during the last 4 years of the decade, with new residential permits declining rapidly from a peak in 2005. Overall, there was a virtual doubling of the population over the 20-year period, as Texas Township became the fastest growing Township in Kalamazoo County.

Sex/Age Breakdown

Of the 2010 population of 14,697 persons, there were 7,313 males and 7,384 females, a virtual 50/50 split. The number of persons age 65 & over (1,536 or almost 10% of the population) was below that for the county as a whole (12%). The national trend toward an aging population opens up opportunities for more senior housing options. The desire of the younger generations to live in more urban settings, whether for employment or for amenities more suited to their lifestyle, also supports expanded commercial development as part of a residential community.

Generational Profile

Much of what is now presented for age breakdown is linked to generational categories. These categories are an attempt to somewhat define people, despite a broad mix of varying personal characteristics. From the perspective of marketing for housing, services or other economic needs, these five categories, shown in Table 2, provide the opportunity to determine where a community may wish to target growth in population through a mix of housing choice.

Table 2

GENERATION	BIRTH RANGE	AGE RANGE *	CENSUS GROUP*
Silent Generation	(1925-1945)	(65-85)	(65 & Over)
Baby Boom	(1946-1964)	(46-64)	(50-64)
Gen X	(1965-1976)	(34-45)	(35-49)
Gen Y	(1977-1987)	(23-33)	(25-34)
New Millennial	(1988-)	(00-22)	(0-24)

* These age ranges are based on the Census year of 2010. The Census grouping is how the age breakdowns can best be combined to most closely match the categories.

Initially, it should be noted, that no one person fits this exact generational profile in terms of target marketing. Within the *Silent Generation* there are many people living active

lives in their own homes, while many are now residents of active retirement communities, and still others are living in assisted living facilities and nursing homes. With housing choices limited in some communities, this population may need to "retire" elsewhere to find needed services, such as medical care, or simply choose to relocate to be closer to family or for a warmer climate.

The *Baby Boomers* are probably the most profiled category, likely because of their size but also because of the post World War II growth in the media and marketing directed at this generation. As with their parents generation, they have varying types of housing expectations, although most continue to live in single family homes, whether in subdivisions or on larger parcels. In most instances, they make up a large percentage of people who own homes in rural areas. They are also the population that will support retirement communities, often as second homes, and increased demand for medical services. Their existing and future reliance on much needed services, as well as personal wants, may influence community makeup for many years to come.

The *Generation X* population is more difficult to define, although they now encompass those in their prime working and parenting years. They are also the population expected to take up the demand for housing that may be shed by the *Silent Generation*. In a more robust economy, it is this group that may have more options as to housing, yet their lower population numbers may reduce their ability to support the services of the large Baby Boom cohort.

The *Generation Y* population, also known as the *Baby "Boomlet"*, brings forth a young generation that enjoys much of the trappings of being raised by the baby boomers. This includes educational pursuits and expectations in life, that may not always follow those same steps of their parents. In many instances, they are either not having children or deferring marriage and/or childbirth until later in life. This group is in their early working years and they are most often associated with the desire for a more urban existence. It is this group that will shape community development in the years ahead, through housing decisions and lifestyle choices.

The *New Millennials* are, as of yet, not a target of housing demand and supply, but it is anticipated that this category will follow their older *Generation Y* counterparts and seek a more urban existence. Whether a community can attract this group, which is primarily in their educational years, will be dependent upon the housing type (apartments) available, as well as commercial services and activities.

Table 3

GENERATION	CENSUS GROUP	2010 TEXAS TWP.	% OF TOT. (14,697)
Silent Generation	(65 & Over)	1,536	10%
Baby Boom	(50-64)	3,345	23%
Gen X	(35-49)	3,369	23%
Gen Y	(25-34)	1,345	9%
New Millennial	(0-24)	4,232	29%

As can be seen from Table 3, the Township has a very young population and the potential for continued growth is high as new families seek to locate in the Township based upon school district and/or other amenities. An additional key will be to provide housing options which allow the older generations (those 50 & Over) to "age in place", whether downsizing to condominium units or other housing options.

Housing

While population statistics reflect the total increase or decrease occurring in a community, the analysis of housing statistics is often the key to land use planning for new residential development. Table 4 provides a breakdown between housing units and households, which are defined as "occupied" housing units. It also lists the number of vacant units, with a very low 5% vacancy rate at the time of the Census survey, as well breakdown of owner and renter occupied units.

Table 4 - Housing

	Housing Units	Households	Vacant Units	% Vacant
2010	5,528	5,231	297	5%
	Owner-Occ.	% Household	Renter Occ.	% Household
2010	4,753	91%	478	9%

The nature of housing, in relation to population change, is often linked to population per household. Based upon a population of 14,697, there are 2.81 persons per household, which reflects the larger family sizes in the community. This number increases to 2.85 for owner-occupied units. There were 1,141 people living in the rental units, for a renter occupied of 2.39 persons per household.

Population Projections

There are numerous methods of conducting population projections but they can be categorized in primarily three ways. One category focuses on the natural increase in population associated with the number of births exceeding the number of deaths. An often used method is the "cohort-survival" method, using the age/sex breakdown for that community and projecting: a) the number of potential births from the base of females in the 15 to 44 "fertility" age range; and b) the number of anticipated deaths based upon average life expectancy. This method is most often based on the current census of population.

A second category relates to the net population increase associated with the immigration (or in-migration) of people into the community minus the out-migration that may occur. This becomes much more difficult to calculate. Adding this projection to the natural increase, sometimes referred to as the "cohort-component" method, provides for both categories to be utilized in one projection.

A third approach is simply to use the pattern over the past to project the future population. This "trend" or "growth rate" method to project future population tends to remove the fluctuations from economic related cycles that may influence a 10-year period. Based upon the increase in population over the last twenty (20) years (6,986 persons or a 91% increase from 1990), it may be possible to use a 22.75% growth rate for each 5-year period (est. 3,344 persons) over the next 20 years, with this based upon the following assumptions:

- A. The Township will be influenced by development pressure from the north, west and from the east, with a range of housing options from land division to plats and site condominium projects, as well as multi-family housing, possible within mixed use development projects.
- B. This projection may be higher than what is feasible within the growth boundary for single family residential development, but higher density housing inside the boundary and allowance for use of PUD (Planned Unit Development) and OSP (Open Space Preservation) projects (outside the boundary -within the "A" Agricultural District) may balance this difference.

Table 5 - Population Projections

2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection
14,697	18,041	21,385	24,729	28,073

This projection would lead to roughly 13,376 new residents, with this equating to approximately 5,350 new housing units (at 2.5 persons per unit) over the 20-year period.

TRANSPORTATION/INFRASTRUCTURE

This element of the Plan incorporates by reference the role of the Planning Commission within the Capital Improvement Program (CIP) process. In addition to this, the Township has a number of plans relating to development of facilities within the road right-of-way and/or just outside this right-of-way, including a new Sidewalk and Pathway Ordinance (Effective June 2013). It is the goal of the Township to provide for non-motorized facilities as part of an overall *complete streets* policy. This defines that all modes of transportation should be considered when any improvement is proposed within a right-of-way.

This initial part of this element is directed at the road system in support of vehicular movement and other non-motorized systems in support of alternative movement. In general, these "off-site" improvements are made within the public right-of-way, which may be 66-feet in width for county roads or could be up to 100 feet for county primary roads or 120-feet for state trunklines. A standard lane width of 11-feet is utilized for purposes of this analysis.

Motorized: For two-lane county roads, the paved surface may be anywhere from 22-feet, with 2-3 foot gravel shoulders on each side, to 28-feet, where speeds or vehicular turning movements may be greater. The addition of a designated turn lane then expands this to 33-feet or more. With 5 lanes, this paved surface may be 55-feet and curbed, leaving 11 feet of right-of-way in support of non-motorized allowance. The Texas Township Road Committee has established, via a special millage, a road maintenance program for the secondary road system. These funds can be used to match the County's PAR funds, with a listing of proposed projects based upon road conditions.

The Township has also recently adopted a zoning ordinance amendment to support alternative road design and private access connectors/cross access agreements between properties within the Corners Business District (CBD). The intent here is to allow for a higher density of development, with this "mixed-use site condominium" option providing the mechanism for such build-out. This option is also directed at reducing vehicle speeds and allowing for greater non-motorized use by pedestrians and bicycle riders.

Non-Motorized: While such improvements have been a part of road right-of-ways for decades, a federal directive, entitled "complete streets", has been adopted by many states and communities. This directive is to consider all modes of transportation within the right-of-way any time new roads or improvements to roads are undertaken. These modes of transportation include motorized elements, such as public transit, but mostly focus on non-motorized options, whether they be *sidewalks* for pedestrian movement, *bikelanes* for bicyclists, or *pathways* that may support multi-use applications. The Kalamazoo County Road Commission (KCRC) is pursuing greater policy directives as to non-motorized options and may use some different terminology (where noted) For purposes of this review, the following options are defined:

Sidewalks are typically 4-5 feet in width and are usually concrete. Reduced width (4 feet) may be found within residential locations, but 5-feet is typically preferred in commercial locations. Ideally, such sidewalks are placed either at or within 1-foot of the right-of-way boundary and separated from the road surface by some landscape strip. Safety is the critical element, allowing for pedestrian movement that is clearly separated from the motorized surface. The intent of the Sidewalk Pathway Ordinance and any approvals for site plans, plats or site condominium developments is that the sidewalks and pathways be constructed whether they connect to current facilities or not at the time of development.

Bikelanes are typically 3-4 feet in width and are usually within the paved surface of the road. The only separation that exists is the white line identifying the lane with a bike logo and signage identification along the route. These lanes are intended to allow riders to "share the road", with a balance between speed and safety. The Kalamazoo County Road Commission (KCRC) regulates public roads within the Township, with their preference for "paved (widened) shoulders" to allow for more alternative access. They may not prefer that such shoulders be signed as bike lanes for safety/liability purposes.

Pathways or bikepaths are typically 8-10 feet in width and are usually asphalt surfaces. These paths are separated from the road surface and may replace the sidewalk location in

the last 10-feet of the right-of-way. Where such right-of-way is not available, these paths may follow purchased or granted easements through private property. Safety is the critical element, with separation from the road surface and additional width to allow for both pedestrian and bicycle movement. The Township's Parks and Trails Committee makes recommendations as to priority segments for new development, with most recent efforts funded through KCRC, MDNR and MDOT grant programs.

Trails are generally a combination of surfaces that may, or may not, be located within a road right-of-way but could follow the same direction or be completely separate in their intent. Other natural right-of-ways, such as rivers, are often the focus, or abandoned right-of-ways are utilized, such as the "rails-to-trails" movement for abandoned track surfaces. These surfaces dictate whether they are utilized for traditional bikepaths or are unpaved and limited to hiking or mountain biking options. Equestrian and cross-country skiing use are often accepted on these surfaces. Connections of these non-motorized systems are often associated with the intended destination, whether it be for work or recreational pursuits. Health advocates promote walking and biking while economic conditions may dictate that some people do not have other options (vehicular resources). Trails could also serve as the preliminary design for improved pathway system. It is recommended that such locations, when effectively utilized and connected, provide for a 10-foot easement that could support enhanced funding options.

Sewer/Water: The Township has an extensive network of sewer and water lines, with connection to the City of Kalamazoo systems. In addition, the City of Kalamazoo has a wellfield (Al Sabo Preserve) within Texas Township that is further described in the Resource Conservation section of this plan. (Current maps included for reference). The Township Engineer will begin to review the potential for expansion of the utility system within specific sub-areas, with initial focus on the 9th Street/O Avenue area.

FUTURE LAND USE PLAN/ZONING PLAN

The Future Land Use Plan is based upon the need to provide sufficient capacity for future development in support of growth outlined within the population projections for the community. This element also serves as the foundation for the zoning ordinance and is directed toward implementation through capital improvement programming. A new zoning plan element has been added to this section in order to identify those zoning districts deemed compatible or consistent with each plan designation.

This element of the plan is presented in both a narrative form as well as on the Future Land Use Map. Each land use designation is described in terms of density (residential) or intensity of use. While the Plan is intended to be general, and sometimes flexible, in its implementation, it is guided by the concept of more intensive development within a growth boundary where public services can most efficiently be extended. The nature of the plan is based upon a twenty year time horizon with updates every five years or upon a change in condition that may warrant such review and possible amendment.

The following eleven (11) designations represent specific categories of land use that may be implemented through amendments to the zoning districts map (rezoning) or through actual layout and design considerations during site plan review and approval. The "Institutional" designation has been deleted due to no specific zoning district in which to implement such designation. Those uses for which it was intended (schools, churches or similar non-profit entities) are permitted in a range of other zoning districts and the corresponding or contiguous designation has been utilized for that purpose. References to preservation of open space, planned unit development, conservation easements or similar terminology are intended to describe characteristics of development options that may serve to implement the goals and objectives of the Plan.

RESOURCE CONSERVATION

This land use designation supports the preservation of open space within public or private facilities where protection of the natural environment is balanced by opportunities for passive or active recreation or other limited development. The primary purpose of the areas designated Resource Conservation is to foster the protection of these natural features with as little disturbance as possible. A secondary purpose is to allow for public and private facilities that may support community-based activities, such as schools, churches or non-profit entities that promote outdoor recreation, such as the Pretty Lake Vacation Camp and the Rota-Kiwan Boy Scout Camp.

Wellhead Protection: One large landholder within this Resource Conservation area is the City of Kalamazoo. The Al Sabo Preserve area is the location for a city wellfield and protection of that groundwater resource is in the best interests of the entire community. Toward that end, the Township has adopted a Wellhead Protection Ordinance that closely mirrors the regulations established by the City of Kalamazoo within their ordinance, including all performance standards. As part of this intent, there are mapped areas representing the 1-Year, 5-Year and 10-year Time of Travel zones. These zones are shown on the Master Plan Map, with the 5-Year designation balancing out the need for protection intended by both the 1-Year and 10-Year areas stipulated within the wellhead ordinance. It is understood that such area can support new development subject to these standards, with the range of existing and potential uses within the 10-Year boundary subject to existing designations.

Wetland/Floodplain: New mapping has also been included identifying wetland and floodplain areas, some of which are inside this large resource conservation area (around Al Sabo), while other areas exist outside the growth boundary along the Township's west and south boundaries.

Township Parks: The Township has recently purchased a centrally located 65-acre site (south of O Avenue and east of 6th Street) that may support the need for additional park land. The Township's 5-Year Recreation Plan has identified the need for more acreage based upon the demands of the Township's growing population. This land also abuts the Consumer's Energy right-of-way, that could be used for pathways connecting to other

facilities owned by KVCC to the north (the Groves/EBT) and to the east (College campus).

Zoning Plan: The Township has recently adopted a new "RC" Resource Conservation District, which is considered the only zoning classification that would be deemed consistent and compatible with this designation. Listed uses (such as the schools/churches or other non-profit facilities) may also be permitted in other zoning districts, in which case the underlying zoning could remain without generally conflicting with the intent of this designation.

AGRICULTURE

This land use designation is intended to support the preservation of farmland while allowing for limited residential development through open space preservation or traditional land division options. While compatibility may not naturally exist between agricultural operations and encroaching residential development, the intent is that development will be through scattered sites or where layout and design considerations can minimize such conflict. It should be emphasized that these areas are intended to support agriculture as part of the local economy and preservation of these areas is the primary goal.

The area designated is primarily in the southern and western portions of the Township, directed at compatibility with more rural development in Prairie Ronde and Antwerp Townships. An expanded area has been provided in the northwest corner of the Township due to many landlocked parcels currently in active agriculture. It is not anticipated that public utilities will be extended into this area during the life of this Plan and protection of groundwater supplies will be based upon this scattered site approach.

Zoning Plan: Implementation of this designation is through the "A" Agricultural District and it is anticipated that maximum density for residential use will be at one unit per every two acres. While overall density (within the planned area) will be substantially less than this, consideration is given to supporting splits or development where the maximum land area is preserved for agriculture. Open Space Preservation (OSP) and Planned Unit Development (PUD) are zoning options that can be utilized in support of residential development with a focus on agricultural and open space preservation.

LOW DENSITY RESIDENTIAL

This land use designation is intended to provide for residential development at a density range of between one unit per every 1.5 acres to three units per acre. This range allows for development within areas that may or may not be served by public utilities yet are within the anticipated growth area during the life of the Plan. The primary use of land will be single family residences on individual lots or sites, often through development of subdivision or site condominium projects.

In most instances, this designation defines the growth area for the Township and should be considered the area for public utility expansion over the next twenty years. While many areas planned for Low Density Residential are presently zoned “R-2” Residential, this more intensive zoning reflects existing utility service areas as well as proximity to commercial and industrial development areas of the Township, with this more compatible with the Medium Density Residential designation.

Zoning Plan: Implementation of this designation is primarily through the “R-1” Residential district, although the “R-2” Residential district may be compatible where public utilities and surrounding land use support more intensive development. An “R-1A” District was adopted to provide transition between these districts and compatibility within the middle of this density range. It is intended that the “R-1” District would serve as the perimeter of this Low Density designation, where this is abutting and within approximately 1/8 to 1/4 mile of the Agricultural designation. The “R-1A” District would provide for transition between the “R-1” and “R-2” Districts, depending upon the availability and distance to public utilities. The “R-2” would only be compatible where abutting existing “R-2” zoning along two boundaries or along one boundary where public utilities are in place and can be extended to serve the development.

MEDIUM DENSITY RESIDENTIAL

This land use designation is directed at supporting single family development on smaller lots and introducing two-family dwellings in areas of transition to more intensive land use. The density range is from three (3) to five (5) units per acre and is dependent upon connection to public utilities.

Areas planned for such use are adjoining *development* areas centrally located or along major thoroughfares within the Township. Such development may also be useful for infill projects in order to support more intensive development inside the growth area.

Zoning Plan: The “R-2” Residential District is considered most compatible with this designation, with the “R-3” Residential (Single and Two-Family) District generally consistent where conditions support such density of residential use. Use of Planned Unit Development (PUD) may be beneficial in preserving open space where higher densities of development may impact upon adjoining development of a less intensive nature.

HIGH DENSITY RESIDENTIAL

This land use designation supports the development of two-family, multiple family and mobile home park uses based upon residential density of between five (5) and ten (10) units per acre. Such development allows for a diversity of housing options and may provide support with housing needs for local employers or students attending local colleges or universities.

Zoning Plan: The “R-4” Residential (Multiple Family) District is considered the most compatible, with the “R-5” and “R-6” (Mobile Home Park) Districts generally consistent

based upon surrounding land use and zoning. The Township provides a number of areas for such development based upon proximity to business areas and access to major thoroughfares.

OFFICE

This land use designation is often associated with providing a transition area between residential and commercial development areas. While such use is integrated into both commercial and industrial (business technology) designations, it may also serve to define where more intensive development is not compatible based upon impact to adjoining residential development areas.

Zoning Plan: This land use designation is implemented through the “O-1” Office District, which is considered the only specific district compatible with this designation. Consideration may be given to using this designation when Neighborhood Commercial or High Density Residential designations are deemed too intensive based upon adjoining residential land use. Such an approach is utilized west of 9th Street between N Avenue (residential) and Beatrice Drive (industrial) development.

NEIGHBORHOOD COMMERCIAL

This land use designation is utilized to support commercial services in areas where the type of adjoining residential land use may define the scope of such services. In most instances, uses include retail business that may be supported by pedestrian movement as well as vehicular access. These could be stand-alone locations or within small shopping centers, such as at 12th Street and Texas Drive.

Zoning Plan: The “C-1” (Local) Commercial district is considered most compatible, with the “C-2” (General) Commercial and “C-3” Shopping Center Districts generally consistent where adjoining more intensive land use or where residential development can effectively be screened or buffered from a site development perspective.

CENTRAL COMMERCIAL

This designation is directed at the establishment of a central business district for the Township, located at Texas Corners, generally the area around the intersection of Q Avenue and 8th Street. This designation area is consistent with the boundaries of the Downtown Development Authority (DDA). This 5-Year Update, by reference, adopts the recently approved DDA Master Plan, with Option 3 selected for both new development and redevelopment of existing sites where feasible. The density of residential use and intensity of retail/office use will enable this area to serve as the central focus of new commercial business most compatible with pedestrian and non-motorized access from adjoining single family residential areas.

Zoning Plan: The “CBD” (Corners Business District) is considered the only zoning district compatible and consistent with this designation. Residential access to recreational

facilities, the Township Hall and commercial services is proposed to be linked by sidewalks and bike trails, providing pedestrian movement more oriented to a “downtown” environment. Restaurants and shops, with shared parking potential based upon hours of operation, may add to this mix and become an attraction for expanded development within this area of the Township. The recently adopted CBD Mixed Use Site Condominium regulations will allow for the implementation for a wide range of development options.

REGIONAL COMMERCIAL

This land use designation provides for a wide range of commercial uses, with a focus on vehicular access from patrons within the Township as well as though traveling through the community. Accessibility from I-94 and its interchange at 9th Street provides the primary location for such development within the Township.

Zoning Plan: The “C-3” (Shopping Center) and “C-4” (Highway) Commercial districts are both considered compatible with this designation. The mix of uses is quite broad and typically focuses on providing sufficient parking and access to move patrons quickly from the roadway to avoid traffic conflicts and congestion. Access management guidelines are especially encouraged in these areas due to potential conflict with turning movements as well as pedestrian and non-motorized transportation needs.

BUSINESS & TRAINING

This specialized land use designation seeks to broaden the Township’s role in economic development and training by supporting business, industry and job training for area students and residents. Proximity to I-94 provides for ease of access to employees as well as students, with this enhanced by the connection along 9th Street to Kalamazoo Valley Community College (KVCC).

Zoning Plan: This designation is compatible with and implemented through the “EBT” Education, Business and Technology Park district. While such development can support large scale business and industry, site development in a campus-like setting allows for increased compatibility to residential areas not often associated with typical industrial development.

INDUSTRIAL

This land use designation provides for a broad range of business and industry to locate in the Township. The area designated, north of I-94 along 9th Street, is also consistent with a similar pattern of development to the north in Oshtemo Township.

Zoning Plan: This designation is implemented through the “I-1”, “I-2” and “I-3” Industrial districts. Compatibility is defined by the nature of surrounding land use to the subject site and the mix of businesses in the area.

COMPATIBILITY WITH ZONING

Throughout this Future Land Use Plan element, reference has been made to the zoning districts that are considered most compatible with a given land use plan designation. In most instances, the zoning district most compatible is that which is considered least intensive or at the lower density range for residential use. Other zoning districts may be identified as generally consistent based upon surrounding land use or adjoining plan designations or zoning districts.

The need to define this compatibility is based upon the need and time frame associated with amending the plan in response to requests for zoning ordinance map amendments. In most cases, a “rezoning” request is initiated by a private party (typically the owner) to change the zoning classification to allow for a more intensive land use. Such request may be incompatible with the land use designation in the Plan and may lead to an application for amendment being required, in order to preserve the integrity of the Plan as an unbiased guide for future development of the Township.

When a request is made for a rezoning to a classification that is less intensive than the Plan designation, the concern is based upon whether sufficient capacity remains within the Plan to support that intensity of use in other locations. If so, the Planning Commission may determine that a plan amendment is not necessary based upon a less intensive use than anticipated, which is generally consistent based upon surrounding land use for areas not presently developed.

To determine the need to undertake a plan amendment, the Planning Commission, in coordination with the Township Board’s decision to authorize distribution of a Notice of Intent, should rely on these references in the Future Land Use element as to compatibility and general consistency. This requirement is based upon the desire for implementation of the Plan through the zoning ordinance and for educating the public (and applicants for rezoning) about the importance of the Plan within the overall development process.

IMPLEMENTATION

Once this Master Plan Update is adopted, the intent will be to work toward implementation of the Plan through more specific actions. Typically, these actions would focus on a closer look at sub-areas of the Township, design characteristics or on amendments to the Clearzoning ordinance. In addition, the Planning Commission has become a primary reviewer of projects through the Capital Improvement Program (CIP). The following have been identified as potential actions directed toward implementation of this plan over the next 5 year period and beyond:

9th Street/O Avenue Sub-Area: This area of the Township has the most diverse mix of uses and zoning districts, including the most intensive business use and the highest density of residential use. It is generally bisected by I-94, with a focus on the regional attraction for business development, with supporting hotel, restaurant and related uses. Unique to this area is the large Business & Training development "The Groves", which is

owned and supported by Kalamazoo Valley Community College (KVCC). This large campus also transitions into recreational land to the south. As part of this planning effort, consideration will be given to connecting the medium to higher density housing to these facilities through non-motorized connections (primarily bikepath and sidewalk improvements).

Design Guidebook: The Township has implemented some design guidelines with the Corners Business District (CBD) and will now look to carry this forward to other development areas. The intent will be to provide the development community with some options for more detail oriented design characteristics, including lighting, landscaping, signage or similar amenities that may be presented on the site plan.

Zoning Ordinance (Clearzoning) Amendments: There is an ongoing process of reviewing the zoning ordinance for possible amendment based upon comments received during the review and approval of projects. Often, the Planning Commission will initiate these amendments following such review based upon the desire to better support flexibility or to tighten down language that did not provide clear direction or interpretation.

Capital Improvement Program: This 6-year program provides guidance to the Township Board related to a prioritized project list that can assist within the annual budget process as well as support future development efforts. The Planning Commission serves in an advisory role in reviewing projects and coordinating such projects with the Township's Master Plan, Recreation Plan and related longer-term planning efforts.

Charter Township of Texas Kalamazoo County, Michigan

Sanitary Sewer System

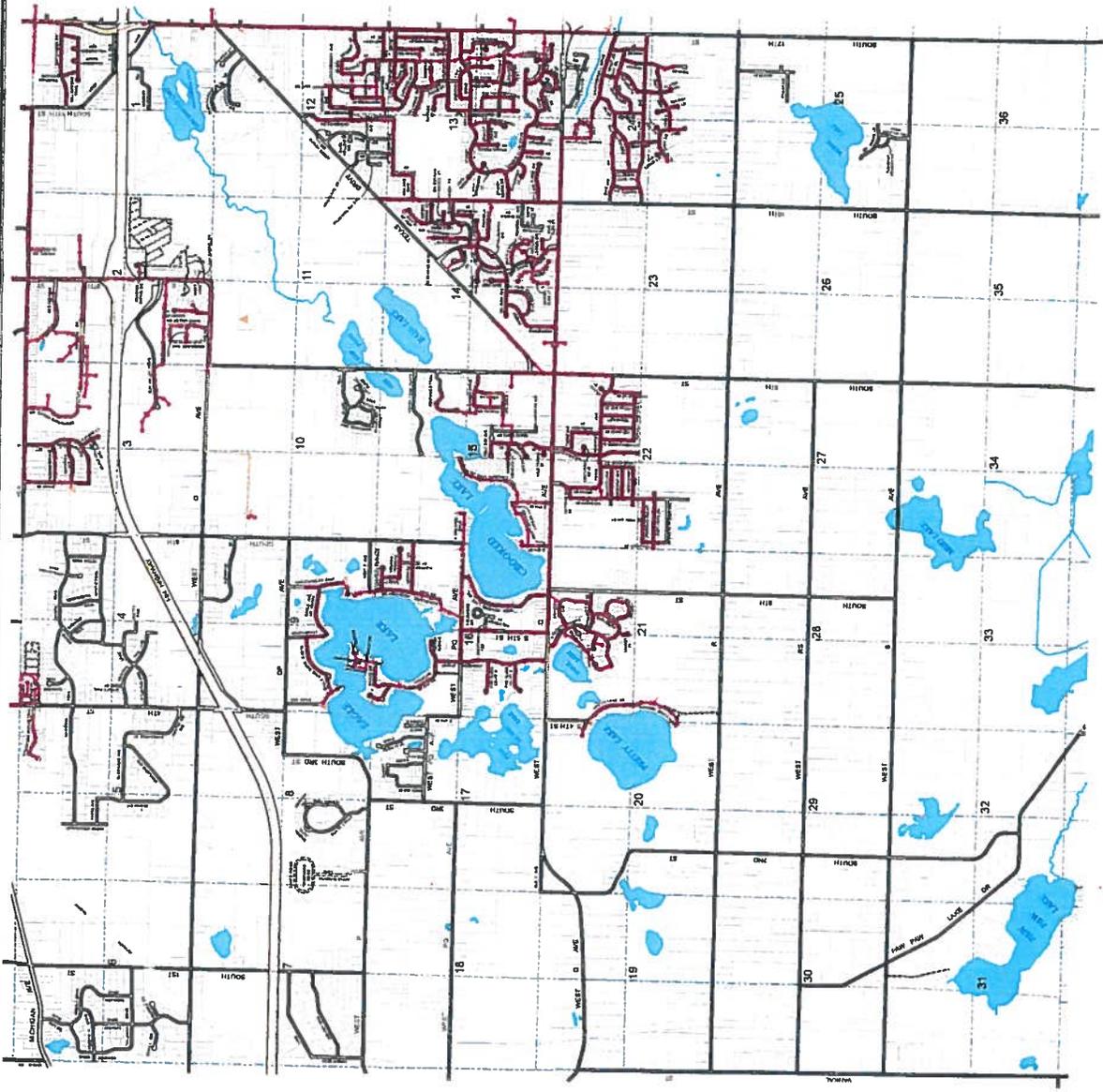
March 2014



Scale 1" = 3500'

LEGEND

- Gravity Main
- Manhole
- Force Main
- ▲ Pump Station



Charter Township of Texas Kalamazoo County, Michigan

Water Distribution System

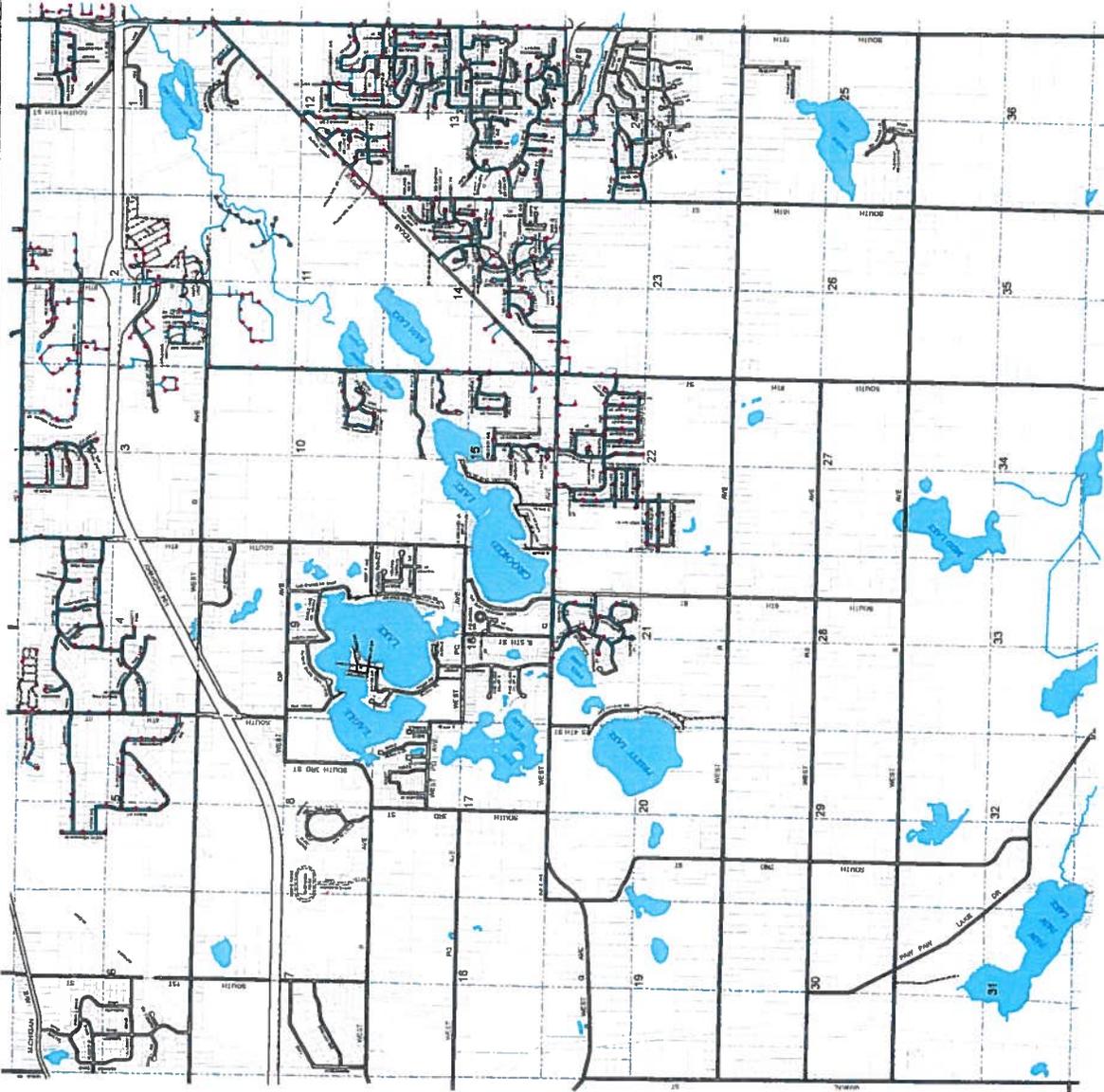
March 2014



Scale 1" = 3500'

LEGEND

- Water Main
- Hydrant
- Production Well



Charter Township of Texas Kalamazoo County, Michigan Existing & Proposed Non-Motorized Routes

April 2014



LEGEND

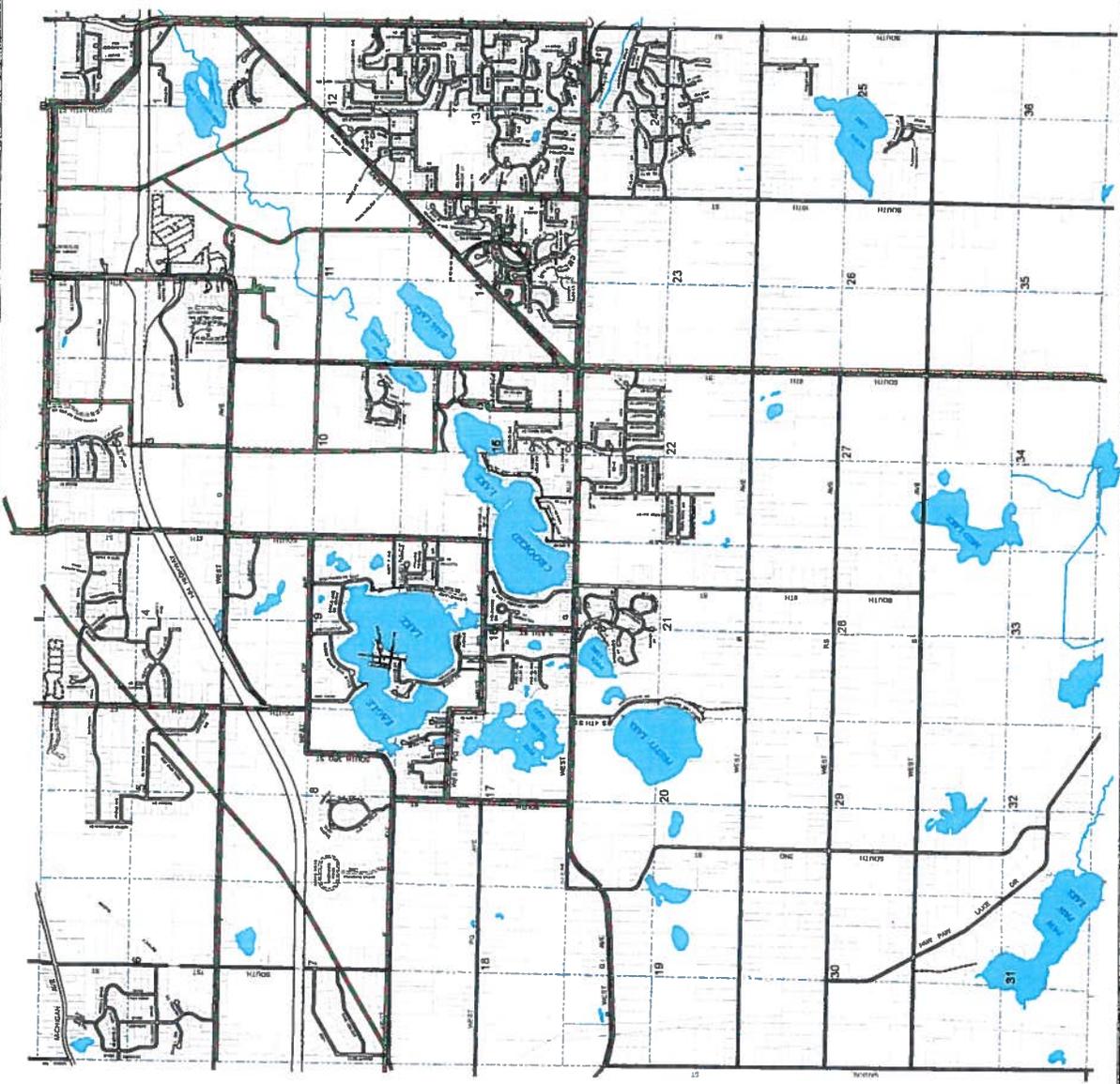
— Non-Motorized Routes

Sidewalk and Pathway Ordinance

- 4' Sidewalk - Residential
- 5' Sidewalk - Commercial
- 8' Bikepath - Trail Conversion
- 10' Mixed Use (MDOT Standard)

Road Policy

- 3' - 4' Widened (Paved) Shoulder



Charter Township of Texas Kalamazoo County, Michigan Proposed Master Plan Map

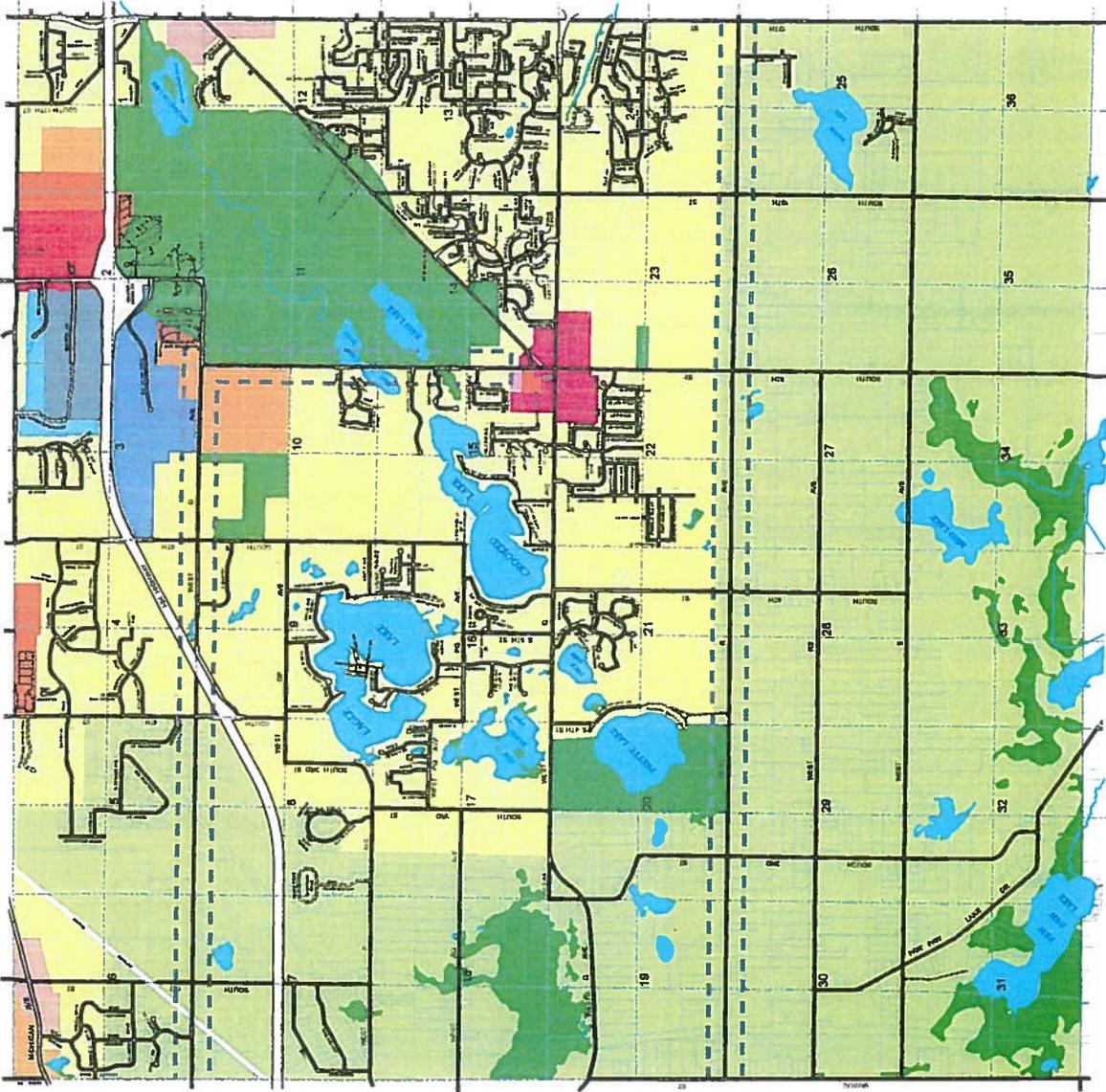
September 2013



Scale 1" = 3500'

LEGEND

- Resource Conservation
- Agricultural
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Neighborhood Commercial
- Central Commercial
- Regional Commercial
- Business Training
- Office
- Institutional
- Industrial
- Scenic Beauty Route Boundary



MATERIALS TRANSMITTED

CITY COUNCIL MEETING MINUTES FROM APRIL 15, 2014

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, Pastor David Moffett-Moore of Portage United Church of Christ gave the invocation and the 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 Randall, Claudette Reid and Terry Urban and Mayor Pro Tem Jim Pearson. Mayor Peter Strazdas was absent with notice. Also in attendance were City Attorney Randy Brown and City Clerk James R. Hudson.

PROCLAMATION: City Council attended a Tree City USA Tree Planting Ceremony and Mayor Pro Tem Pearson issued a National Arbor Day Proclamation.

APPROVAL OF MINUTES: Motion by Ansari, seconded by Reid, to approve the March 25, 2014 Special and Regular Meeting Minutes as presented. Upon a voice vote, motion carried 6 to 0. Motion by Urban, seconded by Reid, to approve the April 8, 2014 Special Meeting Minutes as presented. Upon a voice vote, motion carried 6 to 0.

* **CONSENT AGENDA:** Mayor Pro Tem Pearson asked Councilmember Ford to read the Consent Agenda. Councilmember Ansari asked that Item H.1, Water and/or Sewer Billing Resolution for 2014 Winter Quarter, be removed from the Consent Agenda. Motion by Ansari, seconded by Urban, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 6 to 0.

* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF APRIL 15, 2014:** Motion by Ansari, seconded by Urban, to approve the Accounts Payable Register of April 15, 2014. Upon a roll call vote, motion carried 6 to 0.

PUBLIC HEARING:

PUBLIC HEARING: REZONING APPLICATION #14-1 AND CONCEPTUAL PLAN (531 AND 605 WEST KILGORE ROAD AND 5024 AND 5036 SOUTH WESTNEDGE AVENUE): Mayor Pro Tem Pearson opened the public hearing and asked Community Development Director Vicki Georgeau to provide an overview of the request. Ms. Georgeau discussed the zoning requests, indicated that they are consistent with the zoning pattern and provided a detailed explanation of the proposed plan using aerial views of the properties in question. She cited the shared access plans, the shared parking proposal, and the shared storm water plan, including other concepts that are intended for commercial planned development (CPD) zones. However, she did mention that the developer requested three modifications involving minimum building setbacks, minimum lot area and minimum parking spaces and described what the CPD zoning code requires versus the modifications requested by the applicant. She reviewed the work by the Planning Commission with regards to traffic flow and indicated that the Planning Commission recommended the rezoning, the conceptual plan and the narrative as presented by the applicant, including the modifications involving minimum building setbacks, minimum lot area and minimum parking spaces

She said that the Planning Commission concurred with the staff recommendation that the Conceptual Plan be approved subject to the following conditions: approve the three requested modifications as the request satisfies the criteria outlined in Section 42-414.G of the CPD ordinance since they are consistent with the planned development as a whole and the modifications will not be detrimental to the public welfare or injurious to surrounding properties and strict adherence to the ordinance would be unreasonable because of the particulars of the development plan; secondly, parking

will be further evaluated depending on the building use, size and/or configuration and traffic will be monitored for any changes necessary; thirdly, the City of Kalamazoo has granted the required approval of the proposed West Kilgore Road driveway. Discussion followed.

Mayor Pro Tem Pearson opened the public hearing to the public and asked for input from Andy Wenzel, 1234 Hol-Hi Drive, Kalamazoo, representing the Hinman Company, who introduced Rich McDonald and M.R. Achew, who were present for questioning. He mentioned that the applicant, Roger Hinman, and expressed his appreciation for Council consideration of this matter. He highlighted various aspects of the three-phase project at the gateway to the City of Portage and expressed appreciation to Community Development staff for all of their work on this project. He referenced his efforts with regard to motorized traffic and non-motorized traffic and outlined possible signage options that will be proposed to the Zoning Board of Appeals. Discussion followed.

Motion by Reid, seconded by Randall, to close the public hearing. Upon a voice vote, motion carried 6 to 0.

Motion by Randall, seconded by Ford, to approve Rezoning Application #14-1 and rezone 531 and 605 West Kilgore Road and 5024 and 5036 South Westnedge Avenue from OS-1, office service, B-3, general business, and P-1, vehicular parking, to CPD, commercial planned development and approve the Conceptual Plan subject to the conditions identified in the February 14, 2014 Department of Community Development staff report. Upon a roll call vote, motion carried 6 to 0. Discussion followed. Ordinance recorded on page 309 of City of Portage Ordinance Book No. 12.

REPORTS FROM THE ADMINISTRATION:

PRESENTATION OF THE FISCAL YEAR 2014-2015 PROPOSED BUDGET: Mayor Pro Tem Pearson provided a presentation of the Fiscal Year 2014-2015 proposed Budget and highlighted some of the salient features proposed by the Administration as outlined by Acting Deputy City Manager Rob Boulis. Councilmember Randall interjected that it is important to let citizens know that they are invited to the Budget Work Sessions. Upon a roll call vote, motion carried 6 to 0.

* **MILL AND FILL PAVEMENT REPAIRS ADDITIONAL FUNDS REQUEST:** Motion by Ansari, seconded by Urban, to approve a budget transfer of \$809,776 from the General Fund to the Major and Local Street Fund to perform 2014 "mill and fill" pavement repairs in the not to exceed amount of \$1,014,636 and authorize the Acting Deputy City Manager to sign all documents related to this budget transfer on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

* **2014 UTILITY RATE FINANCIAL STUDY:** Motion by Ansari, seconded by Urban, to establish a public hearing for April 29, 2014, at 7:30 p.m. or as soon thereafter as may be heard, to consider resolutions to adopt the recommendation that the sewer commodity rate be reduced from \$4.70 to \$4.60 per 1,000 gallons of metered water; adopt the recommendation that the water commodity rate remain at \$3.19 per 1,000 gallons of metered water; adopt the recommendation that adjustments be made to both the sewer and water base quarterly charges; adopt the recommendation that the new rates become effective on October 1, 2014; and adopt the recommended water and sewer franchise area fees and other service fees and charges as outlined in the 2014 Utility Rate Financial Study. Upon a roll call vote, motion carried 6 to 0.

* **COMPUTER REPLACEMENT:** Motion by Ansari, seconded by Urban, to approve the lease for 56 Lenovo replacement computer workstations and peripheral equipment from Capital Advantage Leasing of Grand Rapids, Michigan, at a total lease price of \$57,555.60 and authorize the Acting Deputy City Manager to execute all documents related to this action on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

* **RADIO CONSOLE UPGRADE:** Motion by Ansari, seconded by Urban, to approve the purchase of an additional 9-1-1 phone station from AT&T at a cost of \$27,377, and authorize the Acting Deputy City Manager to execute all documents related to the purchase on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

* **SPECIAL MEETING FOR BOARD AND COMMISSION APPLICANTS:** Motion by Ansari, seconded by Urban, to set a Special Meeting on Tuesday, May 13, 2014, beginning at 5:15 p.m., to interview board and commission applicants. Upon a roll call vote, motion carried 6 to 0.

* **ELECTION POLLING PLACES AND RATE OF COMPENSATION RESOLUTION:** Motion by Ansari, seconded by Urban, to adopt the Resolution Designating Polling Places and Rate of Compensation for the May 6, 2014 Special Election. Upon a roll call vote, motion carried 6 to 0. Resolution recorded on page 239 of City of Portage Resolution Book No. 45.

COMMUNICATIONS:

CITY OF PORTAGE FY 2014-2024 CAPITAL IMPROVEMENT PROGRAM (CIP):
At the request of Mayor Pro Tem Pearson, Ms. Vicki Georgeau informed City Council that the CIP would be discussed at length at the Budget Work Session scheduled for May 1, 2014. Discussion followed. Motion by Reid, seconded by Ansari, to receive the communication from the Planning Commission regarding the City of Portage FY 2014-2024 Capital Improvement Program. Upon a voice vote, motion carried 6 to 0.

PARK BOARD CHAIRPERSON SUSAN WILLIAMS: Park Board Chairperson Susan Williams provided an update of the activities of the Park Board as they relate to the Council Goals and Objectives. Discussion followed. Motion by Urban, seconded by Reid, to receive the annual presentation by Park Board Chairperson Susan Williams. Upon a voice vote, motion carried 6 to 0.

UNFINISHED BUSINESS:

WATER AND/OR SEWER BILLING RESOLUTION FOR 2014 WINTER QUARTER:
Councilmember Ansari reflected that the City asked people to increase their water usage to prevent freezing of pipes during the extremely cold conditions last winter, and some citizens benefited and some did not. He expressed an interest in treating all portage citizens fairly and asked why the Portage water usage rates are 267% higher than the City of Kalamazoo rates. He also recommended that the same discounts be used for Portage residents as the other cities in the area, and moved that all Portage residents whose water bills were greater this year than in 2013, pay the same amount that they paid in 2013 billing cycles, which was seconded by Councilmember Randall.

At the request of Mayor Pro Tem Pearson, Transportation & Utilities Director Chris Barnes explained. First, he asked that all discussion of rates be deferred to the public hearing set in Item F.3, 2014 Utility Rate Financial Study. He indicated that the City Council Water/Sewer (Utility) Rate Committee reviewed and considered the provision of a discount to water and sewer customers who ran their water during the extremely cold days last winter to prevent service lines from freezing. He then explained the frozen water service information, the water pumping increase amounts and the irrigation allowance/sewer cap information provided to City Council. After the Utility Rate Committee discussed the provision for adjusting utility water and sewer billing to reflect additional consumption and usage during the winter season, he noted that they voted 4 to 1 to cap sewer use at historical averages and to accept the adjustments applied to the customers directly impacted by frozen water services for the 2014 winter utility billing, specifically those who had to use a water hose for their neighbor. Discussion followed. Upon a roll call vote, motion failed 4 to 2. No: Councilmembers Ford, Reid and Urban and Mayor Pro Tem Pearson. Yeas: Councilmembers Ansari and Randall.

Motion by Reid, seconded by Ansari, to approve the recommendation of the Utility Rate Committee that the historical sewer cap be applied to the 2014 winter quarter billing and to accept the adjustments applied to the customer accounts directly impacted by frozen water services. Discussion followed. Upon a roll call vote, motion carried 6 to 0.

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

Portage Public Schools Board of Education Regular Business Meeting of February 24 and Policy Governance and Committee of the Whole Work Session of March 10, 2014.

Portage Youth Advisory Committee of March 10, 2014.

Portage Planning Commission of March 20, 2014.

COUNCIL COMMITTEE REPORTS:

KALAMAZOO TRANSIT LEADERSHIP TEAM: Councilmember Urban provided an update on the activities of the Kalamazoo Transit Leadership Team which included the drafting of the Articles of Incorporation and cited some of the proposed provisions. Discussion followed. Motion by Ansari, seconded by Reid, to receive the report from Councilmember Urban regarding the Kalamazoo Transit Leadership Team. Upon a voice vote, motion carried 6 to 0.

KALAMAZOO COUNTY NEXT GENERATION DISPATCH TASK FORCE: Councilmember Reid provided an update to the Kalamazoo County Next Generation Dispatch Task Force for City Council, including the outputs identified by the steering committee, a review of the Kimball report and actions taken by the Task Force thus far, the next steps to be taken by the Task Force and comments and a proposal that ended in formulating the motion that follows. Discussion followed before the motion. Motion by Reid, seconded by Ansari, to direct the Office of the City Manager to coordinate the scheduling of a meeting of the City Council Committee of the Whole to discuss the specific information available thus far regarding the plan for consolidated dispatch and the County Commission vote on up to \$0.42 per phone device in order to hire a director and staff necessary for developing the plan further and to invite Portage County Commissioners (John Zull, Phil Stinchcomb and Dave Maturen) so they can provide their views and discuss the process going forward. Upon a roll call vote, motion carried 6 to 0.

DISCOVER KALAMAZOO ADVISORY COUNCIL: Councilmember Randall provided the Agenda outline of the Discover Kalamazoo Advisory Council for Monday, April 14, 2014, and highlighted the coming of the Northwoods League Baseball Team to Kalamazoo, a feeder league to Major League Baseball. Motion by Urban, seconded by Reid, to receive the update of the Discover Kalamazoo Advisory Council from Councilmember Randall. Upon a voice vote, motion carried 6 to 0.

OTHER CITY MATTERS:

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Councilmember Ford reminded everyone of the April 21 – May 22, 2014 Brush and Bagged Leaf Collection and 2014 Spring Clean-up. He praised the softball on-line sign-up process; announced that his sister, brother-in-law and 9 month old nephew were moving back to Michigan; and indicated that he participated in the SPARTANS WILL. POWER - A GLOBAL DAY OF SERVICE and helped the Pretty Lake Camp Farm, 9123 West Q Avenue, Mattawan, prepare for the 2014 camp season by cleaning and preparing the farm grounds on Saturday, April 12, 2014.

Councilmember Randall informed everyone that Tim and Margaret Surprise are opening a new restaurant called Arcadia Ales on the Kalamazoo River that will provide 50 new full time jobs, entertainment, good food and beer brewed on site.

Councilmember Urban congratulated Councilmember Ford on obtaining another babysitter and indicated the need for no more snow days and a desire for Spring.

Councilmember Ansari complimented Mayor Pro Tem Pearson for conducting the meeting so well, and commented how well the City Council works together to serve Portage citizens, yet can agree to disagree.

Councilmember Reid reminded everyone that the Annual Greenathon takes place on Saturday, April 26, 2014, Celery Flats, and is a collaborative effort of the City Council Youth Advisory Committee, the Park Board and the Environmental Board. She announced that the 2014 Champions for Healthy Kids Summit will be held on Thursday, May 1, 2014, at the Western Michigan University Fetzer Center, and the theme is "Taking it Outside," dealing with how to get kids more interested in outdoor recreation.

Mayor Pro Tem Pearson provided an update on the process and timeline for the search for an Acting City Manager that is contained in the minutes of the April 8, 2014 Special Council Meeting. He indicated that the City of Portage has received 17 resumes which will be personally delivered to City Council after 10 a.m. on Wednesday, April 16, 2014.

ADJOURNMENT: Mayor Pro Tem Pearson adjourned the meeting at 9:36 p.m.

James R. Hudson, City Clerk

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

**MINUTES OF THE SPECIAL MEETING OF THE PORTAGE CITY COUNCIL
OF APRIL 21, 2014**

The Special Meeting was called to order by Mayor Peter Strazdas at 5:57 p.m.

At the request of Mayor Strazdas, the City Clerk called the roll with the following members present: Councilmembers Nasim Ansari, Richard Ford, Patricia Randall, Claudette Reid and Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Strazdas. Also in attendance were Acting Deputy City Manager Rob Boulis, City Attorney Randall Brown, Assistant City Attorney Charlie Bear and City Clerk James Hudson.

Mayor Strazdas opened the meeting, explained that the purpose of the meeting was for City Council to continue with the process of selecting an Acting City Manager.

In answer to Mayor Strazdas, Acting Deputy City Manager Boulis responded that he had received 18 applications. At the request of Mayor Strazdas, City Attorney Randy Brown discussed his opinion to Portage City Council regarding the questions they had from the April 8, 2014 Special Meeting, since there were some applicants who did ask for confidentiality. Discussion followed.

Mayor Strazdas mentioned that the Administration reviewed all of the applications and provided a list of five applicants who requested confidentiality and that they should be referred to as Candidate A, B, C, D or E for purposes of discussion. Mayor Strazdas asked Council to each identify a preferred candidate until everyone has had a chance to express his or her preferences for a short list. They worked together as a group until a line could be drawn separating out the top choices for contact by Mr. Boulis for interview. Discussion followed.

The following names were initially selected:

Lawrence Shafer
Vance Ishler
Robert Bruner
William Cooper
Candidate C
Don Hoyt
Dennis Recker
Jim Copas
Julius Secky

After a discussion of the candidates on the list, City Council settled upon the following five (5) candidates:

Lawrence Shafer
Vance Ishler
Robert Bruner
William Cooper
Don Hoyt

After a discussion of compensation for the travel costs for each of the candidates to attend an interview, City Attorney Brown cautioned that, because Portage is a city, equal treatment of the candidates is necessary. Discussion followed.

After a discussion of interview options, motion by Ansari, seconded by Randall, to offer a "Skype" interview with Vance Ishler and Don Hoyt, because of the travel distance involved, and to offer personal interviews to Lawrence Shafer, Robert Bruner and William Cooper, who are from Michigan. Discussion followed. Upon a voice vote, motion carried 7 to 0. Discussion followed regarding a potential mutually convenient interview schedule. Council agreed that Wednesday, April 30, 2014, beginning at 6 p.m., is the preferred date and time, and Monday, April 28, 2014, beginning at 7 p.m., is a backup date and time. Mayor Strazdas asked Council to keep in mind that a Committee of the Whole Meeting needs to take place with the Kalamazoo County Administrator and Commissioners to discuss Consolidated Dispatch (911), on Monday, April 28, 2014, from 6 p.m. to 7 p.m., if this ultimately proves mutually convenient for everyone. Discussion followed.

City Attorney Brown reminded Council that any of the candidates are allowed to be present at any of the interviews as information only. Discussion followed.

Mayor Strazdas suggested each Councilmember formulate two questions and provide them to the Assistant to the City Manager for compilation. There was a consensus to provide them to her by Friday, April 25, 2014. Discussion followed regarding the content of the questions, and Mayor Strazdas asked Mr. Boulis to reissue the questions from the ICMA, and suggested that each Councilmember bring these and his or her specific questions to the interview. Mayor Strazdas then indicated that discussion and deliberations regarding each of the candidates would follow at the end of all of the interviews. Council reviewed the process that would take place after all of the interviews. Discussion followed.

When Mayor Strazdas asked for evaluation forms from Mr. Boulis, he referred to the City Attorney Opinion dated April 21, 2014, page 4, under Screening Assessment and Interview Evaluations Forms, paragraph 3, which states in part, "Whether all or part of the forms may be exempted from disclosure pursuant to a Freedom of Information Act (FOIA) request depends upon how the forms are used. If the forms are collected and numeric grades compiled, then there is a legal basis under FOIA to redact 'comments' and 'explanations' handwritten by each Councilmember, with the numeric answers disclosed....On the other hand, if the forms are not compiled in any way or shared with other Councilmembers, but simply used by each individual Councilmember as his or her personal notes, then the forms should not be subject to disclosure under FOIA." Mr. Boulis advised Council that he would revise the evaluation sheets provided at an earlier meeting, and City Attorney Brown indicated that the evaluation forms would not be handed in nor evaluated. Discussion followed.

Mayor Strazdas summed up. Council reviewed the progress of the Kalamazoo Area Transit Authority and the Articles of Incorporation of the second Authority as allowed under Act 196. Discussion followed.

Mr. Boulis indicated that a criminal background check may not be possible before the interview because he needs the date of birth which may or may not be critical to obtain the report. Discussion followed.

ADJOURN: Mayor Strazdas adjourned the meeting at 7:42 p.m.

James R. Hudson, City Clerk

MINUTES OF THE BUDGET WORK SESSION OF THE PORTAGE CITY COUNCIL
April 22, 2014

Meeting was called to order by Mayor Strazdas at 4:37 p.m.

The following members of City Council were present: Councilmembers, Nasim Ansari, Richard Ford, Patricia Randall, Claudette Reid and Councilmember Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Peter Strazdas. Also in attendance were Acting Deputy City Manager Rob Boulis, Financial Services Director Bob Luders, Deputy Finance Director Patricia Fitnich and City Clerk James Hudson.

Benefit Services Director Patti Thompson indicated that the main areas of focus for the department are: compensation, benefits, management of employee leave time, workers compensation, fitness for duty, pensions, the retiree health plan, strategic planning, legacy costs and various legal mandates. She said that the primary goal of the department is to have a competitive compensation plan for the recruitment and retention of city employees. She also discussed compliance by the City with the Affordable Care Act (ACA), including the challenges of the ACA and measures taken to be in compliance with the ACA.

Ms. Thompson discussed Public Act 152 (Publicly Funded Health Insurance Contribution Act), which limits the amount of contribution allowed by the employer to an employee's health insurance, a positive factor for the city but a challenge for the employees because the excess of the cap is passed on to the employee. She mentioned the increase in deductibles and co-pays in the city insurance carrier contracts and discussed some of the details of the plan as well as the Workers Compensation Plan. Discussion followed.

She described the proactive approach taken many years ago to the defined contribution plans, long-term funded liabilities such as the retiree health plan, the retiree health savings plan for new hires, savings in health insurance costs for non-union and Department Head personnel, and measures taken to reduce the cost of compensation for new hires. She explained department activities and successes involved in the administration of the Self-insured Workers Compensation Program and the Health Management Program. Discussion followed.

Mayor Strazdas provided an update regarding the Committee of the Whole Meeting, Monday, April 28, 2014 from 6 p.m. to 7 p.m., to discuss Consolidated Dispatch (911) with the Kalamazoo County Administrator and Commissioners. He also updated Council regarding the interviews for Acting City Manager by noting that Monday, April 28, 2014, at 7:30 p.m. will be the "Skype" interview with Don Hoyte and Monday, April 28, 2014, at 8:20 p.m. will be the "Skype" interview with Vance Ishler, and personal interviews with the remaining candidates are set for Wednesday, April 30, 2014, beginning at 6 p.m. Mayor Strazdas determined with a consensus of Council to have dinner on Monday, 7:00 to 7:30 p.m., and on Tuesday, from 8:30 p.m. to 9:00 p.m.

Mr. Luders mentioned that the Purchasing Department has the distinction of having one of the smallest operating budgets in the City. He cited some of the key functions of the department including

procurement of the goods and services, risk management functions and management of city contracts. In relation to procurement of goods, services, equipment and capital improvement, he stressed that the department strives to perfect the procurement system by focusing on competition, effectiveness and partnership with the business community as well as promoting integrity within the system. He indicated that the Purchasing Department supports the various user departments each year with approximately 3,000-4,000 purchase orders, 30-35 sealed bids, the issuance of 50-75 formal contracts and management of over 225 other contracts. He also indicated that the Department has responsibility in the areas of liability, property and automobile insurance seeking to minimize injury and loss to the city and working with Michigan Municipal Risk Authority (MMRA) for any insurance claims.

Mr. Luders described some of the details involved in working with the Michigan Municipal Risk Authority contract, recent personnel reduction, collaboration in purchasing, joint bidding, and the cooperative purchasing efforts with the County of Kalamazoo, City of Kalamazoo and Kalamazoo County Road Commission. He did mention that the savings have been minimal with the cooperative purchasing efforts, except for the use of MiDeal, US Communities and others. He summed up and offered to answer any questions. Discussion followed.

City Assessor Jim Bush reviewed the highlights of the Department operations and objectives, as well as some specific upcoming changes in the tax system and goals for the upcoming fiscal year. He reviewed residential foreclosure activity, various reports, Tax Base and Revenue Forecasting, personal property tax questions, property valuation and slow growth, property tax appeals, Board of Review activities and the residential inspection program. Discussion followed.

Parks, Recreation & Public Services Director William Deming discussed the challenges of combining the talents of the two departments and the efforts of the use of the City of Portage logo and tagline, "A natural Place to Move" by the Parks & Recreation Department as another guide to provide foresight into amenities that would help attract young, talented individuals to the community. Mr. Deming reviewed the areas of parks, bike paths, high quality facilities, efficiencies, cost controls, grants, donations, volunteers, automated Senior Center check-in system, on-line softball sign-up and fleet management system. He discussed the mill and fill program, improved equipment and equipment maintenance, facilities management, grounds maintenance, cemeteries, Tree City USA, various activities in the parks, contractual services, Capital Improvement Program for preventive maintenance, plans for the Eliason property, recreation activities and partnering programs, the ice rink, team sports, Ramona Park Beach, walk/runs, and the Senior Center. Discussion followed. He reviewed the budgets regarding repair of major streets, the mill and fill, crack filling, the Local Street Fund, household hazardous waste, Spring Cleanup Program, the Fall Leaf Pick-up Program, equipment replacement and compost management. Discussion followed.

Transportation and Utilities Director Chris Barnes provided a map that outlined future improvements to various roadways in Portage for the upcoming construction season and explained. Discussion followed. Owing to the number of complaints, there was a consensus of City Council to have a Private Drive sign placed on Martin Luther King, Jr. Drive at Constitution Blvd.

Mr. Barnes then discussed traffic engineering, utility engineering and Act 151 Street Administrator responsibilities. He mentioned the Open House for May 27, 2014, for the Traffic Control Operating System Center. He reviewed general public services and mentioned the street light study conducted by staff and explained reporting outages and street light replacement. Discussion followed. Mr. Barnes reviewed the coordination of railroad signals and crossings and site plan review. Discussion followed.

Mr. Barnes explained that the intent of the street millage was to offset what the special assessment costs would be for a street reconstruction. Discussion followed. Mayor Pro Tem Pearson asked why the budget reflects the increase in the millage instead of 1.5% of the General Fund which is at a 38% fund balance, and Mr. Luders indicated that with the election, the City no longer does special assessments, so the costs were set to be borne by the millage which had to then be increased, but conceded that there are other ways to accomplish this and Council may wish to do this some other way. Discussion followed. Mr. Barnes explained that by Council Policy, street construction was always funded by one third paid by one property owner on the street, one third paid by the property owner on the other side of the street, and one third paid by the city-at-large. Councilmember Urban concurred and explained that any deviation from this would require a change in policy that was in place when the vote of the public took place. Mayor Strazdas viewed it as a directive from the voters. Mayor Pro Tem Pearson indicated that he would write a request for an explanation which could give Council options regarding street funding. Discussion followed. Mayor Strazdas indicated a need for a legal opinion regarding what can be done with regard to this policy question.

Mr. Barnes discussed the utilities budget and explained that the budget is based upon the 2014 Utility Rate Financial Study. Mr. Luders noted that the sewer expenditures would be paid with cash which is the first time that has happened since he has been with Portage. Mr. Barnes reviewed the water and sewer funds. In response to Councilmember Ansari, he explained the cost difference between the infrastructure involved in the supply of Portage water versus the infrastructure involved in the supply of City of Kalamazoo water and the fact that Portage gets its sewer treatment through the City of Kalamazoo. He explained the reasons water and sewer costs in Portage are higher than in Kalamazoo. Discussion followed.

He began to address the West Lake water quality improvements. In answer to Councilmember Urban, Mr. Barnes indicated that he had spoken with the West Lake Riparians regarding a West lake Governmental Board and would be using a three-year assessment of this possibility as a transition period.

Information Technology Services (IT) Director Devin Mackinder reminded Council that IT is outsourced to PC Mall (PCM), which increased costs savings, operational efficiencies, consulting services and computer expertise as a result of the contractual arrangement between the City of Portage and PCM continues. In fact, he indicated that additional resources have become available at no charge as a result of the new owner, including: access to a highly skilled consultant, help with regional support and increases in cost-savings for hardware and software purchases. He said that the operating budget supports the contract, the

entire citywide technology infrastructure, hardware, software, voice communications, cabling infrastructure, all networks, internet, intranet, data security, disaster recovery and help desk support.

Mr. Mackinder reviewed some of the recent system improvements to the City Hall infrastructure, migration to MicroSoft 2013, migration to MicroSoft OS 7 and migration of several MicroSoft databases to the new .net platform. He announced the new mi.portage app available on Android and Apple phones which takes five apps and places them into one app and explained. He outlined recent improvements to the Safe Reporting App and the current and future growth of that system. Discussion followed.

He discussed a recent collaboration with the Transportation & Utilities Department to expand the distribution of the traffic cameras by adding fiber to the infrastructure through an agreement with CTS. He mentioned a second collaborative effort with the annual renewal of sharing GIS data with the City of Kalamazoo using Pictometry Connect.

Mr. Mackinder indicated that the IT Department is now using the SharePoint Project Management Tool to manage the increased number of projects in the field. He also mentioned that the migration from HTE to BS&A will begin in June 2014 and hopefully only take six months to complete. He described some of the smaller software options being implemented in the future, including new training options through a local provider, Safari Montage, that could be broadcast to other communities, the migration from GroupWise to MicroSoft Outlook and the update of the Portage Intranet System. Discussion followed.

Mr. Mackinder addressed the problems the Public Media Network (PMN) students from Western Michigan University (WMU) have while trying to learn and implement the cable system in Portage Council Chambers. He cited the turnover, the seven different systems involved and the lack of adequate training by PMN for proper operation of the system. Mayor Pro Tem Pearson conjectured that it may require talking to the PMN representatives to let them know the remedy so it can be conveyed to the students. Because of the agreement between Portage and PMN and owing to the increase use of technology in Council Chambers, Mr. Mackinder suggested that one of his technicians be present to assist the PMN Intern with any questions with the implementation of the system. Discussion followed.

In reviewing the Cable Television Fund, Mr. Mackinder indicated that the City has a nonexclusive franchise agreement with Charter and AT&T and discussed Cable activities, cable-related activity and infrastructure. He noted that the budget reflects a continuation of 40% of the franchise fees received from Charter and AT&T go to Public Media Network (PMN) for cable services, 60% of the fees go to the city to maintain the technology and infrastructure projects, and 100% of the public service fees go to PMN, specifically for equipment purchases only, but does not include the equipment in the Council Chamber Control Room. He suggested that PMN be responsible for the Control Room equipment, supply their own equipment and uniformly place equipment in the "Control Rooms" of all of the seven members of PMN. Discussion followed.

Mr. Mackinder discussed one of the uses of the city website are to market the city and the need to develop a marketing plan. He explained the process and the fund which also includes the cost of the *Portager*.

City Clerk Jim Hudson cited some of the services provided by the City Clerk staff in the areas of elections, Freedom of Information Act Requests, City Attorney and Department service requests, Youth Advisory Committee, the Portage Public Schools District Advisory Council, Boards and Commissions recruiting and processing, website updates, liquor license application processing, research, legal notices, record keeping, cemeteries, Portage Ordinance Codification and matters before City Council. Discussion followed.

Mayor Strazdas summed up some of the action items discussed during the presentations, including: placing a "Private Road" sign on Martin Luther King, Jr. Boulevard; a legal opinion regarding the use of the road millage funds; a recommendation from the Administration regarding the Fund Balance; a discussion list for the PMN Committee; acquisition of electronic agenda software and lap tops; Acting City Manager selection, RFP consultant to work toward determining the employment of a permanent City Manager; check the technology segment of the list from the Council Retreat; and future Committees of the Whole (COW's).

Council reviewed the details involved in the upcoming COW's: Kalamazoo County Administrator and Commissioners to discuss Consolidated Dispatch (911), on Monday, April 28, 2014, from 6 p.m. to 7 p.m., and two "Skype" interviews with Vance Ishler and Don Hoyt, because of the travel distance involved; and, personal interviews with Lawrence Shafer, Robert Bruner and William Cooper, who are from Michigan, Wednesday, April 30, 2014, beginning at 6 p.m. Mayor Strazdas also reminded Council of the Regular City Council Meeting on Tuesday, April 29, 2014, at 7:30 p.m., and the second Budget Review Session on Thursday, May 1, 2014, beginning at 4:30 p.m. Discussion followed.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 9:05 p.m.

James R. Hudson, City Clerk

SUMMARY ENVIRONMENTAL ACTIVITY REPORT
March 2014 (*updates in italics*)

<u>Project/Activity</u> Portage City Landfill	<u>Description</u> Ongoing groundwater monitoring of former municipal landfill.	<u>Status</u> -City Council awarded a 3 year contract to American Hydrogeologic Corporation (AHC) on February 23, 2010 to perform annual groundwater sampling. The site groundwater data will continue to be monitored to confirm continuation of the natural attenuation process. General groundwater quality continues to improve, but site will require monitoring for the foreseeable future. 2011 sampling completed in March. Investigation into methane gas presence in the groundwater continues. First round of sampling completed in April 2012. Second round of sampling completed in June 2012. Initial results indicate no off-site impact. Annual report submitted to MDEQ. Review meeting held September 21, 2012 with MDEQ with follow-up in October. AHC currently compiling MDEQ sampling requirement costs necessary for closure at the former landfill site. 2013 sampling contract approved by City Council with AHC on July 23, 2013. Weekly methane sampling is continuing on-site to collect base line data. No harmful methane levels have been detected to date. AHC is proceeding with the installation of private methane detection device at several adjacent properties. Soil boring installation will begin as weather allows.
Site Inspection/Development Project Review	Review of existing business & industries and review of proposed business and industrial development projects for environmental protection purposes and/or building plans completed.	-Coordination with property owners and City or State agencies ongoing. -Review of 6 site/building plans and/or plats completed in March 2014.
Sewer Connection Program	Groundwater protection program requiring residential/business hookup to the sanitary sewer where available.	-Sanitary sewer hookup permits issued in March 2014: 10 residential; 2 commercial.
West Lake Management Program	Special assessment district designed to maintain/improve lake conditions. Special emphasis on weed control and non-point source pollution reduction.	-Five Year Lake Management Assessment District process was approved by City Council on March 23, 2010. Construction began on the Austin Dam reconstruction in December 2006 and new structure completed in March 2007. Filtration system construction was substantially completed in July 2008. Permitting underway for the 2014 season. Treatment to be performed by Aquatic Services, Inc. The Association has selected to use Restorative Lake Sciences, LLC for consulting services for 2014. Treatment application schedule for mid-June. Follow-up inspection of treatment will be done by Restorative Lake Sciences, LLC. The Lake Board is working on a five year plan in preparation for a new special assessment district in summer 2014.

Retention Basin
Sampling Program
(Groundwater Elevation)

Investigation regarding potential impact of retention basins on groundwater levels.

-Historical monitoring continues to show minor impacts at most basins. From 1993 through 2009 the monitoring program showed stable groundwater impacts due to storm water infiltration. Alternative road salt practices continue to be considered and evaluated. On March 23, 2010, City Council awarded a four-year contract to Wightman Environmental. This program will focus primarily on groundwater level information. The 2012 report received and groundwater levels, especially on the east side of Portage, have decreased as a result of seasonal rainfall deficiencies. Groundwater table elevations show about a 6 inch increase over 2012 levels due to recent rain events. The 2013 report was received noting minimal impacts. The 2013 report is available on the website for public information. *Bids to be received for a new four year program on April 16, 2014.*

Wellhead Protection Program (WHPP)

Development of program to protect City well fields and surrounding area from contamination resulting from improper land use.

-Wellhead Protection Grant award received from MDEQ on August 30, 1999 and Council accepted the grant on October 5, 1999. Council also awarded contract to Earth Tech to complete WHPP. Earth Tech completed the final wellhead protection plan and MDEQ submittal was made on October 14, 2000. Plan was reviewed by MDEQ with written approval received in March, 2001. Staff has met internally to discuss the future needs to update the plan pending grant opportunities. Staff participated in a MDEQ Water Supply Emergency planning roundtable on June 10, 2013. *Update of the program will be initiated as part of the Water Reliability Study in conjunction with Fishbeck, Thompson, Carr & Huber update work currently underway.*

Leaf Compost Monitoring Program

Monitoring and analysis of groundwater at the new Oakland Drive Leaf Compost site.

-City Council awarded contract on August 21, 2001 to Soil & Materials Engineers for monitoring and analysis of groundwater impact of the new compost operation. Drilling was completed in October 2001 and first sampling cycle was completed in February 2002. Semi-annual sampling was performed from 2002 to 2011 in June and January. Sampling and analysis results continue to show no groundwater impacts from the leaf composting. Sampling schedule was reduced to annual sampling in 2009 with results showing continued minor impact on groundwater quality. Sampling completed in June 2012 with minimal groundwater impacts. Sampling completed in June 2013 with results showing minimal impact. Next sampling in June 2014.

National Pollution Discharge Elimination System (NPDES) permit implementation

Five year plan to implement the current NPDES stormwater permit.

-Received NPDES general permit on August 15, 2001. Renewal Application submission was made to MDEQ on March 7, 2003. New permit received in 2004 mandates involvement in several county watershed groups. City staff completed the submission of a Storm Water Pollution Prevention Initiative (SWIPPI) as required by NPDES permit. New certificate of coverage permit was

issued by MDEQ on September 30, 2009. New permit covers a 5 year timeframe with first work item (updating the Public Participation Plan) completed December 11, 2009. SWPPI was submitted for MDEQ approval on June 25, 2010. Received a notice from MDEQ rescinding the 2008 permit due to a recent court case ruling. MDEQ reinstated the 2003 permit for implementation. Information on new permit requirement was received in February 2011. MDEQ expected to issue new permit in 2014. The 2010-11 annual report was submitted on January 20, 2012. MDEQ scheduled an audit of the program on July 12, 2012. Audit completed with satisfactory results. Several follow-up items with MDEQ were addressed by staff in December 2012. City website updated in February to provide education of Illicit Storm Water Discharge. Currently, staff is working on proposals with other local governments to use a billboard advertising campaign for pollution awareness. Program implementation is ongoing. Annual 2012-13 report was submitted on December 24, 2013. *Comments received back have been reviewed by staff and response resubmitted to MDEQ.*

National Pollution
Discharge Elimination
System (NPDES) permit
implementation

Kalamazoo River Mainstream Watershed
Management Plan

-First meeting was held September 17, 2004. Proposals for completing the watershed plan were received by Kalamazoo County on September 15, 2005 and a contract awarded to Kieser & Associates in November 2005. Draft watershed plan submitted to MDEQ on December 30, 2005. Review comments received from MDEQ and revised watershed plan due in December 2006. A letter not to revise the Watershed Plan was submitted to the MDEQ on March 17, 2008. Public participation plan update submitted to MDEQ on November 24, 2009. Kalamazoo River Watershed council completed a watershed update in November, 2011. No new developments.

Portage River Watershed Management
Plan

-Public participation plan submitted June 28, 2004. Proposals for a Watershed Management Plan were received by the Kalamazoo County Road Commission and a contract awarded to the Kalamazoo County Conservation Service in November 2005. Draft watershed plan submitted to MDEQ on December 30, 2005. A letter not to revise the Watershed Plan was submitted to the MDEQ on March 17, 2008. Public participation plan update submitted to MDEQ on November 24, 2009. Based upon MDEQ comments, the plan was revised and resubmitted on December 21, 2009. Interest has been raised by local conservation groups to update the current Watershed Plan using grant funds. Meeting held on May 9, 2011 among stakeholders to determine interest in updating the current Watershed Plan. Second meeting held on June 20, 2011, and grant application submitted by Kalamazoo and Calhoun County Conservation District to update the Watershed Plan. Grant for watershed update was awarded to Calhoun County Conservation District. First kick-off meeting held December

13, 2012 to introduce working partners and information gathering. A meeting was held on March 12, 2013 to discuss the designated uses of the Portage River/Little Portage Creek watershed, the total maximum daily load of E-coli from samples taken and a review of community ordinances and policies that help protect the Watershed. Meeting held on June 11, 2013 to discuss identified water quality problems in the watershed. Meeting held on December 11, 2013 to inform stakeholders of progress on data collection. Next meeting scheduled for March 2014.

Plan to implement and maintain an Illicit Discharge Elimination Program (IDEP).

-On October 21, 2001, City Council awarded a contract to Fishbeck, Thompson, Carr and Huber for the Portage Creek element of the IDEP, which was completed in July 2002. On February 19, 2002, City Council approved a new ordinance as required by the NPDES permit titled "Storm Water Illicit Discharges and Connections." On April 28, 2004, City Council accepted a grant from the State of Michigan in the amount of \$152,264 and awarded a contract to Fishbeck, Thompson, Carr and Huber in the amount of \$184,264 for the remainder of the IDEP for the entire city. Program implementation is ongoing as funding allows. Continued outfall sampling is required by permit and will be budgeted accordingly. IDEP program was updated for submittal to MDEQ on June 25, 2010, and part of the SWIPPI. Two potential illicit discharges were investigated with MDEQ in February 2012. Completed an area-wide brochure to educate the public on Illicit Storm Water Discharges in conjunction with the Kalamazoo County Drain Commissioner. The 2013 program of investigating storm water outfalls began in June and is complete. Implementation is ongoing.

Storm Sewer Outfall Testing

On March 23, 2011, City Council awarded a four year contract to Wightman Environmental to perform testing of selected storm sewers which discharge to surface water. This work is required as part of the NPDES permit. The 2011 annual report received with minor surface water impacts from the Woodland Avenue discharge. The 2012 report received with continuing minor impacts from the Woodland Avenue outfall. The 2013 results were received in November. Testing results are reported to MDEQ as part of the NPDES annual report. *Proposals to investigate all 120 storm water surface outfalls over a four year period will be received on April 16, 2014.*

Garden Lane Arsenic Removal Facility

Construction of a water treatment facility at the Garden Lane Wellfield to remove arsenic, iron and manganese from the groundwater.

Facility is in operation with ribbon cutting held August 2, 2010. The facility is producing approximately one million gallons of water per day. Facility is in regular operation. Plant tour for Stryker Engineering group was held on June 19, 2012. City Staff in conjunction with the Environmental Board is working on a sustainable native planting landscape design with Native Connections, Inc., for the facility. Regrading and installation of native landscaping seeding completed on November 16, 2012. Spring 2013 germination produced promising results. Native species plants successfully established. Native plant weeding and fall mowing is complete. Staff currently working with the Environmental Board on informative signs and long-term maintenance plans.

Environmental Incident/Spill Clean Up Notification

Environmental Protection Program to assist Portage Police/Fire Departments with spill containment and spill cleanup.

Emergency spill response contract for 2013-14 with Terra Contracting has been renewed. *The number of environmental incident/spill investigations performed in March – 0. Number of environmental cleanups in March – 0.*

Southwest Michigan Regional Sustainability Covenant

Collaborative effort with local government, academic, and other stakeholders to lead toward environmental, economic and social sustainability.

On May 12, 2009, City Council approved the Southwest Michigan Regional Sustainability Covenant. A sustainability work session was held April 14, 2010, to review elements of the covenant in cooperation with the City of Kalamazoo and the City of Battle Creek. A grant application was made to MDEQ for a greenhouse gas inventory study of the area. Notice received July 15, 2010 that the grant application was not successful. City staff attended a September 10, 2010 meeting in Grand Rapids to discuss sustainable economic, environment, and society programs. No new developments.