

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, MAY 7, 2018 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 Breen, Casey, Markham, Mutch, Wrobel

ALSO PRESENT: Peter Auger, City Manager
Victor Cardenas, Assistant City Manager
Carl Johnson, Finance Director
Thomas Schultz, City Attorney

APPROVAL OF AGENDA:

City Manager Auger asked that would Council pull Consent Agenda Item J from the Agenda. He stated there was an oversight on his part. He forgot that some Councilmembers were waiting for an opinion from City Councils Corporation Council and it should not have been placed on the Agenda until they received that opinion. He also asked Council to pull Matters for Council Action Item 6 from the Agenda. He explained that the Novi Schools did not vote on that at their Thursday night meeting as we hoped. He informed Council they plan on voting on the issue at their next meeting, so that will be back before Council.

CM 18-05-057 Moved by Casey, seconded by Staudt; MOTION CARRIED: 6-1

To approve the Agenda as amended with the removal of Consent Agenda Item J and removal of Matters for Council Action Item 6.

Roll call vote on CM 18-05-057 **Yeas: Staudt, Casey, Markham, Mutch, Wrobel, Gatt**
Nays: Breen

PUBLIC HEARING:

1. Recommended Annual Budget and Financial Plan 2018-2019.

Public hearing opened at 7:02 P.M. and closed at 7:03 P.M. with no public input.

PRESENTATIONS:

1. Proclamation in recognition of National Letter Carriers' Food Drive Day, May 12th – Sherri McIntosh

Sherri McIntosh said it was the 26th year for the National Letter Carriers' Food Drive Day, May 12th. She said the food is distributed to St. James Catholic Church and Faith Community Christian Church food pantries in Novi. They feel lucky to give back to the

community. She thanked residents for their extreme generosity and making it a success.

2. Proclamation in recognition of National Police Week, May 13-19, 2018 and Peace Officers' Memorial Day, May 15, 2018– David Molloy, Director of Public Safety/Chief of Police.

Chief Molloy said it was humbling to accept the Proclamation on behalf of the men and women of the Novi Police Department. He said he has had the distinct honor of serving here for nearly three decades. He said you will find a no better place of men and women who are committed to keeping our community safe 24 hours a day.

MANAGER/STAFF REPORT:

City Manager Auger reported that he was asked to check with the Postmaster in Novi about the move of a zip code up to Walled Lake. He said they informed him that the move occurred four years ago. He said he will have to do further research with the Walled Lake Postmaster, new things are happening there.

AUDIENCE COMMENT:

Barry Abramson, 42343 W. 13 Mile, said he lives across from Pavilion Shore Park. He addressed Pavilion Shore Village overlay in the Master Plan 2016. He said the plan recognizes the existing neighborhoods are key to preserving the character of Novi, but he thinks the proposed development will alter the quiet natural beauty of their lakeside community by cramming too many families into too small of a space, taking away privacy, and destroying wildlife habitats. He also had issues with creating a mid-block pass thru on W. 13 Mile using the two vacant city owned lots between W. 13 Mile and Wainwright. He pointed out that putting a cut through in the middle of the street is tempting children and adults to cut across traffic where there are no crosswalks. He stated there are marked crosswalks within a short distance, both to the left and the right. His house abuts the property line on the west next to this 20 foot wide city owned lot. He didn't think anyone would want that traffic next to their window. Everybody deserves privacy. His recollection is that the city obtained the property due to the failure to pay taxes in 2014 from a previous owner. He said he would have liked to have bought it, but never knew it was available. Other properties owned by the city have been vacated by the city and are now producing property tax revenues as larger lots. He didn't think it was fair to overlook the welfare of his family.

Dorothy Duchesneau, 125 Henning, said Council has heard from residents about the concerns about the proposed Pavilion Shore Village. She pointed out that many residents have met with the developer at two meetings already, in February and March. She stated they have been told it's a done deal. She wanted to tell Mr. Clark, President of Robertson Brothers, that the current residents near the south shore of Walled Lake were there first. This area is our home, our lifestyle and we are against three-story attached townhomes in a subdivision with lots designated to single family

residential. The residents have chosen to be proactive by submitting an informal protest petition regarding Pavilion Shore Village as per State law in referenced in Novi's own Zoning Ordinance. They are finding out that Novi has no avenue to allow an informal petition by residents to go on record with City Council or the Planning Department before a developer officially submits plans. She felt that was too late in the process. She said as of tonight they've collected the signatures of 28 properties of 45 properties within the 100 foot perimeter of Pavilion Shore Village. The petition states "as property owners within 100 feet of the proposed Pavilion Shore Village as shown on pages 45 and 112 in the City Master Plan and adopted July 27, 2017; we request that any zoning amendments or new formed based districts or overlays involved within the proposed Pavilion Shore Village shall require a two-third vote of the legislative body of the City of Novi. This petition is per the Michigan Zoning Enabling Act of 2006, section 125.3403 and also referenced in Novi's own Zoning Ordinance section 7.13." She said since we cannot formally submit the petition she wanted to summit copies to the City Clerk the next day as correspondence to be included in the next Council Packet.

Mary Abramson, 42343 W. 13 Mile, Novi said she is bought the house directly across from the lake about seven years ago. At the time they bought the house they had no idea they were buying a historical relic until a few months after they moved in. She stated that a Michigan State University Professor showed up from MSU to ask what was left in the home regarding Laura Tolettene and her brothers who all lived there and ran the park and owned the park as well. She said what was left in the house were small pictures and the Deeds. They bought the home from the Tolettene family after Laura Tolettene died at the age of 95. The bath house and the dance hall, later to be a casino also brought in locals. Laura Tolettene's father, Louis Tolettene built the dance hall and died in 1936. She and her brothers took over the business and lived in the house. The three ran the business which had a roller coaster right in front of the home and made their livelihood hosting greats such as, Cary James, Louie Armstrong, Les Brown, Mel Torme, The Kingston Trio, Fabian, Stevie Wonder, the list is long. She said many times they would camp out. She said as a gesture of kindness the Tolettene family would offer for them to stay overnight in the house since at that time there were no hotels to house the performers. She also mentioned that even Lawrence Welk bought a lakeside property and they were good friends with Laura. Much revenue was brought to Novi and Walled Lake to accommodate the great building and road structures all over because of the park and the direct work that was built through the Tolettene family. The for sale signs to the left and right of their front door to this home have been there for about 10 years now. She said not once did they learn until this week of a builder offering a pathway parcel next to their bedroom windows, without first offering this 20 foot parcel that someone lost due to non-payment of taxes. They could have had a buffer zone between their small home and the proposed buildings. They object to the foot path along the side of their home and the large tree, possibly larger than any tree in Novi, presumably planted by the Tolettene family 70 years ago that sits on the very edge of the property right in line with the foot path that is being proposed by this builder. They felt they have completely disregarded all of the historical facts to gain tracks of land, disregarding the natural habitat by approving such a large, drastic infrastructure change to the whole area.

Karl Migrin, 49450 W. 9 Mile Rd said he lives in the last remaining wetlands and woodlands in southwest Novi. He stated that the Villa D'Este PRO plan will soon be before Council. This development is high density development in a Master Plan residential area. It started as Red Maple in 2015 and then Mercato development. He informed Council that the houses are spaced 15 feet apart. One neighbor said they look like doublewide mobile homes. He said that Novi Meadows has 25 foot side yard setbacks. It originally started as Red Maples in 2015 with 40 units that never came before a public hearing, then it changed names to Mercato with 40 units and was presented to the Master Plan and Zoning Committee in 2016. They said that the Master Plan was zoned RA and it will stay the same and they denied their request. Then it came back as Villa D'Este with 53 units, and the Planning Commission said that was too many and they were denied. Then they came back with 56 units and they were disapproved again. He said now it is back as the Villa D'Este with 44 units, they were denied so they came back with 42 units and it was approved. If you stand on the back of his property you would be in the proposed road. A tree study was done when it was Mercato, and 42% of the trees would be wiped out. They will be clear cutting. They are in the process of doing another tree study. He mentioned they have alternatives to cutting trees down. He said if they came down 10 Mile they could come into the development and they wouldn't have to disturb any of the trees or wildlife. It would also keep all the traffic off of 9 Mile Road and Garfield Road. He came up with another plan that had two developments which had advantages that would leave the wildlife alone. He did point out that plan would increase traffic on Garfield though. He saw lawsuits in the futures. Even the developer said the birds that nest there and other habitat would be destroyed. He thanked Council for their time.

CONSENT AGENDA REMOVALS AND APPROVALS:

Member Mutch removed Consent Agenda Item H.

CM 18-05-058 Moved by Casey, seconded by Wrobel; CARRIED UNANIMOUSLY

**To approve the Consent Agenda as amended with the removal of
Consent Agenda Item: H.**

- A. Approve Minutes of:
 - 1. April 18, 2018 – Special Meeting
 - 2. April 23, 2018 – Regular meeting

- B. Approval of Resolution authorizing transfer of archives from the Estate of David Barr to the Walter P. Reuther Library of Labor and Urban Affairs, Wayne State University with the final form of a Deed of Gift to be reviewed and approved by the City Manager and City Attorney.

- C. Approval of Zoning Ordinance Text Amendment 18-125.24 to amend the City of Novi Woodlands Protection Ordinance at Section 37-8, Relocation of

replacement of trees, within Article 1, In General, to update the Woodland Tree Replacement Chart in order to align it more closely with the stated goals of the ordinance, and to update the Reforestation Credit Table to increase the effectiveness of on-site replacement plantings. **SECOND READING**

- D. Approval to award contract for Police and Fire Department uniforms to Allie Brothers, Inc. , the lowest responsive and responsible bidder, for an estimated annual amount of \$90,000 for a period of two (2) years, with three (3) renewal options in one (1) year increments.
- E. Approval to award civil engineering services to OHM Advisors for construction engineering services associated with Pontiac Trail Sidewalk project (Segment 9 – east of Beck Road to West Park Drive) in the amount of \$42,635.00.
- F. Acceptance of an Easement and Temporary Grading Permit for Streambank Maintenance for parcel 50-22-25-132-006 as part of the Ingersol Creek Streambank Stabilization Project.
- G. Approval of a Street Light Purchase Agreement with DTE Energy for the installation and ongoing operation costs of two (2) street lights at the entrance of the Bolingbrooke development on Old Novi Road; and approval of an agreement with Bolingbrooke Singh, LLC, for the sharing of installation and ongoing operation costs per the City's Street Lighting Policy.
- H. Acceptance of the Amended and Restated Easement for the purpose of terminating and replacing the existing recorded Conservation Easement and existing recorded Drainage Easement over the subject development property, JSP 16-67 Taft Knolls III, and replacing them with an Open Space Preservation easement over different areas in the development. The Subject Property is located in Section 22, south of Eleven Mile Road and east of Taft Road at 25150 Taft Road. **REMOVED**
- I. Approval of the request of Hubbell, Roth and Clark, Inc. on behalf of Ascension Health (Providence Park Hospital) for Zoning Map Amendment 18.722 to rezone 14.19 acres of property in Section 17, located south of Grand River Avenue, and west of Beck Road, from R-3 (One-Family Residential) to OSC (Office Service Commercial), and to R-3 with PSLR Overlay (One-Family Residential with Planned Suburban Low-Rise Overlay). **SECOND READING**
- J. Approval of City of Novi Anti-Discrimination and Anti-Harassment Policy.
- K. Approval of Claims and Accounts – Warrant No. 1011

Roll call vote on CM 18-05-058

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

MATTERS FOR COUNCIL ACTION

1. Approval of Resolution for 2018 Millage Rates.

Mayor Pro Tem Staudt stated that most of his issues with this year's budget pertain to something other than the millage rate. He asked through the Mayor to the City Manager if we want to do both of these at the same time, or does it make a difference. He thought it would be difficult to address the issues he has once we pass the millage. Mayor Gatt asked City Attorney Schultz if they could do Item 1 and Item 2 at the same time. City Attorney Schultz replied yes. Mayor Pro Tem Staudt rephrased the question and asked if we can talk about Item 2 before we talk about Item 1. City Attorney Schultz replied yes, if Council tabled Item 1, open up Item 2, and when you are done with that, then make a motion. Mayor Pro Tem Staudt moved that they table Item 1 until they discussed Item 2.

CM 18-05-059 Moved by Staudt, seconded by Gatt; CARRIED UNANIMOUSLY

To table Approval of Resolution for 2018 Millage Rates until they discussed Item 2.

Voice vote on CM 18-05-059

Carried Unanimously

2. Approval of Resolution for Fiscal Year 2018-2019 Budget and Acknowledging the Multi-Year Budget, including Projections of Fiscal Years 2019-2020 and 2020-2021.

Mayor Pro Tem Staudt said this was a big budget and there are a lot issues in it, many are very good, but a few things that need to be corrected in his opinion. He felt the biggest correction would be the Capital Improvement Program. He pointed out that the funding in it, from a governmental accounting standpoint, is probably all perfectly fine. He felt from his standpoint they will be approving budget items that aren't consistent with what they should be. He was talking specifically about the payment on debt that we haven't really started drawing down yet from the Water Fund. He noted that we had a payment schedule for this year for roughly \$2 million dollars. He asked Finance Director Johnson to come answer a few questions. Mayor Pro Tem Staudt stated that we will not be making a payment this first year of the millage on the debt for the plans that we have moving forward which is the \$18 million dollars debt. Finance Director Johnson replied, yes, that was correct. He said we have a budget for \$18 million dollars to be spent, but due to delays in the approval we will probably only spend \$1 - \$2 million dollars by year end. Mayor Pro Tem Staudt commented, as a result, the payment will be spread over nine years instead of ten years. Finance Director Johnson replied, yes, that was correct. Mayor Pro Tem Staudt said we need to change that number in the budget starting next year to reflect that. Finance Director Johnson said historically that would have been addressed in the roll over, but knowing that now, we can address it now. Mayor Pro Tem Staudt asked Finance Director Johnson if that was something that we can do through changes prior to the budget

being adopted, or if he would have another suggestion. Finance Director Johnson explained if Council chose to do it now before the budget is adopted, he said they could make the adjustments and send out the revised pages. The funds are the funds, it is just a matter of the timing of when the construction will take place on the projects as well as when the loan repayments will start. He mentioned another way to do it which was if the budget was passed tonight as it is presented we can amend that budget as soon as next meeting to address the issues that he was talking about. He explained that Mayor Pro Tem Staudt was talking about two things, the first one would be amending the current year budget, which has a Debt Service payment on it, so that would be eliminated. He pointed out that we would then amend the next year's budget to reflect the fact that payment would be made the following years and revise the Debt Service payments. Mayor Pro Tem Staudt thanked him for his explanation. He said seeing we could do both he would like to see putting off the budget until the next meeting. He said he didn't know how his colleagues would feel about it. He stated there were a few other little things that needed to be fixed. He mentioned that we had a Headlee roll back on some of the accounts this year. That money has been rolled into the Drain Fund. He thought it was approximately 0.15 mills. He said he has been on the record in the past, and last year they had a millage or a bond come off so they rolled that into the Drain Fund. He said he would much prefer reducing the amount of taxes in our city. Even though it is small, that would affect the millage rate which is Item 1. He said that is another area that he wanted to talk about. He said the third thing was that he felt very uncomfortable having a place holder for \$5 million dollars in the CIP budget for the Ring Road. He stated he didn't know what the right answer was, but we all agreed when they proposed this millage for the CIP that this was not a roads issue. He felt if we had a "placeholder" or whatever it is, because the Capital Improvement Committee wanted to put a "placeholder" there, he didn't think it reflects accurately what our long term intentions are with that fund. He wanted that addressed prior to approving the budget. He said those are the issues that he has now, so let's fix these things, clean it up, and be ready to go at the next meeting to approve the budget.

Member Mutch stated that Mayor Pro Tem Staudt had shared with him the concerns that he had prior to the meeting. He said he hadn't caught those going through the budget documents. He expressed having reviewed those he felt they do need to reflect what is actually happening. He said obviously we are not going to spend a significant amount of money out of the CIP Fund in the current budget year which means that future budget years, including the budget we are going to approve, need to be revised to do that. He acknowledged that Finance Director Johnson said we can go in and then adopt that at the next meeting. He personally liked to see the numbers, he didn't want to just approve it and say we will figure it out. If we were talking about a small line item, that would be one thing, but we are talking about millions of dollars. He wanted to see what those numbers look like. He said the same issue would be for the "placeholder" for the Ring Road funding out of the CIP Fund. He said they clearly stated when they took that issue to the voters and it is in the language itself. He didn't think there was any language in the ballot proposal that would allow that to be used in that way. He said that is something we need to clean up. He did check the City Charter in advance of the meeting to see when is the last date that Council should

approve the budget for the upcoming fiscal year which is in two weeks which is the next scheduled meeting. He thought all these issues were easily resolved. He said none of his colleagues raised any issues to make him think that we couldn't pass the budget at the next meeting. He was in support of postponing the items until that time so that we have all of the numbers straightened out and presented in a way that we are all comfortable with. Mayor Gatt asked if that was a valid motion. City Attorney Schultz replied, through the Mayor, it would motion to postpone Item 1 and Item 2 until the next meeting.

CM 18-05-060 Moved by Mutch, seconded by Staudt; CARRIED UNANIMOUSLY

To postpone Matters for Council Action Item 1 and Item 2 until the next scheduled meeting.

City Manager Auger said, through the Mayor, he wanted to get some clarification. He understood they want to rework the CIP Fund so that it shows the loan a little bit clearer. The Ring Road removed from CIP Funding. On the topic of Storm Drainage, he wondered if they want the information on the projects that the storm drain millage is paying for to make that determination, or should they remove those items from the budget. Mayor Pro Tem Staudt said we can find projects for anything they want. He stated that we have been dealing with the Drain Fund issue for a number of years. He said there was a period of time where we didn't put any money in the Drain Fund and we had a recent allocation of roughly \$4 million dollars to pretty much clean it out. What we are doing now is not adding a tremendous amount and not taking a tremendous amount from it. He noted that we are still allocating \$800,000 to the Drain Fund in this year. His preference was that when we have an opportunity to reduce taxes, even if it is an inconsequential amount, he would prefer to do that as opposed to just rolling it into the Drain Fund. He pointed out that he has been on the record on this issue for many years. He said this is the third time this has come up in his 11 year term and he has been consistent each time. He said this is an appropriate time to talk about the CIP. He thought there was some confusion as to their intent as City Council when they created the CIP Fund to how they would spend the money over time. One of the things that triggered him to bring this up was the fact that there was absolutely no fund balance in the projections that we have. As a result, part of the program that we wanted to do when they put together the CIP Fund was to be able to bank money over multiple years to make cash purchases of opportunities that may present themselves. He said that could be either a piece of land, a matching, whatever that CIP expenditure is. The way it is structured now is taking the ability of City Council to look at the money that is there and make decisions a year or two years out on projects that are important to us. He stated they are not just "placeholders" in the CIP Fund. He preferred that we take a portion of each of the year's revenues and place that aside, almost like an annuity that we can use as time goes on. He was floored that in the budget we received had no Fund Balance even though the amount of the revenue coming into the account was increasing and we pretty much fixed cost for the debt repayment and we had no Fund Balance. We have to fundamentally figure out what we are trying to do with the CIP account. He stated that years ago they said they were

really going to look at using a portion every year for those things that we identify in that time period. He said a Council will not be hamstrung by a long term program that gives us no money to spend year to year. He expressed what we are showing right now in our projection on how the CIP is going to be used is not consistent with what we talked about when we presented it and what we took to the voters. He would like to see the CIP really thought out and he didn't know if this budget would be the appropriate time to clear all that up because there are a lot of big expenditures coming. What he saw being projected was not what he proposed four years ago. He said it is up to his colleagues if they want to take that 1.5% and put it in the Drain Fund for the additional projects that the City Manager is talking about or if we want to reduce taxes. He felt we could do the programs that we need to do in the Drain Fund with the revenue that we currently have, but that is a decision of the whole group.

City Manager Auger reiterated that he wanted clarification on Council's preference for us to remove some projects and not roll that drain millage over. He understood that Council wanted to remove the projects that the millage would be used for. Mayor Gatt replied, yes, that is the direction.

Member Markham said she didn't want to make any decisions on the fly about let's remove a project here and there without even looking at it. She stated that it was not the way she understood what Mayor Pro Tem Staudt was discussing. She wondered if there are projects that we need to do this year. If we need to do that then we need more discussion. She wondered what she missing. City Manager Auger replied, through the Mayor, that DPS Director Herczeg was in the audience, but he wasn't sure if he had all the details of all of the stormwater projects we have. He thought that the budget was laid out in the next three years we will expend any of the balance that is in the Drain Fund as it sits. We have that many projects. He said if we remove projects we will probably not do them until that fund is replenished. Mayor Gatt agreed with Member Markham. He would like to see a list of the projects that we are talking about doing away with if we go that route. If said if there is alternate funding maybe we should have another budget meeting. City Manager Auger replied that he would get a list out to Council this week.

Member Mutch followed up on a comment that Mayor Pro Tem Staudt made regarding the structure and purpose of the CIP Fund. He agreed in the discussions that they've previously had amongst either Council or the Capital Improvement Committee that there was an intent that the CIP Fund was a large portion of the funds were going to go for major projects that we had already identified, but there was also understanding that there would be a certain amount available each year for Council to designate for opportunities that arose or things that suddenly became a high priority. He didn't recall throwing out a certain number, but it would have to be something more than the \$1000.00 that is sitting in Fund Balance. That would not accomplish anything. He said he would be looking for an additional item under Appropriations that would reserve a certain amount for additional projects on an ongoing basis that would be available for Council to utilize or not. If nothing comes up it will roll over to a future year. That was his understanding as well and he would like the budget to reflect that.

assumption underlining this is that they are paying for what they are using and suddenly their bill will be higher. He wondered if we will be communicating with them to make them aware that this may be coming down the road when the new meter goes in. Mr. Auger said yes, our communications team will work with DPS to get the notification out before the meters go out. Not only to warn them that this is occurring, but to explain they may see discrepancies in their bills from what they used to pay and why they may see that. Member Mutch said as long as folks are aware that this is coming forward he thought that would be what we want to accomplish.

CM 18-05-062 Moved by Mutch, seconded by Markham; CARRIED UNANIMOUSLY

Approval to award a construction services contract to Ferguson Waterworks for the replacement of 278 water meters, in the amount of \$285,208.

Roll call vote on CM 18-05-062

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

Nays: None

5. Consideration to approve Conditional Agreement of Purchase and Sale—North Grand River City Property with Sakuro Novi, L.L.C., for approximately 9.9 acres located on the north side of Grand River Avenue, east of Town Center Drive, Parcel No. 22-23-126-006, subject to final review and approval as to form by the City Manager and City Attorney's office.

City Manager Auger said he had a few things he wanted to point out. This is the first step of many in the purchase agreement to sell property affectionately called the Anglin sisters property that has been vacant for a long time. He mentioned that it will also keep a local Japanese grocery store in town as they were ready to expand. He said the stars aligned with support from Oakland County and Consul General of Japan. This is an attempt to create a marketing area of Asian goods and services in combination with residential living. He stated that Mr. Aikens was present and he was the other signature on the purchase agreement to start this process. He explained if City Council approves this tonight, it does not set in stone any site plans, but starts the clock on the due diligence. City Council is aware that it is a brownfield site when we purchased the property. Mr. Aikens will do the brownfield cleanup through Oakland County. Mr. Auger said it was an exciting project that he thought the city took a risk on and purchased for just under \$3 million and to get a \$30-\$40 million investment into the city and clean up the area is exciting. He said Mr. Aikens and John Domino from One World Market were there to answer questions.

Scott Aikens, Vice Chairman of Robert B. Aikens and Associates, LLC. They are a Michigan based Real Estate Firm founded by his father 40 years ago. He and his siblings are carrying forward his legacy. He said their team was honored to be brought in on the Asian Village Project by the City of Novi, One World Market, and Oakland County. He believed Asian Village could become a distinctive regional attraction for Novi and

all of Michigan. He thought it could strengthen the economic development efforts. They envisioned Asian Village a vibrant entertainment and residential hub. He explained that the project will be anchored by new prototype Asian Grocery Market and food hall run by the Japanese grocery store One World Market. In addition to the market they envision Asian style civic spaces and gardens. He said it will include best in class Japanese, Korean, Chinese, and Indian restaurants. He stated it is a carefully curated collection of Asian focused retail lifestyle and amenities with an entertainment venue and perhaps a small amount of office space. He was hopeful that the residential community folded into the project under the recommendation of City leaders will make it a dynamic place to live as well as play. He was excited to work with the City of Novi. Thank you for the opportunity.

John Domino stated he was a retail development consultant who has been working with One World Market for almost two years on the development of a new superstore concept. They plan on replacing their current store in Novi with a new store serving the greater Novi community, especially the many Japanese expats and Japanese Americans in the area. He thanked the City and all of the people in Novi for all of their support over the many years that the store has been there. He explained that the new superstore concept will expand on their grocery selection, target the Japanese market, plus other Asian food types. They plan on continuing to build off of the tremendous sushi business that we currently have both eat-in and take-out. The new store will have a lot more seating, offer many more eat-in opportunities and a greater diversity of take-out food and prepared food options. This will be the first store like it that they have built. If anyone has been to Chicago or New York and has seen the Eataly concept, which is Italian store focused on Italian cuisine, this will be the Japanese version of Eataly. He said this was a new prototype and their hope would be that with a successful launch in Novi that there will be many other opportunities for us around the country. He thanked Council and said they were open to any questions.

Mayor Pro Tem Staudt said it has been a long path and he remembers buying property and thinking they would turn it into a fire station and parkland. Here they are with a great Novi company, One World Market, considering putting their prototype in. He felt they have all gotten comfortable with this agreement. He would like to make a motion to approve the agreement.

CM 18-05-063 Moved by Staudt, seconded by Wrobel; CARRIED UNANIMOUSLY

Approval of the Conditional Agreement of Purchase and Sale with Sakura Novi, L.L.C., subject to final review and approval as to form by the City Manager and City Attorney's office, which may include minor, non-substantive modifications to the language of the Agreement, as well as confirmation of all exhibits and attachments, including the legal description of the properties affected.

Member Mutch said he knows they aren't approving any site plan tonight. He stated that One World Market is the key, but asked Mr. Aikens if he could talk about the vision

of the remainder of the property. Mr. Aikens referenced a map which he said will have about five to six restaurants. They will be looking very broadly for the best in class for a variety of Asian restaurants. He said they will also do some retail leasing such as beauty uses, health and fitness, vendors who want to serve Asian markets. He expressed that they want to appeal to the Asian community, but also appeal to the community beyond that. He believed it could become a significant regional pull. He highlighted the concept of the residential use as well. Member Mutch wondered if the taller building were the residential. Mr. Aikens replied, yes, they were basically apartment buildings and potentially townhomes. Member Mutch pointed out a proposed development in Commerce Township at Pontiac Trail and M-5 that has been in the news that Robert B. Aikens and Associates, LLC was involved with. Mr. Aikens replied that his brother has been involved with that development; he is devoted to the Asian Village. Member Mutch asked about potential competition. He thought many things that were talked about have similarities. Mr. Aikens said this is very specific to the Asian Village. This is very nice quality. He said they are looking for nice high quality uses, but very focused on Asian owned, or their clients would be business leaders who would really serve their Asian constituencies. He said they should also have an interest in expanding beyond and serving a broader community. He said to succeed they really need to get that authenticity, and there is no overlap. Member Mutch said he would like to see other uses that they are showing. The challenge in Main Street was lack of adjacent residential, there is some now, but it wasn't incorporated into the original development. That is important piece to success. Member Mutch stated that it adds to activity. Mr. Aikens said they have real foresight in that idea. Member Mutch added this is in the core of the City and to him the value of properties in that area really clamors for higher density development. We can't be a strictly low density community in that area. He said this area lends itself to multi-story buildings. He thought he would like to see more of that. If it requires the City to figure out zoning in that area to support that, he would support looking at. It's a unique area and needs everything they can do to help it work over long term. He said he was looking forward to more specific plans and seeing this move forward.

Member Wrobel wondered what kind of gathering space and amenities they foresaw. Mr. Aikens said it was important that the Asian Village would have gardens, and a lake. If they get to Rochester Hills they can see some of their public spaces. He pointed out on a plan; it had some Sakura trees going around a park like environment. In Rochester Hills they have a very strong Christmas program and strong programs all year round. He stated the Asian themed programming would be very different. Mr. Domino said on behalf of One World Market that they are excited about this project and the quality of the public spaces. They believed this project would be special.

Mayor Gatt commented that he works for Oakland County for a living, they are so happy, so proud, and they are ready to go on this.

Roll call vote on CM 18-05-063 **Yeas: Wrobel, Gatt, Staudt, Breen, Casey,
Markham, Mutch**
Nays: None

6. Consideration of Agreement for Limited Use of Land for Recreational Facilities with Novi Community Schools for the improvement and use of land owned by the School District at Eleven Mile and Beck Roads, subject to final review and approval as to form by the City Manager and City Attorney's office. **REMOVED**

AUDIENCE COMMENT:

Michel Duchesneau, 1191 South Lake Rd., Novi presented a few ideas on the One World Market project. He hoped the developers can include and introduce the community to a type of game called pachinko originating in Japan. He also mentioned the tea gardens could be extremely unique to the City. He said he has been to many Asian gardens and they are beautiful to see. Thank you.

Colleen Crossey, 22279 Brockshire, talked about the communications between residents and City Council. She was concerned about fairness and respect for residents input about decisions that affect their property and their lives. Northville has five minutes for residents to speak, Novi has three minutes. She was aware that there is a second opportunity for residents to speak. She thought City Council could offer the opportunity to combine for 6 minutes. She pointed out the people ahead of her put a great deal of time into planning their speeches. She asked that they have public forums that are clearly advertised so that the citizens can give their side of the story. Whenever a builder has a project or proposal to present they are given far more than three minutes. She was happy to see that a resident had a presentation approved by the City in order to show it. She understood that presentations must be review by Wednesday before the City Council meeting on the following Monday. The Agenda for the City Council meeting is posted on Thursday, which gives a resident very little time to review and respond to the Agenda. The residents have very good ideas and Council may agree with them. As things stand right now the residents don't have an adequate amount of time to share their ideas. In short, Novi is expanding very quickly and the tax payers who live here should have every opportunity to provide input. Thank you.

Karl Migrin, 49450 W. 9 Mile Rd., Novi said he received a flyer about the Adell development. He wanted to fact check on a claim that Novi collects zero tax dollars from this property. He found that between 1998 and 2017 they've paid \$1,640,557 in property taxes, so they do pay money. He checked with the property records at Oakland County and Kevin Adell Quit Claimed this property to Orville Properties, LLC, on February 21, 2018. Orville Properties, LLC, is a subsidiary of HRPT Properties Trust, a publically traded company. Kevin Adell stated in a recent article published in the Novi News that he has inked deals with Drury Inn, Marriott Fairfield Inn and Suites, Planet Fitness, Texas Roadhouse, Carvana, and iFly. As part of the planning review process for this development he recommended that our City Attorney verify that these written agreements exist.

MAYOR AND COUNCIL ISSUES: None

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION:

Member Mutch removed Consent Agenda Item H because he had serious concerns about what is being proposed with this request to change this easement. He disclosed some background information regarding when the project came before Planning Commission he alerted City staff that there was a city-owned Conservation Easement on this property. After doing additional research, the City Attorney and City Staff located two city-owned easements on the property which neither the staff nor the applicant knew about. He stated due to a lack of due diligence on behalf the applicant, he was unaware of that before they summited their project. He said instead of directing the applicant to modify their project to conform to the easement, City Staff decided to ask Council to modify those easements to allow the applicant to develop the property as he originally proposes, allowing the applicant to forego existing easements on the property. He personally could not support this request. He felt this was a terrible precedent and a bad public policy from his perspective. Conservation Easements exist to protect existing natural resources. Changing them to encourage development where it was previously was not permitted is the wrong direction for the City to take. He stated the change being proposed would result in road going through a portion of the conservation area that was previously protected. It's not being done to protect natural resources; it is being done to facilitate higher density development. He stressed if this change is approved, it would call into question any other Conservation Easements held by the City. He questioned what value they provide if they can be altered because a developer doesn't want to work within the existing limits. He said it was laudable to see additional areas proposed for preservation in this project, these are areas that couldn't be developed because they were wetlands or isolated by the existing easements on the property. He said the developer had to set aside these areas anyway in order to get the credits to allow him to build to the density that they are proposing. He noted it also appears that some of the areas covered by the new easement are questionable for inclusion. They include stormwater detention areas that are not normally covered by an Open Space Easement, and not normally counted towards those kinds of open space credits. He pointed out that it overstates the amount of area actually being protected by this easement. One of his other concerns was that the new easement crosses the back of some of the lots. He said that we would have an open space easement on top of the existing lots. He felt this was another bad policy decision, placing easements like this across lots has been done elsewhere in the City and when it has it has always been problematic. Homeowners have an expectation they will be able to use their property that they purchased and you can put as many signs and disclosures in advance, but it always caused problems. He thought to him, it was simply highlighting for this particular proposal, the way they configured this development is that they are trying to squeeze too many lots into the space that can't accommodate that because of the existing natural resources. He stated for all of those reasons he could not support the request. He spoke with City Attorney beforehand about this and was told at this point appropriate motion if there is support not to move forward with this would be to postpone and give him an opportunity to research what the appropriate denial motion would be.

