



FINAL

SPECIAL STUDY SESSION MEETING MINUTES

A Special Study Session meeting of the Farmington City Council was held on October 7, 2013, in Conference Room A, Farmington City Hall, Farmington, MI. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 7:00 PM by Mayor J.T. Buck.

1. ROLL CALL

| Attendee Name | Title | Status | Arrived |
|----------------------|---------------|---------------|----------------|
| J.T. Buck | Mayor | Present | |
| Greg Cowley | Councilmember | Present | |
| William Galvin | Mayor Pro Tem | Present | |
| JoAnne McShane | Councilmember | Present | |
| Steve Schneemann | Councilmember | Present | |

City Administration Present

City Clerk Halberstadt
City Manager Pastue

2. APPROVAL OF AGENDA

| | |
|------------------|---|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | JoAnne McShane, Councilmember |
| SECONDER: | Greg Cowley, Councilmember |
| AYES: | Buck, Cowley, Galvin, McShane, Schneemann |

3. PUBLIC COMMENT

Sal Palland, owner of Off the Beaten Path Books and resident of Farmington, stated she had appeared at the last Council meeting to ask about a food truck rally. She indicated since that time she met with City Manager Pastue and DDA Director Knowles to work out the details of the event. She asked regarding approval of the event.

Pastue advised an event permit had been obtained and that the event had been approved administratively.

Mayor Buck congratulated Ms. Palland and stated the city is looking forward to the event which is to be held on Sunday, October 13, 2013 at 2:30 p.m. in Riley Park. Palland provided further detail on the event.

4. SCHOOL BOND PROPOSALS

A. Presentation - School Bond Proposals

Present: Sue Zurvalec, Superintendent; Howard Wallach, School Board Member; Diane Bauman, Director of School and Community Relations Services; Jon Manier, Executive Director of Instructional Services; Mary Reynolds, Executive Director, Business.

School Superintendent Sue Zurvalec opened the presentation by thanking Council for allowing them the opportunity to be included on the agenda for the evening. She stated the purpose of the presentation was to share information and answer questions. She indicated Farmington had a longstanding tradition of supporting public education. She stated the bond proposal is critically important in order to address the significant facility and technology needs of the students.

Zurvalec pointed out quality public schools are an economic development tool that affect revitalization of neighborhoods and downtowns by attracting families and businesses to the community. The passage of the bond proposal will provide current students and the future generations of students with opportunities for quality education.

John Manier gave a presentation on both bond proposals on the November ballot. He stated the proposals were revised based on feedback from the community after the August election. Proposal One is focused on safety, infrastructure and technology and Proposal Two is focused on the arts, athletics and technology replacement. He described the changes from the August proposal to the current ones.

Manier spoke about Proposal One and described the decaying infrastructure and showed slides of needed repairs at various schools.

Manier then spoke about the lack of safety and security at the schools and how it can be resolved; creating a main entryway utilizing a buzzer which allows access only into the main office; the use of internal and external cameras; and a lockdown button in case of emergency situations. Classroom remodeling is also included in Proposal One, including HVAC, plumbing, ceilings, painting, and fixing the existing classrooms. Another item included in the proposal is instructional technology tools, computers for students and teachers, and interactive white boards. The final item in Proposal One is the updating of media centers and libraries.

Manier invited questions from Council on Proposal One.

McShane inquired about the status of a capital improvement fund in the District's budget. Manier responded the schools are operating at 2002 funding

levels and the need to maintain classroom programs has made it necessary to forestall capital improvement funding.

McShane asked about annual contributions to the capital improvement fund. Manier responded approximately two million dollars is put in for ongoing maintenance as well as capital improvement projects. He stated the figure varies depending on the immediate needs of the District.

McShane asked if the funds provided in Bond Proposal One is in addition to the two million annual contribution to the capital fund. Manier responded in the affirmative.

Manier stated Proposal Two addresses the remodeling of High School Auditoriums; seating and sound systems, restroom improvements, outdoor athletic surfaces; and future replacement technology.

Schneemann inquired regarding access to line item breakdown on the Proposals.

Manier responded the most detailed analysis is available on website.

Buck asked if the District was at a point where students could bring their own devices into the schools and tap into the technology. Manier responded it is one of the eight goals of the District Technology Plan.

Manier stated that the proposals are set for three series of bonds; construction lasting between six and nine years; and the bond proceeds will enable the District to keep education dollars in the classroom in an effort to maintain current programming. He pointed out bond dollars can never be used for salaries of anyone within the District or routine maintenance costs.

Galvin asked regarding ongoing financial reporting through the terms of the bonds. Manier responded the State of Michigan requires an annual audit which is reported to the public. There is a timeline of three years where 85 percent of bond money must be spent.

Cowley asked about the tradeoff of using capital dollars for education and the benefit to the school system.

Manier responded the District is able to maintain adequate programming in the schools offering a number of electives. He advised each year a list of capital projects is presented to the School Board. The benefits are to the choices the students have for electives.

Cowley inquired if the maintenance of the schools has made our District competitive with all the other school systems. Manier responded in the affirmative.

Cowley questioned the declining enrollment and the need for all of the facilities in the next twenty years. Manier responded that predictions of decreasing enrollment numbers are usually only accurate for the next five years. He stated

the District's long term plan has taken those numbers into account.

Cowley asked the reasoning behind a 20-year bond as opposed to a 5-year one. Manier responded the bond was structured to provide a financial benefit to residents in keeping annual costs lower.

Galvin asked if both bond proposals passed how much of the \$186 million would go to facilities located in Farmington. Manier responded allocations for each school are included in the latest school community publication.

Schneemann, noting the August bond proposal was Plan A and the November proposals are Plan B, asked if there was a Plan C in place if the bond proposals do not pass. Manier responded not at this time.

Schneemann asked if failure of the bonds would make the District less competitive with surrounding communities. Manier responded he would hope not but that funds would have to be diverted from the general fund which is programming to the urgent needs of the District.

Manier then discussed the financial impact of the bonds on taxpayers in both Farmington and Farmington Hills.

Cowley pointed there is misinformation on both sides of the bond issue. His biggest concern is the need to grow the tax base and the impact of bonds on that growth. He believes by passing the bond, the City will be pricing itself out of the marketplace, housing being a key element in populating schools. He noted the bond decision affects more than just the school district. He stated Farmington needs to attract investors and believes this would be a deterrent.

Manier responded the quality of schools and the ability to make academic gains, as well as upkeep and maintenance, has a direct correlation to housing values.

Cowley pointed out there needs to be a balance between the needs of the schools and the community. He expressed support for strong schools, but advised a high tax rate would deter developers as well as home buyers from coming to the city.

McShane praised the school system for doing a good job of educating the public on the bond proposals. She stated the District needs to maintain high standards for schools, especially in attracting young families to the community.

Galvin thanked school staff for their presentation. He pointed out Farmington Public Schools is the largest land owner in Farmington and currently holds the most vacant land. He cited the importance of redeveloping the Maxfield Training Center and Flanders property.

Buck thanked the school staff for their presentation and providing detail on the bond proposals. He stressed the importance of millage comparison with other communities. He stated redevelopment of vacant school properties would generate more students creating significant revenue. He encouraged the District

to expedite sale of the properties.

Zurvalec advised a marketing agent has been hired for those properties.

Buck note the city has been working hard on addressing retiree healthcare liability. He asked regarding pension and retiree healthcare funding for the schools.

Reynolds replied the District has no control over the retirement system since it is state controlled and operated. She stated currently over 29% of every dollar goes to the state for pension/retiree healthcare benefits, whereas in 2002, it was 12%. She noted employees now contribute 20-30% of health, dental, and vision costs.

Buck asked if the benefit plans were completely funded. Reynolds responded no, the state is billions behind in funding those plans. Buck inquired if the District has been impacted by the economic challenges of the Detroit Public Schools. Reynolds responded not currently.

Buck then asked if they would continue to allocate \$2 million dollars to capital fund or would those dollars be applied elsewhere. Reynolds stated they had not made that determination as yet. She spoke about the need to maintain technology and to set aside dollars in the general operating budget for same.

Buck commented it is an excellent time to go out for a bond, pointed out rates are historically low. He is very proud of Farmington schools and grateful to the Board of Education and the staff for their presentation.

5. HISTORIC DISTRICT STUDY COMMITTEE

A. Presentation - Historic District Study Committee

Present: Marilyn Weimer and Jenna Stacey, Historical Commission Members

Pastue indicated the Historical Commission has requested the establishment of an Historic District Committee. He then turned the item over to Marilyn Weimer for presentation.

Weimer stated the first step in establishing this Committee is for City Council to agree to appoint members to the Committee.

Pastue pointed out changes had taken place since the last time Council addressed this item. He stated State Historic Tax Credits are no longer available, a driving force for establishing a Historic District. He advised another primary reason is to maintain the character and quality of homes within the District thereby increasing property values. He stated in earlier discussions there was concern over the Historic District ordinance itself, but he reiterated that it is City Council who establishes the content of the ordinance.

Weimer stated that history is a large part of Farmington and the activities of the

city and it seems like a good fit to establish this committee. She named the surrounding communities that have such committees and districts.

Schneemann inquired if the Historic District boundaries would remain the same. Weimer responded in the affirmative. He questioned the standards utilized in the State Historic Preservation Office (SHPO) and whether they were the same as Federal ones. Weimer responded in the affirmative.

Weimer said the purpose of a Historic District ordinance is to preserve the historic nature and character of homes. She stated the purpose of the study committee is to evaluate the homes to decide if they are appropriate for this ordinance and the correct framework to begin to address these questions.

Schneemann commented that he is very skeptical about the SHPO, noting he currently lives in the Historic District and has made a significant investment in his home. In his experience as an architect he has serious doubts that SHPO can look at our community objectively. He pointed out SHPO is currently opposed to some upgrades proposed for Farmington Road that would match what was done along Grand River. He is doubtful that SHPO can look at Farmington and apply Federal standards objectively.

McShane inquired if SHPO always applied to communities in which there is a Historic District Ordinance adopted for redevelopment of a home. Jenna responded in the negative, that SHPO has no input whatsoever in the wording of the ordinance. She pointed out there is a model ordinance available on the SHPO website, but there is no requirement in any way to follow it.

Buck asked regarding requirements for State approval. Pastue responded the final report must be approved, but after that the city is on its own to set up its own ordinance. Buck pointed out an element of the ordinance is to have binding approval by the Historic District Committee on proposed changes to the facade of historic homes. Pastue agreed and pointed out SHPO is minimized on the back end.

McShane inquired if they had talked to other communities regarding their experience in enacting a Historic District Ordinance. Weimer and Stacey responded in the negative, but supported the idea. McShane cited the benefits of having such an ordinance including retaining the character of the homes, increased property values, and bringing a sense of pride and history to the community.

McShane stated that the DDA is based on historic preservation and pointed out many of the surrounding communities have the ordinance in place so it must be working. She noted maintaining and preserving our historic structures is of the utmost importance in our community. She believes this is a win/win ordinance and the standards created as a result are worth the rewards. She expressed support for the Historic District Study Committee and commended the Historical Commission for tackling it again.

Cowley noted most people who own historic homes were not in favor of the ordinance last time. He inquired what they were going to do to change their opinions.

Weimer responded there seems to be more excitement and energy surrounding the Historic District. She noted education has begun with articles appearing in the Observer, the utilization of social media with preservation briefs, etc.

Cowley indicated he will vote with the majority of homeowners in the Historic District and encouraged their involvement in this process.

Schneemann asked why the findings in a 2005 study would not still be valid. Weimer responded that useful parts of that study would be included in the report.

Buck pointed out this process requires a great deal of time and effort. He asked Councilmembers to provide a clear signal that the endeavor will be worthwhile. He expressed support for the committee and believes it would boost economic development, preservation of properties and would be an important tool in the heritage of the city. He thanked Weimer and Stacey for their presentation.

Pastue indicated this item will be brought back to Council at the October 21st meeting. He provided a list of interested and potential members.

6. CONSIDERATION TO INTRODUCE ORDINANCE #C-773-2013

A. Consideration to Introduce Ordinance #C-773-2013 Amending Chapter 31 of the City Code Dealing with Local Super Drunk Prosecutions

Pastue gave background on the proposed ordinance. He indicated it would be placed on the October 21st agenda for adoption.

Motion to introduce Ordinance C-773-2013 amending Chapter 31 of the City Code dealing with Local super Drunk Prosecutions

| | |
|------------------|---|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | William Galvin, Mayor Pro Tem |
| SECONDER: | JoAnne McShane, Councilmember |
| AYES: | Buck, Cowley, Galvin, McShane, Schneemann |

McShane expressed strong support for lobbying the legislature to provide treatment for these individuals.

Cowley expressed the need for more cabs in the city.

7. OAKLAND COUNTY ANIMAL CONTROL SERVICES

1. Discussion - Oakland County Animal Control Services

Pastue indicated the Public Safety Department has been boarding strays at a local veterinarian for the past 25 years. The department was recently informed that at the end of September the veterinarian would no longer provide that services. He stated different avenues were pursued and it was determined that Oakland County could provide that service. He stated as part of this changeover, the city would need to cancel Chapter 5 "Animals" from our local ordinances and start selling Oakland County dog licenses in place of city licenses. The city could still institute an emergency ordinance under Chapter 19 "Nuisances" or Chapter 20 "Offenses." The costs were delineated and no action was required on this item at this time.

8. OTHER BUSINESS

Pastue provided a brief review of October 21st agenda items. He provided status updates including: status of the ice rink, DDA/Chamber and Farmers Market, status of Grove and Oakland Streets construction projects, completion of Drake Road, status of the marketing and sale of Maxfield Training Center and Flanders properties, State status on OPEB bonds, SHPO problem with Farmington Road and status of the Orchards property.

9. COUNCIL COMMENT

McShane commented Los Tres Amigos does not currently have a walkway and she had to walk through 3 inches of mud to get to their door. She also inquired if the bike committee has been consulted on the Ten Mile Road reconstruction.

Galvin indicated this Saturday there is a Mad Scientist Family Day for an ice rink fundraiser. He inquired about the effect of the Detroit bankruptcy on Detroit Water and Sewer service. Pastue responded he does not know the impact of same as yet.

Cowley spoke about the school bond issue; that he was disappointed that schools never engaged with Council to talk about millage/costs; and his concern that there is no Plan C.

Schneemann concurred with McShane stating it is a good time to implement bike lines in street development; remains skeptical regarding a historic district ordinance.

10. ADJOURNMENT

Motion to adjourn the meeting.

| | |
|------------------|---|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Greg Cowley, Councilmember |
| SECONDER: | William Galvin, Mayor Pro Tem |
| AYES: | Buck, Cowley, Galvin, McShane, Schneemann |

John Kamstra, 23825 Wilmarth, asked about ordinance regarding riding bike on sidewalk, lights, etc.

Meeting adjourned at 9:15 p.m

Mayor J.T. Buck

Susan K. Halberstadt, City Clerk

Approval Date: _____