

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, APRIL 18, 2016 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
Thomas Schultz, City Attorney

APPROVAL OF AGENDA:

CM 16-04-044 Moved by Casey, seconded by Burke; UNANIMOUSLY CARRIED:

To approve the Agenda as presented.

Roll call vote on CM 16-04-044 **Yeas: Staudt, Burke, Casey, Markham, Mutch,
Wrobel, Gatt**
Nays: None

PUBLIC HEARING:

1. Recommended Annual Budget and Financial Plan 2016-2017

Public hearing opened at 7:01 p.m. No audience comment, closed at 7:02 p.m.

PRESENTATIONS:

1. Proclamation in recognition of Arbor Day on April 30 from 9 a.m. – 11 a.m. at Lakeshore – Department of Public Services – Tiffany Giacobazzi, Forester

Mayor Gatt presented the proclamation to Tiffany Giacobazzi, Forester. Ms. Giacobazzi thanked everyone and said because of the continued support, Novi was awarded its 24th consecutive year as, Tree City USA. She also noted that there were not a lot of cities that have such an accomplishment. Everyone is invited to come to Lakeshore Park April 30th. She asked that everyone bring a shovel and dress appropriately.

REPORTS:

1. MANAGER/STAFF - None

2. ATTORNEY - None

AUDIENCE COMMENT – None

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 16-04-045 Moved by Wrobel, seconded by Mutch; UNANIMOUSLY CARRIED:

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
 - 1. April 4, 2016 – Regular meeting
 - 2. April 6, 2016 – Special meeting

- B. Enter Executive Session immediate following the regular meeting of April 18, 2016 in the Council Annex for the purpose of reviewing the contents of applications for City Assessor and review privileged correspondence from City Attorney.

- C. Approval of Consultant Review Committee recommendation for a three year contract with two one-year renewal options with NSA Architects, Engineers and Planners for Architectural Professional Services.

- D. Approval to award the contract for office supplies to Global Office Solutions, through the Michigan Association of Counties (MAC) CoPro+ shared services program for one (1) year with two (2) renewal options in one (1) year increments, for an estimated annual amount of \$60,000.

- E. Approval to award Novi Enterprise Asset Management System (NEAMS) implementation & system upgrade services to Power Engineers in the amount of \$23,867.

- F. Approval of the final payment to Audia Concrete Construction, Inc. for the 2015 Pathway Gaps and ADA Improvements program in the amount of \$14,420.44, plus interest earned on retainage.

- G. Approval of a Storm Drainage Facility Maintenance Easement Agreement from Pulte Land Company, LLC for the Liberty Park Single Family Phase 2 project located north of Twelve Mile Road, west of Dixon Road (parcel 22-10-300-027).

- H. Acceptance of a pathway easement as a donation from Sports Club of Novi, LLC, behind the Ice Arena (42500 Nick Lidstrom Drive) for a pathway to be constructed between the Ridgeview Villas of Novi development and the City of Novi Dog Park (parcel 22-26-101-020).

- I. Approval to award geotechnical services to Testing Engineers and Consultants, Inc. for the Nine Mile Road Rehabilitation (Novi Road to Meadowbrook Road) in the amount of \$16,637.

- J. Approval to award engineering design services to Spalding DeDecker Associates for the Village Oaks Lake and Village Wood Lake Stormwater Improvements in the amount of \$56,200.
- K. Approval of resolution recognizing Michigan Jaguars FC as a nonprofit organization operating in the City of Novi for the purpose of obtaining a charitable gaming license from the State of Michigan.
- L. Approval of a Resolution of Support authorizing submission of a Transportation Alternatives Program grant application for the portion of the ITC Regional Pathway within ITC Community Sports Park between Eight Mile Road and the ITC Corridor.
- M. Approval to award AT&T a three-year contract for managed Internet services in the amount of \$9,246.24 per year.
- N. Approval of Claims and Accounts – Warrant No. 962

Roll call vote on CM 16-04-045

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

Nays: None

MATTERS FOR COUNCIL ACTION

- 1. Approval of Resolution for 2016 Millage Rates.

Mayor Pro Tem Staudt proposed a reduction of the Drain Fund millage rate of .25 mills which will result in the overall City millage rate of 9.95 mills. The taxpayers of Novi have a right to a reduction which is a result of a bond closure, especially, in the year taxpayers will vote on a Capital Improvement millage. He asked for approval of the Novi overall millage rate of 9.95 mills.

CM 16-04-046

Moved by Staudt, seconded by Wrobel; MOTION CARRIED: 6-1

To approve a reduction of the Drain Fund millage rate by .25 mills to reduce the total City millage rate to 9.95 mills.

Member Mutch commented he could support the adjusted millage rate. He mentioned to be cognizant of the number of large projects in the current budget year that may or may not be completed within this budget year. He thought it was important for City Manager Auger, City Engineer Hayes and Finance Director Johnson to be diligent about overseeing the projects because they will affect the amount of money that will be carried over into the budget years moving forward. They could potentially impact the number of projects and services completed next year with the Drain Fund. He said the Drain Fund millage adjustment is for one year. Next year, at

budget time, they will see what there is in Revenues and Fund Balance and may be able to adjust the millage again as they have done in the past.

Mayor Gatt said presently, this is a phenomenal City Council. It is the second time in the last few years that Council has voted to reduce the taxes and still provide the many services that the taxpayers have come to expect and enjoy. They appreciated the City Manager and staff for cooperating with this, even after telling them not to reduce the Fund Balance next year. He said he is expecting great things from management.

Roll call vote on CM 16-04-046 **Yeas: Casey, Mutch, Wrobel, Gatt, Staudt, Burke**
Nays: Markham

2. Approval of Resolution for Fiscal Year 2016-2017 Budget and Acknowledging the Multi-Year Budget, including Projections of Fiscal Years 2017-2018 and 2018-2019.

CM 16-04-047 **Moved by Wrobel, seconded by Staudt; UNANIMOUSLY CARRIED:**
To approve a resolution for Fiscal Year 2016-2017 Budget and acknowledging the Multi-Year Budget, including projections of Fiscal Years 2017-2018 and 2018-2019.

Member Mutch noted the adjustments made to the numbers associated with changing the Drain Fund millage.

Mayor Gatt commented he was very proud of the three year budget. He said it was something he started after he became Mayor and thanked Brooks Patterson for helping them to transition into the three year budget.

Mayor Pro Tem Staudt noted Novi has the lowest millage rate in Oakland County and one of the few lowest in the State of Michigan, yet Novi continues to provide a very high level of service. He asked those who go to the polls in August to remember they are hoping to continue their momentum.

Roll call vote on CM 16-04-047 **Yeas: Markham, Mutch, Wrobel, Gatt, Staudt, Burke, Casey**
Nays: None

3. Consideration of variance from requirements of City's Subdivision of Land Ordinance depth-to-width ratio requirements in order to allow lot split/combination submitted by Arkin, L.L.C. for property located at the northeast corner of Nine Mile Road and Novi Road, Parcel No. 22-26-300-009.

Irwin Arkin, 43100 9 Mile, said he was requesting a lot split of parcel 22-26-300-009. He spoke about the description of the lots. He explained the 4.12 gross acre site was originally given split zoning in early 1980's with a 2.12 acre zoned industrial to accommodate the restaurant use, leaving the other two acres zoned multiple. He said their objective was to add the 2 gross acres to the adjoining parcel to the west where the northeast corner parcel of 7.22 gross acres are already zoned multiple, parcel 22-26-300-003. Their width to depth ratio for the 140 front feet of Shiro Restaurant is at worst 4.70 to 1 and could go as low as 4.28 to 1 depending on the 9 Mile Road right-of-way determination. They believe that neither of the ratios will result in a substantial detriment to the public good. Parcel 300-019 is currently split by two different zoning districts, R-1 on the west and I-1 on the east. Width of the proposed remaining parcel at 140 feet is based on their interpretation where the zoning limit changes, as well as, a natural fit for all the existing improvements serving the existing Shiro Restaurant. They believe that defining the actual limit of the zoning change will not only benefit them but also the City. Widening the 140 feet, to comply with the 4 to 1 width to length requirement, will create an undue hardship for future development of the RM-1 because of topographic existing conditions of the extreme drop off of 9 Mile Road frontage immediately west of the 2.12 acres which would not allow for road access from 9 Mile Road frontage into the RM-1 land creating a practical difficulty. In conclusion, he said they believe that their proposed division does not present any detriment and will relieve a practical difficulty. Therefore, they were requesting that City Council grant them a variance on the width to depth ratio and accept their proposed land division.

Member Mutch noted Mr. Arkin has been in Novi for many years and asked how long he had owned the property. Mr. Arkin said since about 1972 or 1973. Member Mutch confirmed the property was rezoned in August, 1980 and he owns the properties on both sides of the property to be split. Member Mutch said as a general rule the 4 to 1 ratio makes sense because it avoids the situation of creating a property that in the future can't be built on. He thought the situation Mr. Arkin presented was different than most of the requests they would see. He thought a previous Council approved the split with two different uses. He believed the RM-1 parcel has been zoned since then also. He said it was unique that the property owner owns the properties on both sides of the property that is being proposed to be split. He felt it would be in Mr. Arkin's best interest to have the properties split and combined in a way that would make the most sense for the property owner. He felt he should support the request since Mr. Arkin's objective may be to develop the property to the west. Member Mutch felt his intent was an attempt to provide the opportunity for the Shiro use to continue on the property. He thought that making it less developable, it would make it more likely that the use will stay long term. It is a unique use in the City and he hoped it would be there in the long term. He will support the request because of the totality of the factors involved.

Member Markham said, in the Assessor's letter, he made the point that the City may not have jurisdiction to grant the relief. Mr. Schultz said they talked extensively on the issue and their position is that there is a local ordinance that adopts the 4 to 1 standard and

it contains the variance relief authority. The Council can approve the request but the Assessor could not.

CM 16-04-048 Moved by Burke, seconded by Mutch; UNANIMOUSLY CARRIED:

To approve a variance from requirements of City's Subdivision of Land Ordinance depth-to-width ratio requirements in order to allow lot split/combination submitted by Arkin, L.L.C. for property located at the northeast corner of Nine Mile Road and Novi Road, Parcel No. 22-26-300-009 based on the existing split zoning and therefore, would not be a detriment to the City.

Roll call vote on CM 16-04-048

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

Nays: None

4. Consideration for approval of the request of Learning Care Academy (aka Everbrook Academy), JSP15-57, for a Planned Suburban Low-Rise (PSLR) Overlay Development Agreement and revised Concept Plan. The subject property is 4.15 acres of vacant land located on the west side of Beck Road, north of Eleven Mile Road, in Section 17. The applicant is proposing a child care facility to serve up to 138 children.

Brian Adamson, ICAP Development, said this is the final PSLR development agreement based on the concept plan that was reviewed and approved by Council. A few small items have changed. The only item there is a disagreement with the City is the second sign they are requesting along Beck Road. It is a monument sign. Currently the elevations that they show have a 35 square foot building sign. Code only allows either a building sign or a monument sign in that area. If it is a building sign, it could be up to 65 square feet. Their current sign is 35 square feet and they are requesting they be allowed to have a second sign at the entrance for Beck Road that does not exceed the 65 square feet. That doesn't exceed the 65 square feet in total between the two signs, meaning about a 25 square foot small monument sign not more than 6 feet tall along the southern entrance. The current proposed location of the sign was included in the site plan.

CM 16-04-049 Moved by Wrobel, seconded by Mutch; UNANIMOUSLY CARRIED:

To approve the Planned Suburban Low-Rise (PSLR) Overlay Development Agreement and revised Concept Plan based on the following findings and conditions, with final form and language to be modified as determined by the City Attorney's Office and City Manager:

- a. **The PSLR Overlay Development Agreement and PSLR Overlay Concept Plan will result in a recognizable and substantial benefit to the ultimate users of the project and to the community. The**

proposed development and site design provide a reasonable transition from the higher intensity hospital uses and lower intensity single-family residential uses thereby meeting the intent of the PSLR Overlay District. The site itself includes provisions for future vehicular and pedestrian connections along the proposed Public drive and a proposed pathway along Beck Road that will benefit the community as a whole.

- b. In relation to the underlying zoning or the potential uses contemplated in the City of Novi Master Plan, the proposed type and density of use(s) will not result in an unreasonable increase in the use of public services, facilities and utilities, and will not place an unreasonable burden upon the subject property, surrounding land, nearby property owners and occupants, or the natural environment. Given that the size of the site is less than 10 acres, a community impact statement is not required. The current site plan is not proposing any impacts to natural features and has minimal impacts on the use of public services, facilities and utilities.**
- c. In relation to the underlying zoning or the potential uses contemplated in the City of Novi Master Plan, the proposed development will not cause a negative impact upon surrounding properties. The proposed building has been substantially buffered by proposed landscape and should minimally impact the surrounding properties.**
- d. The proposed development will be consistent with the goals and objectives of the City of Novi Master Plan, and will be consistent with the requirements of this Article [Article 3.1 .27]. The proposed development meets the stated intent of the PSLR Overlay District to encourage transitional uses between higher intensity office and retail uses and lower intensity residential uses while maintaining the residential character of the area as outlined in the attached staff and consultant review letters.**
- e. The findings of compliance with Ordinance standards in the staff and consultant review letters and the conditions and the items listed in those letters being addressed on the Preliminary Site Plan.**

This motion is made because the plan is otherwise in compliance with Article 3, Article 4 and Article 5 of the Zoning Ordinance and all other applicable provisions of the of the Ordinance. Also, the motion maker and seconder agreed to amend the motion to incorporate an additional sign with the final area, location and design of the signage are reviewed and approved by City Administration.

Member Markham supported the monument sign at the road. She felt it was a busy thoroughfare for the City. People will be driving there at rush hour and felt it would be an important benefit for this development and asked to consider adding it to the motion.

Mayor Gatt echoed Member Markham's comments. He thought the sign ordinances in the City were very prohibitive and knew they needed to work on some of them. This was one of them. He felt the sign they requested would be on a major thoroughfare and would help this business. He wanted to be consistent and thought the ordinance should not be so restrictive. He requested the motion maker to reconsider incorporating the sign variance.

Mayor Pro Tem Staudt agreed, but asked if there will be enough capacity in light of the Novi schools building their own daycare center. Mr. Adamson believed there would be. Novi is a very desirable community both to raise a family and staying long term. They felt there is a large demand for high quality child education. It is an educational focused daycare facility. In addition, the facility is more of a full time with infants and toddlers and a before and after care facility. It is a Novi based company located off of Haggerty Road. Mayor Pro Tem Staudt asked if it will be a showcase for their corporate operations. Dave Baratta, Learning Care Group, said that it will be their showpiece. They are a Novi based company. They have 925 schools throughout the country. They consider Everbrook to be a high end school and it is something they are initiating. It will be the first or second school they have of this nature. They researched the Novi School capacity but their operations team approved this project. Mayor Pro Tem Staudt confirmed that the project was not associated with Providence Hospital.

Member Mutch had 2 issues with the second sign request. He noted staff made a point that this area is a transition zone and he thought having more signage in this area was contrary to what they are trying to accomplish with the zoning district. The other concern was the southern entrance drive; it was going to eventually serve properties to the south and potentially to the west. He assumes all the properties will be developed with some kind of use. He questioned whether those developers will ask for similar requests. There may be multiple signs and defeating the purpose by creating clutter. He said they could potentially get a larger sign on the building if they had a single sign. He felt there would be two small signs and didn't think it was an effective solution.

Roll call vote on CM 16-04-049

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

Nays: None

5. Consideration to adopt resolution placing a question on the August 2016 ballot whether to authorize the City to levy a new millage for specific Capital Projects of up to 1.0 mill, for a period of 10 years, beginning with the 2017 tax year.

CM 16-04-050

Moved by Mutch, seconded by Staudt; UNANIMOUSLY CARRIED:

To approve resolution placing a question on the August 2016 ballot whether to authorize the City to levy a new millage for specific

Capital Projects of up to 1.0 mill, for a period of 10 years, beginning with the 2017 tax year with the change in the language as follows:

The revised language would state, For the purpose of capital improvements and capital projects including but not limited to parks and facilities, land acquisition, pathways and apparatus including fire trucks and heavy equipment. These funds shall not be used for operations or payroll.

City Manager Auger said City Council asked staff to bring this language forward for consideration.

Mayor Pro Tem Staudt noted over the next 2 years, 2 debt millages will be expiring, 3.250 mills next year and 2010 refunding bonds of 3.374 mills this year. He questioned if it was included in the resolution for a purpose or to show that the City is not raising taxes. He thought it was important that if they do increase the millage rate by 1 mill, it will be at the 10.95 then perhaps, less for next year's rate. He felt the Capital Improvement Plan language should be modified slightly where it is emphasized the primary reason for the request. The language leads in with funding of pathways and sidewalks and those are not a substantial part of the Plan. It should be for building, other capital improvements and potential park acquisition. He asked to consider prioritizing the statement more. Overall, he said it was a big step for the City. The Fund Balance and overages from the General Fund have been used in the past and it is the time to take care of some very large programs and large capital improvement needs that have been lacking. He thought it was the time for the community to step forward and take care of some the needed improvements. He felt it was extremely necessary in Novi and will have an effect for the next 40 or 50 years.

Member Wrobel said he was in favor of putting this before the voters. He emphasized the funds will not be used for operations or payroll. It is strictly for capital improvements and he believed the residents of Novi would want to improve Novi.

Member Casey supported placing the millage up for a vote. She felt it was up to the voters to decide what they want to do with the tax money that is raised. She also supported Mayor Pro Tem Staudt's request to change the order in the language. She suggested it start with Parks, buildings or facilities, and put the pathways and sidewalks at the end.

Member Burke echoed the previous speaker's comments. He suggested starting with, "for the purpose of capital Improvements and capital projects, such as....", and then identify the projects in the order mentioned.

Member Markham determined it will acquire about \$32,000,000 of capital improvement money but the CIP states about \$97 million of proposed improvements over the next several years. She questioned how they relate to each other.

City Manager Auger explained the CIP of \$100 million projects includes water, sewer, and road projects. The CIP won't be used for those specific issues. There will be other funding sources used for those projects. That is where there is the difference. The \$32 million doesn't cover all the improvements that they would like to have done.

Member Mutch said Member Markham raised a good question. He felt the millage would accomplish closing the gap that exists currently between the funds that are available and the need over the next ten years. It will help fill the gap and address projects that would not be funded, because there would be lack of funding and projects would have to be prioritized. He said it was no different than setting money aside to invest into your home. Resources are necessary to make the improvements. He knew there was a change from the existing wording and chose facilities instead of buildings because he believed some of the projects were not actual structured buildings and wanted the voters to be aware of that. The revised language gives the voters a clear intent of the millage uses. He asked if they don't include an item in the list of uses, would it preclude them from being funded? City Attorney Schultz said it would not preclude them from using the funds for other projects. He didn't think it did, because it starts with the general phrase of capital improvements or projects but it wouldn't hurt to say, "including but not limited to", or "such as".

Mayor Gatt commented that Council was lowering taxes and now they were asking to increase them. He thought the reasons were obvious that certain funded accounts can't be used for other items. He explained this is a city that has done so much with so little over the past 8 – 10 years and these are things that are needed to be done. Buildings need to be repaired and buy new equipment to keep the City beautiful and provide the services everyone is accustomed to. The millage will be up to the voters. The members of Council are taxpayers also. He would appreciate everyone's concern and cooperation. If there are those with any questions, he urged them to contact City Administration.

Roll call vote on CM 16-04-050

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

AUDIENCE COMMENT – None

COMMITTEE REPORTS -None

MAYOR AND COUNCIL ISSUES - None

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION – None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 7:51 P.M.

Maryanne Cornelius, City Clerk

Robert J. Gatt, Mayor

Transcribed by Jane Keller

Date approved May 2, 2016