

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, MARCH 27, 2017 AT 7:00 P.M.
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 TEN MILE ROAD**

Mayor Gatt called the meeting to order at 7:00 P.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gatt, Mayor Pro Tem Staudt, Council Members Burke, Casey, Markham, Mutch, Wrobel

ALSO PRESENT: Peter Auger, City Manager
Victor Cardenas, Assistant City Manager
Thomas Schultz, City Attorney

APPROVAL OF AGENDA:

Mayor Gatt added Mayor & Council Issues: Meadowbrook Commons.

CM 17-03-030 Moved by Wrobel, seconded by Casey; CARRIED UNANIMOUSLY:

Roll call vote on CM 17-03-030 **Yeas: Staudt, Burke, Casey, Markham, Mutch,
Wrobel, Gatt**
Nays: None

PUBLIC HEARING

1. Special Assessment District 179 for streets within Vistas of Novi Planned Unit Development

Opened at 7:01 p.m.

Ron Reynolds, the attorney representing Tollgate Woods I & II HOA, was present to object to the SAD. He said his client was concerned about the lack of information regarding who is affected. They are also concerned because the roads mentioned were not heavily used by their residents.

Joseph Samona, 41542 Burroughs Avenue in Tollgate Woods I was present to object to the SAD. He concurred with the previous speaker. He added that he has lived there for 14 years and has only had to use that entrance once.

Tim Kotlarek, 41481 Twain Place in Tollgate Ravines was present to object to the SAD. He said there was not a lot of information on other roads like Cummings and Twain Place. He wanted more information.

Closed at 7:03 p.m.

2. Michigan Natural Resources Trust Fund Grant for land acquisition application

Opened at 7:04 p.m. and closed at 7:05 p.m. with no public input.

PRESENTATIONS:

1. National Emergency Telecommunicator's Week – April 9-15, 2017 – Alan Patterson, Communications Manager

Alan Patterson accepted the National Emergency Telecommunicator's Week Proclamation on behalf of Dispatch Shift Leader, Janet Kaplan and the rest of the personnel; they are the ones that deserved all the credit.

CITY MANAGER/STAFF REPORT: None

AUDIENCE COMMENT:

Joseph Samona, 41542 Burroughs Avenue, said Novi has a stringent sign ordinance. He wants the City to hold a meeting to provide information to business owners and residents to help residents understand the sign ordinance and help the City succeed.

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 17-03-031 Moved by Wrobel, seconded by Mutch; CARRIED UNANIMOUSLY:

To approve the Consent Agenda as amended to remove Items E and O.

- A. Approve Minutes of:
 1. March 13, 2017 – Regular meeting
- B. Approval of the final payment to L.J. Construction, Inc., for the ITC Pathway – Phase 1A project in the amount of \$45,046.97, plus interest earned on retainage.
- C. Approval of Ordinance Review Committee recommendation resolution to eliminate fees charges for yearly re-inspections of Outdoor Seating installations and assignment of addresses.
- D. Approval of Resolution Authorizing "2017 Stars and Stripes Festival" to occur on the Suburban Collection Showplace property at 46100 Grand River Avenue including adjacent temporary supporting uses.
- E. Approval of the Beautification Commission's recommendation on the Neighborhood Entryway Enhancement Matching Grant Program to award the requested grant amount for the following neighborhoods upon successful completion of the entryway work depicted in the applications: Briarwood (\$5,000.00), Camden Court (\$5,000.00), Meadowbrook Glens (\$1,400.00), Meadowbrook Lake (\$ 5,000.00), Oakridge Place (\$1,684.50), Roma Ridge (\$2,250.00), and Yerkes Manor (\$ 5,000.00). **REMOVED and later approved.**

- F. Approval to award an amendment to the engineering services agreement with Spalding DeDecker for design engineering services associated with the 2017 Neighborhood Road Program (NRP) in the amount of \$89,195.02.
- G. Approval to award the Barracuda Backup Appliance and associated Cloud Storage Project to CDW-G in the amount of \$43,443.14 using a competitively bid contract through the State of Michigan MiDEALS extended purchasing program.
- H. Approval to procure a Husqvarna, Model FS 5000 D – 30 ET, Concrete Cutting Saw and factory installed 5th wheel kit, from Cougar Sales and Rental, Inc., the low bidder, in the amount of \$25,574.95.
- I. Acceptance of two warranty deeds from the owners of parcels 22-10-400-070 and 22-10-400-072 for the dedication of a 43-foot master planned right-of-way half width along the east side of Dixon Road and north of Twelve Mile Road as part of the Dixon Meadows project.
- J. Correcting the name of the previously accepted Academy Lane to Everbrook Lane, and corresponding Act 51 New Street Resolution accepting it as public.
- K. Approval of renumbering existing Traffic Control Orders 16-32 through 16-50 adopted between October 10, 2016 and December 19, 2016 to 16-55 through 16-73; and correcting the street name on the existing Traffic Control Order 17-14 adopted on March 13, 2017 from Academy Lane to Everbrook Lane.
- L. Acceptance of a Quit Claim Deed from Secure Development Properties, LLC for the conveyance of remaining interest in the 50 foot half width right-of-way, if any, along the south side of Grand River Avenue west of Taft Road as part of the Paradise Park commercial development; and approval to execute a Quit Claim Deed conveying said right-of-way to the Road Commission for Oakland County.
- M. Approval of a Storm Drainage Facility Maintenance Easement Agreement from Mirage Development, LLC for the Montebello Estates development located north of Nine Mile Road and west of Novi Road (parcel 22-27-453-035).
- N. Consideration of a request from Robert D'Angelo for a variance from Section 11-256(f) of the Design and Construction Standards and Chapter 7 of the Engineering Design Manual to install stamped concrete sidewalk along the street frontage of a home at 21213 Equestrian Trail (parcel 22-32-401-079).
- O. Approval of Resolution No. 3 for Special Assessment District No. 179 (Holmes Road, Hemingway Drive, and Brownstone Drive within the Vistas of Novi Planned Unit Development) approving the preliminary plans and cost estimate, designating the special assessment district and directing the City Assessor to prepare a proposed special assessment roll. **REMOVED and later approved.**

P. Approval of Claims and Accounts – Warrant No. 984

Roll call vote on CM 17-03-031

**Yeas: Burke, Casey, Markham, Mutch, Wrobel,
Gatt, Staudt**
Nays: None

MATTERS FOR COUNCIL ACTION

1. Approval of Resolution to establish an Industrial Development District for Madias Brothers Inc. on Twelve Mile Road east of Taft Road.

Member Casey informed the Mayor that she is an employee of General Motors, and that she works for the Global Connected Consumer Experience Group. Her role doesn't involve working with the suppliers of vehicle components in any fashion. The applicant is a supplier to General Motors. She wanted to go on record that she could be objective on Items 1 and 2.

CM 17-03-032 Moved by Wrobel, seconded by Gatt; MOTION CARRIED: 6-1

To approve the Resolution to establish an Industrial Development District for Madias Brothers Inc. on Twelve Mile Road east of Taft Road.

Roll call vote on CM 17-03-032

**Yeas: Casey, Mutch, Wrobel, Gatt, Staudt,
Burke**
Nays: Markham

2. Approval of Resolution authorizing application from A 123 Systems LLC. for an Industrial Facilities Tax Exemption Certificate for an approximately 88,580 square foot New Facility to be located on Twelve Mile Road east of Taft Road, and related Agreement concerning Industrial Facilities Tax Abatement.

Member Casey mentioned every time we get tax abatement she thinks about what business is coming in, and what benefit it will have for the city. Sometimes she is in favor of certain tax abatements and against others. She concluded that she would be supporting this tax abatement because of the number of jobs, the fact they are signing a 15 year lease on 12 year tax abatement, and they are a very technological company.

CM 17-03-033 Moved by Staudt, seconded by Wrobel; MOTION CARRIED: 5-2

To approve the Resolution authorizing application from A 123 Systems LLC for a 12-year Industrial Facilities Tax Exemption and Agreement concerning Industrial Facilities Tax Abatement subject

to approval by the State Tax Commission pursuant to Public Act 198.

Member Markham agreed with Member Casey that A 123 Systems is the kind of employer we really want to encourage to come to Novi. It fits the profile of the high tech automotive suppliers that we have in the City. She understood this to be a 12 year tax abatement for \$3,810,000 in tax relief and we would be gaining \$812,000 in taxes over that 12 year period. She noted that Council would usually receive a chart to show how this plays out over the years and she mentioned she didn't see that in the material. She said it would be leaving almost \$3,000,000 dollars of tax revenue for the next 12 years on the table. She questioned why they should be allowed to come here and not pay their full share of taxes. Novi residents and taxpayers will pick up the tab for the services that this employer will enjoy for those 12 years, including plowing the roads, police and fire, and so on. She understood why the businesses would want to take advantage of the tax abatement that the State of Michigan is making available. She said she felt the State of Michigan was very loose in their requirements and the paperwork provided for their review was less than ten pages. Member Markham said she represents the taxpayers of this community and she believed it is against the best interest of the taxpayers of Michigan and of Novi. She quoted from an article that was published on March 7, 2017 in the Atlantic Magazine on the subject of tax abatements and it said "The broad body of evidence on incentives finds they don't actually cause companies to choose certain locations over others. Rather, companies typically select locations based on factors such as workforce, proximity to markets, and access to qualified suppliers." She believed all of those reasons are why A 123 Systems is coming here. The article went on to say "Companies then pit jurisdictions against one another to extract tax benefits and other incentives. In 2011, the Lincoln Institute of Land Policy Study found that property tax incentives were counterproductive and too frequently given to companies that would have chosen the same location anyway. Instead of creating new jobs or spurring employment, the main effect of the incentives is to simply deplete a company's tax base." She pointed out that this particular company is coming here and bringing 300 jobs from Livonia. She did not consider that as bringing 300 new jobs to the region. We may be getting 300 employees at this facility, but to expect that those 300 employees are going to move to Novi and become taxpayers themselves is unrealistic. Member Markham said she is not picking on A 123 Systems, this is happening all over Michigan. She expressed she has been against tax abatements in general and considers it to be "corporate welfare" so she will be voting no.

Member Wrobel asked City Manager Auger how much tax money we will receive during this tax abatement period from this company. City Manager Auger responded with an estimated \$1.3 million dollars over the length of the tax abatement period. It starts out with about \$71,000 dollars a year that the City will receive. Member Wrobel wondered if we have the claw back agreement in place if they happen to leave or go out of business before that time period is up. City Manager Auger confirmed that is part of this agreement. Member Wrobel wondered if we don't approve this and the land stays and they don't invest the \$27 million dollars in the physical plant, how much money we will be getting from that property right now in estimated taxes. City

Manager Auger replied it was vacant, so the taxes would be on just the value of the land. Member Wrobel felt this was a no brainer. He said, yes we are giving up tax dollars initially, but we are bringing in taxes on \$27 million, which is more than we have right now. He said as a Member of the City Council his responsibility is to the residents of the City of Novi and to the city government, not to the region. He expressed his support, because it makes good business sense, bringing investment to the city, and tax revenue.

Member Mutch said he was pleased that A 123 Systems put Novi on their radar as a location that they would like to invest in. He said when they first started, they selected Livonia and at the time he thought that would be a company he would like to see in Novi. Member Mutch said he likes to be consistent in his position that he doesn't believe in utilizing tax abatements to attract businesses in this manner. He mentioned that Member Markham noted that with this one, they are moving a few miles up the freeway from Livonia to Novi. He also understands why corporations pursue these abatements because they are available to them and if they can reduce their tax burden during their 12 year period in the City of Novi of course they would pursue it, what corporation wouldn't take advantage if the opportunity presents itself. He said we have over a thousand businesses in the City and all of them are paying taxes to the City, some for decades. Those taxes are what help sustain the quality of life in Novi. He mentioned that our tax rate is very low compared to most other communities our size. The levels of service we provide are very high. He said he welcomes the investment, he feels that Novi is a great city and feels that businesses will locate here with or without tax abatement. He indicated that he could not support the tax abatement as presented at this time for this particular property. He wished A 123 Systems the best.

Mayor Pro Tem Staudt commented that there were some different viewpoints on tax abatements. He said he was formally a CFO of companies that have relocated in Michigan between different communities; he said tax abatements were a deciding issue on where they were going to go, especially if it was new construction. He mentioned one of the things they keep hearing over and over is that no money is being paid out of city coffers for tax abatements. He said they saw a recent article in Crain's announcing a company that is coming here from California. He said it was between Illinois and Novi, and we are going to be presented with that at some point. There are certain circumstances in which they would have an economic benefit to relocate to our community. There are other circumstances where we have to participate in this game of playing with tax abatements, we have no choice. This has been set up nationally, we are competing. In this case we are competing effectively. He said in Bridge Magazine there was an article they mentioned that Novi is one of the few communities in Michigan that is successfully having increases in property values, increases in taxable value and a big reason for that because we are bringing in new businesses that want to relocate here. He said it is not because it is a good location and we offer great services, it is because we are willing to work with them to relocate to Novi. He expressed he will be supporting this and he is looking forward to other businesses that want to relocate to Novi to aggressively pursue whatever they can get because we want them here.

Mayor Gatt commented that as long as he has been on Council and as long as the City of Novi has embraced a tax abatement there have always been arguments made for both sides. One side thinks we are giving away money, the other side says no we are not. He noted he is on the side that says "no we are not" because we have a vacant piece of property that virtually paying nothing and we have a company willing to invest millions of dollars to relocate here and will be here a long time. The 12 years go by and at the end of 12 years they will pay their full share. We do live in a great location, but so are many others where businesses can relocate. Tax abatements are on the table today, if we don't want them here we could just say no and watch the region around us grow. Novi homeowners are enjoying record growth in the value of their home. Novi is becoming a premier city. It is true that some businesses have been here forever, but tax abatements didn't exist at the time. He said he will continue to be in favor of tax abatements and doesn't consider them welfare at all. He considers them a very wise investment of the city and it will make and keep Novi great.

Roll call vote on CM 17-03-033

Yeas: Wrobel, Gatt, Staudt, Burke, Casey
Nays: Markham, Mutch

3. Approval of Resolution authorizing submission of a Michigan Natural Resources Trust Fund Grant (MNRTF) grant application for land acquisition of 20.31 acres of property parcel 50-22-31-200-021 located on Nine Mile Road, west of Garfield Road. Total estimated purchase cost, including grant, is \$490,000, with the 25 percent City match of \$122,500.

CM 17-03-034

Moved by Burke, seconded by Casey; CARRIED UNANIMOUSLY:

To approve the Resolution authorizing submission of a Michigan Natural Resources Trust Fund Grant (MNRTF) grant application for land acquisition of 20.31 acres of property parcel 50-22-31-200-021 located on Nine Mile Road, west of Garfield Road. Total estimated purchase cost, including grant, is \$490,000, with the 25 percent City match of \$122,500.

Mayor Pro Tem said this is a continuation of our Acquisition Policy. This property abuts our ITC Corridor which will give us an additional rest spot, and also preserves green space. We are fortunate in this city to be able to participate in this program. The Michigan Trust Fund Grants have been very good to us. He said we have good properties that they value highly and the other part is that we have the matching funds that a lot of the other communities don't have which allow us to acquire these properties. This is a continuation of what we have been doing for years and will continue to do in the future.

Roll call vote on CM 17-03-034

Yeas: Mutch, Wrobel, Gatt, Staudt, Burke, Casey, Markham

Nays: None

4. Consideration of adoption of Ordinance No. 17-188, an ordinance to amend the City of Novi Code of Ordinances, at Chapter 28, "Signs," in order to comprehensively revise regulations relating to purpose and intent; permitting process; permanent and temporary signs; off-premises signs; definitions; appeals; and other provisions of the ordinance. **Second Reading**

**CM 17-03-035
(Main Motion)**

Moved by Wrobel, seconded by Gatt; MOTION CARRIED: 5-2

To approve the adoption of the Second Reading of Ordinance No. 17-188, an ordinance to amend the City of Novi Code of Ordinances, at Chapter 28, "Signs," in order to comprehensively revise regulations relating to purpose and intent; permitting process; permanent and temporary signs; off-premises signs; definitions; appeals; and other provisions of the ordinance.

Mayor Gatt mentioned he was not there for the First Reading, he was out sick that evening. He watched it on TV so he was able to hear the comments. He explained the history on this and how they got here tonight. Last summer he called a meeting between Novi business owners and City officials. There were a few dozen business owners who came to the meeting. He stated they went over the main drawbacks with the City. He asked them what the City could do to help them do business and succeed. Mayor Gatt said without fail, the subject of signs came up. He said he has been in the City for over 40 years and he believed our Sign Ordinance has been a little oppressive at times and felt it was outdated. Signs have evolved; when our Sign Ordinance was created there was no such thing as changeable copy signs, etc. He said brought the subject before the Ordinance Review Committee and they talked about a dozen times. He said they had people come in and talk to them from the public. They all agreed at the time, just before it went to Council, that what we have before them is one of the most modern and best ordinances regarding signs that will keep Novi on the forefront for our businesses and their needs and won't hurt any of residents.

Member Wrobel said he was also a member of the Ordinance Review Committee and they had quite a few discussions on this matter. He echoed the Mayor and said that times have changed. He said they compromised to make this more current and he supported the Ordinance.

Member Mutch said he is the third member of the Ordinance Review Committee that served in reviewing the Sign Ordinance. He agreed with many of the comments that the previous speakers have made. The Mayor said they spent quite a bit of time cleaning up our Ordinance. He said the Mayor noted there are some provisions that we needed to review to make sure they are up to date with today's standards and make sure that it was legally defensible due to a recent Supreme Court Case. He noted that in terms of accomplishments where we really moved the Ordinance

forward is removing quite a bit of language that was previously been in there. The Ordinance that came out of the Committee was much more streamlined in many regards than the current Ordinance as it stands. He expressed his hope that this will make it easier for the business community to understand and implement the Sign Ordinance going forward. He mentioned another area that wasn't mentioned was that some of the language was changed and he felt that many of them were reasonable and responsive to the business community. He said the Mayor shared many of the comments he had heard at the meeting. He said they also had feedback from some of the property and building owners regarding their particular needs. Member Mutch pointed out the one issue he still has with the Ordinance when it came out of Committee, and he stated it at the time, was he felt they went in the opposite direction. Instead of paring down the Ordinance and streamlining, they actually made a special exception for a request to allow billboard signs in the M-5 Corridor. He said he had several concerns with that, in which it is adding signage where we previously never had permitted it. He said not small signs, but freeway billboard signs where it is not a freeway. He said during discussions regarding billboard signs along I-96 the billboards made sense in that location because they are unique. He said he was fine with the language which makes it possible for another potential sign in that area. He said he sees the opposite for the M-5 Corridor, it is unique, but for a different reason. It is residential zoning on the west side of the M-5 Corridor where there are homes that back up against it. He said it also is home to a number of high tech companies that have located here in Novi. They have received letters saying that billboards do not belong in that area; they may devalue the property in that area. We cannot control the content of the signs, which we shouldn't because of First Amendment rights, but felt they should be left to the I-96 Corridor only. He recommended they make an amendment to strike Section 28-8B, which is the M-5 Corridor sign zone language, as well as the introductory language in under 28-8 that authorizes billboards in the M-5 Corridor and remove that from the Ordinance.

The amended motion:

**CM 17-03-036 Moved by Mutch, seconded by Markham; MOTION DEFEATED: 3-4
(Amendment)**

To approve the adoption of the Second Reading of Ordinance No. 17-188, an ordinance to amend the City of Novi Code of Ordinances, at Chapter 28, "Signs," in order to comprehensively revise regulations relating to purpose and intent; permitting process; permanent and temporary signs; off-premises signs; definitions; appeals; and other provisions of the ordinance with the removal of Section 28-8B and the related introductory language in Section 28-8.

Member Markham said she agreed with Member Mutch that the M-5 Corridor signage is a step in the wrong direction. She commended the Committee for the work that they have done on this Ordinance. She lived in Novi for 22 years and has complained about the Sign Ordinance since she moved here. She said it is hard to find what you are looking for. It is hard to find the balance between being able to find what you are

looking for and not a sign flashing in front of you. She understood it was a great deal of work to get where they are today. She appreciated the work that was done. She mentioned they should probably review the Sign Ordinance every couple of years. She said she was in support of the amendment.

Member Burke said he would like to commend the Ordinance Review Committee for their diligent work on this. He acknowledged they had to put in countless hours and a lot of work on this and that it was a job well done. He didn't support the amendment; he said they were talking about one billboard on one side of M-5 between 13 Mile and 14 Mile with very specific language regarding the lighting that has to be within the Ordinance.

Mayor Gatt stressed that there was robust discussion about how many billboards would be allowed on M-5. The person that wanted this wanted two signs, so they compromised with one sign on the east side where there is no residential. He said the sign will be up around 14 Mile Road. Mayor Gatt said he will not be able to support the amendment.

Member Casey echoed all of the previous speakers in their recognition and thanks for the Ordinance Review Committee. She said she would vote in favor of the amendment. She said both sides have very valid points. She disagreed that the residents would not be able to see the billboard that it is not a freeway, it is a corridor, and what would stop other billboards from going up.

Mayor Pro Tem Staudt said he did not support the amendment. He asked his colleagues to not throw the baby out with the bathwater. In the event that the amendment fails, a lot of work had gone into this. He pointed out that sometimes in politics these days; they get focused on one small part of a big project that that they vote against the project. He said he hoped his colleagues don't do that. They agreed that this has been well done and it is time to move on with this particular ordinance.

**Roll call vote on CM 17-03-036
(Amendment)**

**Yeas: Casey, Markham, Mutch
Nays: Wrobel, Gatt, Staudt, Burke**

Mayor Gatt said they were back to the original motion of the Sign Ordinance.

Member Mutch asked City Attorney Schultz when the Sign Ordinance would be implemented. He wondered when the businesses would be able to make changes to the signs. City Attorney Schultz confirmed with Member Mutch that it would be 15 days after adoption. Member Mutch mentioned the language specifically for the M-5 Corridor billboard sign was noted by a couple of previous speakers which states there is a limit of one sign. He wondered how we would handle more than one application. City Attorney Schultz said it was first come, first serve. Member Mutch commented that he didn't take Mayor Pro Tem Staudt's comments personally, but he felt it was a valid point and he wanted to put the amended motion out there. He still didn't agree with the billboard provisions, but he would support the main motion as it was presented.

Member Markham said she expressed her concerns about the billboard provision on M-5 and said she would not support the main motion. It was a deal breaker for her. She said she wants to see the Sign Ordinance improved, but this was a provision that was inserted this time around. It has never been there before and she didn't think it should be added. If it is not removed, she would not support the new Sign Ordinance.

Mayor Gatt agreed with Member Markham that we should probably review this ordinance every couple of years. The problem with the old ordinance was that it wasn't reviewed every couple of years and it fell into a state of disrepair.

**Roll call vote on CM 17-03-035
(Main Motion)**

**Yeas: Gatt, Staudt, Burke, Mutch, Wrobel
Nays: Casey, Markham**

5. Approval of Ordinance Review Committee recommendation to adopt Ordinance No. 17-107.04, amending Chapter 18, "Housing," Article III "Disclosure Requirements for Sale of New Single-Family Residences," of the City of Novi Code, in order to repeal the regulations and provisions. **First Reading**

CM 17-03-037 Moved by Casey, seconded by Wrobel; MOTION CARRIED: 6-1

To approve the adoption of Ordinance No. 17-107.04, amending Chapter 18, "Housing," Article III "Disclosure Requirements for Sale of New Single-Family Residences," of the City of Novi Code, in order to repeal the regulations and provisions. First Reading.

Roll call vote on CM 17-03-037

**Yeas: Staudt, Burke, Casey, Markham, Wrobel,
Gatt,
Nays: Mutch**

6. Approval of Ordinance Review Committee recommendation to adopt Ordinance No. 17-119.3, amending Chapter 12, "Drainage and Flood Damage Protection," Article VII "Fertilizer Application," of the City of Novi Code, in order to delete the requirements of Section 12-274, "Rates and Application Schedule; Prohibitions" relating to required mailings, delete Section 12-276, "Registration Requirement and Procedure," and renumber the remaining provisions accordingly. **First Reading**

CM 17-03-038 Moved by Wrobel, seconded by Burke; CARRIED UNANIMOUSLY:

To approve the adoption of Ordinance No. 17-119.3, amending Chapter 12, "Drainage and Flood Damage Protection," Article VII "Fertilizer Application," of the City of Novi Code, in order to delete the requirements of Section 12-274, "Rates and Application Schedule; Prohibitions" relating to required mailings, delete Section 12-276, "Registration Requirement and Procedure," and renumber the remaining provisions accordingly. First Reading.

Member Markham said she would like someone to explain where this amendment came from. Community Development Director, Charles Boulard said in this case, during goal setting they were looking at ordinances on the books that aren't effective or being enforced. This particular Ordinance required a notice or mailing from the Clerk's Office to all of our homeowners the proper ways and limits on fertilizer application. It also required all the applicators to register, including license plates, and descriptions of all their vehicles. In his nine years working for the City it has only happened twice. He noted if they do have issues with folks spreading fertilizer all over the place, our Ordinance Officers have been able to explain to them that this is going down the sewer and into the lakes. He checked with the Department of Public Services and confirmed that this is an option to have a registration program like this, as opposed to having a requirement to meet our Phase II commitments. Member Markham said it was good to hear that we are trying to get rid of some of our old Ordinances that don't make any sense.

Mayor Gatt said our Ordinance Review Committee is going through all of our Ordinances and hopefully we will delete our obsolete Ordinances.

Roll call vote on CM 17-03-038 **Yeas: Burke, Casey, Markham, Mutch, Wrobel, Gatt, Staudt**
Nays: None

7. Approval of Ordinance Review Committee recommendation to adopt Ordinance No. 17-189, amending Chapter 7, "Building and Building Regulations," Article VI, "Business of Renting Buildings," of the City of Novi Code, in order to repeal the regulations and provisions. **First Reading**

CM 17-03-039 **Moved by Casey, seconded by Wrobel; CARRIED UNANIMOUSLY:**

To approve the adoption of Ordinance No. 17-189, amending Chapter 7, "Building and Building Regulations," Article VI, "Business of Renting Buildings," of the City of Novi Code, in order to repeal the regulations and provisions. First Reading.

Roll call vote on CM 17-03-039 **Yeas: Casey, Markham, Mutch, Wrobel, Gatt, Staudt, Burke**
Nays: None

8. Approval of the Road Commission for Oakland County (RCOC) request for a Variance of the City's Noise Ordinance for the proposed reconstruction of 10 Mile Road from Copperwood Drive (Lyon Township) to Nepavine Drive and the construction of a modern roundabout at the intersection of Napier Road and Ten Mile Road. This project also includes the paving of the existing gravel road along Napier Road from 9 Mile Road to 10 Mile Road.

Member Wrobel asked when the construction will start. City Manager Auger said it can start anytime now.

CM 17-03-040 Moved by Wrobel, seconded by Burke; CARRIED UNANIMOUSLY:

To approve the Road Commission for Oakland County (RCOC) request for a Variance of the City's Noise Ordinance for the proposed reconstruction of 10 Mile Road from Copperwood Drive (Lyon Township) to Nepavine Drive and the construction of a modern roundabout at the intersection of Napier Road and Ten Mile Road. This project also includes the paving of the existing gravel road along Napier Road from 9 Mile Road to 10 Mile Road.

Member Mutch wondered what kind of notification the RCOC was going to give the residents in the area. Assistant City Manager Cardenas said he is not sure at the moment, but will get back to Council on that. It may be a mailing or informational meeting. Member Mutch expressed his concern for the residents in that area. He said either the RCOC or the City of Novi needs to inform the residents individually in that area of the hours of operation and how this may impact them.

Member Casey pointed out the documentation received had a clear call out to Lyon Township and it said that Lyon Township didn't have any objections. She wondered if we have spoken to our residents to see if they have any objections to this project. Assistant City Manager Cardenas confirmed we have done a similar outreach as Lyon Township, and to his knowledge said we did not receive any objections.

Mayor Gatt noted this has been a very dangerous intersection and something needed to be done with it. It may be an inconvenience, but this will save lives.

Roll call vote on CM 17-03-040 **Yeas: Markham, Mutch, Wrobel, Gatt, Staudt, Burke, Casey**
Nays: None

9. Consideration to approve Memorandum of Understanding Regarding Future Realignment of Taft Road (Commerce Park Development) relating to property on the south side of Twelve Mile and west side of Taft Road.

City Manager Auger said this project will be a little bit different, we are just laying out the understanding between a potential development that we have been working on and recruiting to a specific site. He mentioned that the RCOC is going to change and realign Taft Road at 12 Mile Road. He indicated that at a future date, the RCOC is going to swing Taft Road a little bit into the property that we are looking into developing. In doing so, the development would have to shift their whole project over. They would have to go to the Planning Commission and we want to make everyone aware that they are making significant changes to their site plan to accommodate a future road shift that the RCOC will want us to do. He said they wanted to inform

everyone what is going on so that when it goes through the Planning Commission for their request for relief to build their retaining wall so they can shift the building, they will know why.

Member Mutch appreciated the City administration bringing this forward. He stated that looking at the revised site plan of the developer it looks like it fits in nicely on the site with minimal impacts on the natural resources that are on the larger property. He commented on 12 Mile Road and City administration looking for feedback. He informed City administration that he is not looking for a five lane road and not looking for a ditch down the middle of the road. He proposed a median which he thought would be nice with landscaping something along the lines of a boulevard.

CM 17-03-041 Moved by Mutch, seconded by Burke; CARRIED UNANIMOUSLY:

To approve a Memorandum of Understanding Regarding Future Realignment of Taft Road (Commerce Park Development) relating to property on the south side of Twelve Mile and west side of Taft Road, subject to approval of final form by the City Manager and City Attorney.

Roll call vote on CM 17-03-041 Yeas: Mutch, Wrobel, Gatt, Staudt, Burke, Casey, Markham
Nays: None

10. Approval to award a unit price contract for landscaping services on city-owned properties to KBK Landscaping Inc., the lowest qualified bidder, for a one year term with three one year renewal options with a total estimated cost of \$119,706.

CM 17-03-042 Moved by Burke, seconded by Casey; CARRIED UNANIMOUSLY:

To approve the award of a unit price contract for landscaping services on city-owned properties to KBK Landscaping Inc., the lowest qualified bidder, for a one year term with three one year renewal options with a total estimated cost of \$119,706.

Roll call vote on CM 17-03-043 Yeas: Wrobel, Gatt, Staudt, Burke, Casey, Markham, Mutch
Nays: None

AUDIENCE COMMENT -

Frank Elias, 29353 Whistler, asked why they removed Item E from the agenda.

MAYOR AND COUNCIL ISSUES -

Mayor Gatt added the topic of Meadowbrook Commons. He said during the recent power outage, he was surprised to learn they did not have a generator. He requested that administration look into the cost of a new generator for Meadowbrook Commons. In the discussions, Blair Bowman and State Representative Kathy Crawford both said they would like to be involved in the process. Perhaps through their partnerships, they could find a way to diminish costs to residents. He said to find people in that facility holding flashlights for days is unacceptable.

Mayor Pro Tem Staudt asked if this would be something that could be paid for out of the Revenue Bond. Could it be paid for through the revenues of the property as opposed to a Capital Improvement item? He said he gets confused when we buy a Zamboni for the Ice Arena when we are not operating the Ice Arena. In this case this is a permanent part of the Senior Center. He thought this was part of the Senior Center so should the Senior Center be paying for their own generator. City Manager Auger agreed and said it would go through the Enterprise Fund, just like a Zamboni would go through the Enterprise Fund. He said both of these funds have been managed very well and there is the capital to do this type of project. They are estimating the cost and it is scheduled to be put in next year. The estimated cost is \$194,000 and the Enterprise Fund can sustain that cost. Mayor Pro Tem Staudt confirmed with City Manager Auger that this will not come of the General Fund of Capital Improvement, but this is just part of the operations.

Member Mutch asked City Manager Auger what type of generator they are considering for this site and will it power just the main building. City Manager Auger said it would be the main building. The outbuildings would have to come to the main building for shelter. He said this was an inconvenience to the residents of Meadowbrook Commons, especially on a multi floor facility. This makes sense for the City, not only will it serve the residents in the facility, we would also know if we needed an emergency shelter for that area we would have a building that we knew had power to help out. Member Mutch commented that he would like to see this move forward as soon as possible.

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION: Consent Agenda items which have been removed for discussion and/or action.

- E. Approval of the Beautification Commission's recommendation on the Neighborhood Entryway Enhancement Matching Grant Program to award the requested grant amount for the following neighborhoods upon successful completion of the entryway work depicted in the applications: Briarwood (\$5,000.00), Camden Court (\$5,000.00), Meadowbrook Glens (\$1,400.00), Meadowbrook Lake (\$ 5,000.00), Oakridge Place (\$1,684.50), Roma Ridge (\$2,250.00), and Yerkes Manor (\$ 5,000.00).

Mayor Gatt noted he removed Item E, the Beautification Commission's recommendation of the Neighborhood Entryway Enhancement Matching Grant Program for 2 reasons. First he wanted City Manager Auger to explain what the city

staffs involvement is on this. He said it was a Committee made of residents on the Beautification Commission and also city staff. City Manager Auger said that was correct, we have professional staff that deals in landscaping and projects of this nature. He mentioned Landscape Architect, Rick Meader and our Forestry Personnel that know about the plants. Together they make a recommendation to Council to award the winners. This year we are a little over, but last year we were under, so we still had some funds in there to do it so they are granting that one also. Mayor Gatt confirmed that city staff was intimately involved with this. Mayor Gatt mentioned the second reason he pulled this item was that one of the subdivisions obtaining the grant is where the Mayor lives and he wanted to ask City Attorney Schultz if he should recuse himself. He pointed out he would not get any direct monetary benefit except he said his house will go up in value accordingly. City Attorney Schultz acknowledged the Mayor was not obligated to recuse himself since he did not have a direct or indirect benefit. He said if the Mayor did not feel he could be objective he could ask to be recused. The Mayor affirmed he could be objective; he just wanted to make sure he was not skirting any law.

CM 17-03-043 Moved by Wrobel, seconded by Staudt; CARRIED UNANIMOUSLY:

To approve the Beautification Commission's recommendation on the Neighborhood Entryway Enhancement Matching Grant Program to award the requested grant amount for the following neighborhoods upon successful completion of the entryway work depicted in the applications: Briarwood (\$5,000.00), Camden Court (\$5,000.00), Meadowbrook Glens (\$1,400.00), Meadowbrook Lake (\$ 5,000.00), Oakridge Place (\$1,684.50), Roma Ridge (\$2,250.00), and Yerkes Manor (\$ 5,000.00).

Voice vote on CM 17-03-043 Carried Unanimously

- O. Approval of Resolution No. 3 for Special Assessment District No. 179 (Holmes Road, Hemingway Drive, and Brownstone Drive within the Vistas of Novi Planned Unit Development) approving the preliminary plans and cost estimate, designating the special assessment district and directing the City Assessor to prepare a proposed special assessment roll.

Mayor Gatt stated that Item O was pulled by Mayor Pro Tem Staudt.

Mayor Pro Tem Staudt said he would like everyone to clearly understand exactly what is going on with this. He wondered if it is a requirement that everybody participate in this or is it something that we've determined. The people who don't live adjacent to roads, they don't want anything to do with it. The people who petitioned to have this done would like to see it finished.

City Attorney Schultz pointed out that it would help if they refer to the map in the packet. He said on Page 403 it explains who is being affected. This is not unlike the

Knightsbridge Gate situation which was resolved through litigation and which they are trying to avoid happening again. They have agreement from people involved, not completely, but most. The road improvements are in yellow and potentially five affected areas of property. The first area on the map is Vistas Brownstones (Singh apartment building), they signed the petition and they are fully on board. Tollgate Ravines, just to the south, has approved this by site condo, via resolution of condominium association. Their attorney has given them and the City the opinion that they have the right to participate in this SAD. He continued with Meadowbrook Vistas (town home), he said it is an unusual situation. The developer essentially walked away from finishing roads and left \$150,000 with the City. It is a Canadian company not subject to easy litigation. They have 60% approval from residents signing petition. If the City takes the \$150,000 towards their portion of the assessment, it would be a minor assessment for those residents. Manchester, on the far west side of the property has agreed to participate in the SAD in the Consent Judgment. In the Resolution Tollgate Woods 1, 2, 3 are included in resolution in district. At this point, it's not clear if they will be assessed anything when the next step happens. If this resolution passes, then the City Assessor creates the roll. It is likely they may have minimal or little assessment. We have to deal with Tollgate Woods 1, 2, 3 and will be dealt with Resolution 4, which is how the City Assessor will spread the cost. Mayor Pro Tem Staudt asked why it would be in the City Assessor's hands. City Attorney Schultz said these folks want to turn the roads over to the city and the roads are not acceptable. We are assisting the homeowners who don't have money to do it themselves, so we can get the road in shape and then we can make it public after the repairs. In Knightsbridge Gate they weren't going to make them public. He noted this one is contemplated to be public. They tend to think they have skin in the game with exceptions of Tollgate Woods. Mayor Pro Tem Staudt wondered why we feel so strongly that Tollgate Woods 1, 2, 3 have anything to do with this. City Attorney Schultz responded by saying we don't think strongly that they should be in the district, we have heard the objections and it will be the subject of further discussion. Mayor Pro Tem Staudt suggested there wasn't a legal reason that they are included in this SAD. City Attorney Schultz confirmed there was no obligation they be included. We would have to find a benefit; which is the job of the City Assessor. He makes the decision whether this is going to go on their tax roll. The Assessor has to describe the benefit before City Council moves forward with the SAD process. That will be his call and Council will have to deal with that. Mayor Pro Tem Staudt wondered if they have ability to overrule his call if they do not agree. City Attorney Schultz said if the City Assessor does not find benefit, Council would not be obligated to approve assessment. City Attorney Schultz said they have not done a tax roll yet, they created a district with Tollgate Woods 1, 2, 3 in it, but it doesn't mean they are going to be assessed until the next step in the process. Mayor Pro Tem Staudt understood their frustration that we can't give them an answer. Now they can put this in the hands of the City Assessor to make the determination on the tax roll and bring it back to City Council for consideration. City Attorney Schultz said City Council will either approve that roll or they won't.

City Manager Auger reminded Council this is why the SAD's have five steps and this is the third step. Each step directs administration to take the next step and lay everything

out. They hold the Public Hearing and then the City Assessor will sit down with staff and look over everything that happens to figure out the district. Mayor Pro Tem wondered what staff would have input on this. City Manager Auger said the Assessing Department. Mayor Pro Tem Staudt said this needs to move forward, clearly there is a group that wants to get this done. We are happy to get this forward without litigation.

CM 17-03-044 Moved by Staudt, seconded by Gatt; CARRIED UNANIMOUSLY:

To approve Resolution No. 3 for Special Assessment District No. 179 (Holmes Road, Hemingway Drive, and Brownstone Drive within the Vistas of Novi Planned Unit Development) approving the preliminary plans and cost estimate, designating the special assessment district and directing the City Assessor to prepare a proposed special assessment roll.

Member Mutch wanted to follow up with City Attorney Schultz to make sure everyone was clear. He asked what criteria the City Assessor uses for including or not including properties within a SAD. City Attorney Schultz replied it was under the Ordinance and under the concept of SAD districts. He has to determine there is special benefit to the property. Member Mutch said in some cases residents were talking about never using those roads. Based on some of the comments he has heard, looking at some properties in Tollgate Woods 3 they look to him that they are too far removed from roadway. He also wanted to clarify what the next step would be. He wondered if Council could approve only a portion of the roll. City Attorney Schultz said it would be easier to remove things from SAD; we still have to deal with overall cost. He said it has to be proportional and defensible. As far as the decision of who will be included, City Council has a lot of control over that. Working the other way, if the City Assessor said these parcels are not benefitted, City Council can't move forward, that is all defended in the Tax Tribunal by the City Assessor. Member Mutch wondered if someone doesn't agree with the inclusion in the SAD, what would be their outlet for challenging the decision. City Attorney Schultz said it is easy enough for Tollgate Woods, they would challenge an assessment in some form at the Michigan Tax Tribunal and the City defends. The Tax Tribunal will make a decision. He noted it is not quite as easy for the other parcels because they have Boards and some of them have ability to essentially agree on behalf of residents who may not agree. Member Mutch commented that he feels comfortable and can support moving this forward. We as a City really need to have information out there. He mentioned the vague letter that was mailed out gave very little information. He said we need to get the Information out with maps and numbers that explain the process. A lot of people didn't understand what was going on. City Manager Auger mentioned the information was on CityofNovi.org.

Roll call vote on CM 17-03-044

**Yeas: Staudt, Burke, Casey, Markham, Mutch
Wrobel, Gatt**

Nays: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 8:26 P.M.

Cortney Hanson, City Clerk

Robert J. Gatt, Mayor

Transcribed by Deborah S. Aubry

Date approved: April 10, 2017