

**MINUTES OF THE GROSSE POINTE CITY COUNCIL MEETING HELD IN THE COUNCIL CHAMBERS,
17145 MAUMEE AVENUE, GROSSE POINTE, MICHIGAN ON MONDAY, MAY 21, 2018.**

The meeting was called to order at 7:00 p.m.

ROLL CALL

Present: Mayor Boettcher, Council Members Parthum, Stempfle, Tomkowiak, Turnbull, Walsh, Williams

In Attendance: City Manager Dame, Attorney Fildew, City Clerk Arthurs, Finance Director Kleinow, Public Safety Director Poloni, Public Service Director Randazzo, Parks and Recreation Director Hardenbrook and City Planner Jackson.

CONSENT AGENDA

Motion by Council Member Stempfle, second by Council Member Turnbull, to approve the Consent Agenda consisting of the following:

1. Minutes from the regular Council Meeting held on April 16, 2018 and minutes from the closed session Council Meeting held on April 16, 2018.
2. Invoices
 - a) Anderson, Eckstein, and Westrick, Inc.
 - 2018 Resurfacing Program, 3/5/18 – 4/1/18, \$39,396
 - Fisher Road Streetscape, 3/5/18 – 4/1/18, \$6,195.61
 - 36" Storm Sewer – Lot 2, 3/5/18 – 4/1/18, \$17,220
 - b) Great Lakes Water Authority - Sewage Disposal, April 2018, \$75,800
 - c) GFL - Recycling, April 2018, \$5,864.00 and Recycling, May 2018, \$5,864
 - d) City of Grosse Pointe Farms - Water Purchased, 1/1/18 – 3/31/18, \$79,151.44
 - e) Michigan Municipal League - Workers Compensation, Installment #1, \$19,591
 - f) Fildew Hinks - Legal Services, March 2018, \$5,241.66
3. Approval of extending the agreement with Services for Older Citizens, acting as an independent contractor to PAATS, to operate the community transportation service for elderly and disabled individuals, until June 30, 2019.
4. Award of bid to Pointe Alarm for parking surveillance cameras, software and a server upgrade in an amount not to exceed \$10,457.20.
5. Adoption of Resolution authorizing the execution of Fisher Road Grant Contracts with the Michigan Department of Transportation.

CONSENT AGENDA UNANIMOUSLY ADOPTED.

The City Council convened as the Zoning Board of Appeals.

PUBLIC HEARING – ZONING BOARD OF APPEALS – 747 RIVARD

Mayor Boettcher indicated that this was the time set for a public hearing by the Zoning Board of Appeals to consider the variance request of Matthew Visk, 747 Rivard, for a variance from Section 90-132, nonconforming structures, alterations.

City Clerk Arthurs informed the Board that notice of public hearing had been given as required by PA 110 of the State of Michigan and Grosse Pointe City Ordinance, proof of which is on file in the official records of the City of Grosse Pointe.

City Planner Jackson made the following report:

The applicant, Mr. Matthew Visk, has proposed a second story addition over the garage of an existing nonconforming structure. The existing structure encroaches on the north side of the property 4.5 feet into the 9-foot side yard setback required on one side for the R-1B District. The proposed plan would extend the existing nonconformity up one story to the second floor addition. The proposed addition requires consideration of a variance to nonconforming Structure Alterations, Section 90-132, of the City Code, which prohibit the expansion of a nonconformity.

A variance is requested to permit vertical expansion of an existing nonconformity in a required side setback. There is no proposed horizontal expansion of the nonconformity. The home that exists at 747 Rivard Boulevard complies with the dimensional standards of the R-1B District, except for the required side yard setbacks. It provides adequate lot width and is adequately set back from Rivard Boulevard. The home is unique for this neighborhood due to the presence of a garage on the front of the house – nearly all other structures between Charlevoix and Goethe have garages in the rear. It is common for many of the homes to be two stories in height at the front building line. The R-1B District requires side yard setbacks of 15 feet total, with at least one being nine (9) feet, for lots less than 50 feet in width. The existing structure encroaches 4.5 feet to the north, where the proposed addition is located, and five (5) feet to the south for a total existing side yard setback encroachment of 9.5 feet. Since the existing structure does not comply with either side yard setback, the total structure is nonconforming. Expansion of a nonconformity in the vertical direction is prohibited. The plan to extend the addition the full width of the lower structure necessitates a variance because of the subsequent 4.5-foot extension into the encroachment. The second story addition to the existing nonconforming structure will be minimally impactful and will not affect the character of the neighborhood upon completion. Allowing the existing nonconformity to extend to the second story will maintain the character and harmony of Rivard and supports the residential goals of the Zoning Ordinance, and provides a just solution based on the unique characteristics of the property.

Mayor Boettcher asked for public comment. Hearing none, public comment was closed. It was noted for the record that letters of support have been submitted from five neighbors, including the two owners of the homes directly north and south of the subject site that would be affected the most by this expansion.

Motion by Council Member Turnbull, second by Council Member Stempfle, grant the variance to Section 90-132 of the Zoning Ordinance to allow vertical expansion of an existing nonconformity, due to the practical difficulty of expanding the house to modern standards while accommodating the unique position of the existing garage on the lot at 747 Rivard.

UNANIMOUSLY ADOPTED.

PUBLIC HEARING – ZONING BOARD OF APPEALS – 577 WASHINGTON

Mayor Boettcher indicated that this was the time set for a public hearing by the Zoning Board of Appeals to consider the variance request of Donald Vercruysse, 577 Washington, for a variance from Section 90-133, restoration. The Zoning Board of Appeals will make a determination as to whether the applicant has demonstrated the requested variance meets the standards in Section. 90-101(4).

City Clerk Arthurs informed the Board that notice of public hearing had been given as required by PA 110 of the State of Michigan and Grosse Pointe City Ordinance, proof of which is on file in the official records of the City of Grosse Pointe.

City Planner Jackson made the following report:

Mr. Donald Vercruysse's home was destroyed in a fire that occurred on March 26, 2018. The original structure on the subject site had non-conforming side yard setbacks; the R-1B District requires a total of 20 feet for lots between 51 and 100 feet wide, with one side at least nine (9) feet. The applicant has proposed to rebuild a residential structure on the existing nonconforming foundation walls. A variance is needed because the extent

of the fire damage exceeds 50 percent of the destroyed building's state equalized valuation and, therefore, any restoration is required to conform with the current provisions of the zoning ordinance.

The foundation that exists at 577 Washington Road complies with the dimensional standards of the R-1B District, except for the required side yard setbacks. It sits on a lot of adequate width with suitable rear and front yard setbacks. The rebuilding of the destroyed home will be minimally impactful in the short term (during construction) and will not affect the character of the neighborhood upon completion. Allowing the existing nonconformity to extend to the proposed structure, despite its noncompliance with Section 90-133, supports the residential goals of the Zoning Ordinance in that it will reactivate a currently vacant property and stabilize the housing stock on the block. The City Planner finds the proposed plan appropriate and recommends that the Zoning Board grant the requested variance to Section 90-133 of the Zoning Ordinance pending receipt and review of the elevations.

Mayor Boettcher asked for public comment. Hearing none, public comment was closed. The City Council offered support to the Vercruysse family and wished them well during the rebuilding process.

Motion by Council Member Parthum, second by Council Member Walsh to grant the requested variance to Section 90-133 of the Zoning Ordinance with conditions noted in the Planner's report.

UNANIMOUSLY ADOPTED.

The Zoning Board of Appeals reconvened as the City Council. The City Council convened as the Planning Commission.

PUBLIC HEARING – PLANNING COMMISSION – SPECIAL USE REQUEST – 17000 KERCHEVAL AVENUE

Mayor Boettcher indicated that this was the time set for a public hearing by the Planning Commission to consider the special use request application of Kercheval Owners, LLC for the property located at 17000 Kercheval Avenue, Suite 200.

City Clerk Arthurs informed the Commission that notice of public hearing had been given as required by PA 110 of the State of Michigan and Grosse Pointe City Ordinance, proof of which is on file in the official records of the City of Grosse Pointe.

City Planner Jackson made the following report:

The applicant is proposing continued use of a 7,200 square foot office within Kercheval Place, a two (2) story mixed-use building located at 17000 Kercheval Avenue (Suite 200). A special land use was previously approved in 2007 for this same space – at that time, the approval was granted specifically for Becker Ventures. Based on the motion for approval in 2007, a change in occupant requires a new special land use review.

Office uses, when located on the second floor and in excess of 5,000 square feet, are permitted as a special use in the C-2 District. The application for the updated special land use permit would grant the special land use to the owner of the space, rather than a specific tenant. This would allow occupant changes without subsequent Council special land use review, as long as the use (general professional offices) remains the same. Changes to the layout of the suite could trigger subsequent Council review, too, if it is determined there are potential changes to the demands on parking or other public services. The application states that the maximum number of employees at any time will be 20, the same as the previous approval. Both the proposed square footage and the employee count are comparable to the current tenant's utilization of the space which has operated harmoniously with adjacent uses in terms of its intensity, size and location for several years. The City Planner finds that the proposed office use will continue to be consistent with the special use requirements stated herein. We further find that for this low-impact use, approving the special land use for the building owner, rather than a specific tenant, is appropriate. City staff, the Building Official, and the Planner will continue to have discretion on the intensity of use – where any new tenant is not determined to retain the low-intensity professional office

character expected in this space, the use will be brought to Council for subsequent review. The City Planner recommends approval of the proposed 7,200 sq. ft. office use in Suite 200.

Dale Scrace, representative of Kercheval Owners, LLC, described the tenant change and answered Planning Commission questions.

Mayor Boettcher asked for public comment. Hearing none, public comment was closed.

Motion by Council Member Stempfle, second by Council Member Tomkowiak to approve the special land use for Kercheval Owners, LLC, 17000 Kercheval Avenue, Suite 200, to occupy over 5,000 square feet in the Central Business District as a general office use provided that the use is not a medical office and the tenant is a low intensity profession office that does not increase parking demand; and subject to a proposed special use permit drafted by and approved in final form by the City Attorney.

UNANIMOUSLY ADOPTED.

The Planning Commission reconvened as the City Council.

RESOLUTION – ADOPTION OF 2018-19 BUDGET AND 2018 TAX RATE

Motion by Council Member Parthum, second by Council Member Williams, that the following resolution be adopted:

WHEREAS, the budget has been reviewed by the City Council and a public hearing thereon was held Monday May 14, 2018 and

WHEREAS, the taxable valuation of real and personal property in the City has been established to be \$352,099,348 now therefore be it

RESOLVED, that the budget of the City of Grosse Pointe for the fiscal year beginning July 1, 2018 and ended June 30, 2019 is hereby determined and adopted as follows:

EXPENDITURES			
<u>Departmental Operating Costs</u>			
Public Safety	2,499,707	2,751,188	2,902,594
Public Works	475,345	528,966	585,017
Parks & Recreation	583,902	657,213	669,989
Finance & Assessing	188,995	203,091	215,948
City Administration	172,830	179,586	189,768
Gen'l City Oper./Human Resources	120,530	161,800	147,779
Court	152,007	195,791	221,602
Professional Services	199,639	145,000	140,000
Inspections	103,174	128,917	125,702
City Clerk & Elections	85,667	97,751	99,402
Legislative	8,404	4,700	4,900
Total Departmental Operating Costs	4,590,200	5,054,003	5,302,701

GENERAL FUND	Actual	Budget	Proposed
	2016-2017	2017-2018	Budget
			2018-2019
REVENUES & FEES			
Property tax	4,244,438	4,240,190	4,412,468
State Shared Revenues	509,747	484,915	522,517
Charges for Svc & Svc to Other Funds	630,644	575,218	632,632
Use of Money & Prop (other rev)	277,820	312,290	310,965
Licenses and Permits	152,926	116,200	144,300
Total Revenues & Fees	5,815,575	5,728,813	6,022,882

Transfers to Other Funds			
Capital Projects Fund	700,000	-	-
Public Improvements/Other	-	27,339	18,142
Highway Fund	200,000	231,909	186,934
General Debt Fund	-	-	-
Downtown Development Authority	15,000	15,000	15,000
Solid Waste Fund	-	-	-
Water and Sewer Fund	-	-	-
Retiree Healthcare Contribution	375,058	400,562	500,105
Pension Contribution	-	-	-
Total Transfers to Other Funds	1,290,058	674,810	720,181
Total Cash Outlays	5,880,258	5,728,813	6,022,882
Operating Effect General Fund Balance	(64,683)	-	(0)

ALL FUNDS SUMMARY			
	Actual	Budget	Proposed
	2016-2017	2017-2018	Budget
			2018-2019
REVENUES & FEES			
General Fund	5,815,575	5,728,813	6,022,882
Water & Sewer	2,561,204	5,052,156	3,307,383
Major & Local Streets	598,976	686,072	680,205
Road Improvement Fund	833,760	835,450	1,140,401
Solid Waste	747,282	745,075	758,076
Parking	1,004,410	915,000	980,000
Marina	181,396	190,694	189,986
General Debt Fund	245,597	227,100	243,800
Capital Projects	793,084	378,000	413,443
Drug Forfeiture	6,185	4,510	4,510
Downtown Development Authority	59,265	61,404	65,000
Total Revenues & Fees	12,846,734	14,824,274	13,805,686
EXPENDITURES			
Operating Expenditures			
General Fund	5,880,258	5,728,813	6,022,882
Water & Sewer	2,050,456	2,343,149	2,357,737
Solid Waste	747,282	710,075	758,076
Major & Local Streets	475,146	614,810	506,212
Parking	631,434	791,604	778,331
Marina	155,222	161,714	161,876
Drug Forfeiture	5,649	3,500	3,500
Downtown Development Authority	48,208	60,850	90,990
Total Operating Expenditures	9,945,447	10,353,665	10,679,603
Capital Expenditures			
Capital Projects	380,982	911,629	1,421,447
Water & Sewer	160,522	2,597,225	1,028,801
Solid Waste	-	35,000	200,000
Debt Repayment	240,000	227,100	243,800
Major & Local Streets	-	40,000	40,000
Road Improvement Fund	922,806	822,483	1,140,401
Parking	-	316,100	357,967
Marina	-	60,000	60,000
Drug Forfeiture Fund	-	4,000	-
Downtown Development Authority	-	-	-
Total Capital Expenditures	1,704,310	5,013,537	4,492,416
Total Expenditures	11,649,757	15,367,202	15,172,019
Net Effect to All Funds	1,196,977	(542,928)	(1,366,333)

RESOLVED FURTHER, that there is hereby levied a general tax as herein fixed in the amount of 16.6277 mills on the taxable valuation for the purpose of meeting operating, debt, road improvement and rubbish requirements for said fiscal year. The total tax rate of \$16.6277 mills (11.7077 for operating, .6919 for debt retirement, 2.4723 for road improvements and 1.7558 for rubbish) shall be applied on all the taxable, real and personal property in

the City of Grosse Pointe as set forth on the assessment roll for 2018, and that the City Clerk shall certify said levy to the City Treasurer.

RESOLVED FURTHER, that a 1% property tax administration fee be added to the State Education Tax and County Tax which will be billed with the 2018 Summer Tax billing and the 1% administration fee should also be added to the December tax roll to offset costs incurred by the City in assessing property values, collecting property tax levies, and in the review and appeal process.

RESOLVED FURTHER, that the Director of Finance is hereby authorized to transfer appropriations between the above Funds in compliance with Act No. 621, Michigan Public Acts of 1978.

UNANIMOUSLY ADOPTED.

PROPOSED CITY FEE CHANGES FOR 2018-19

Finance Director Kleinow made the following report:

A review of the current fees that the City of Grosse Pointe charges for various services, registrations, permits, and regulations was recently undertaken. A list of the fees for the following departments: Construction (Building, Mechanical, Plumbing/Sewer, and Electrical), Parks and Recreation, Zoning, Parking, City Clerk's Office, and the Finance Department were reviewed. The annual review is undertaken to ensure that specific users are paying unit, administrative, and inspection costs in lieu of being subsidized by the general citizenry. At this time, the City staff is proposing some minor increases for some parks and recreation pool related activities as well as marina well fees. These increases are required to address the rising costs associated with the activities. An increase in some building department fees is also proposed to address rising costs of providing these services.

Motion by Council Member Turnbull, second by Council Member Parthum that the proposed revised fee schedule be adopted with an effective date of July 1, 2018.

UNANIMOUSLY ADOPTED.

PROPOSED WATER AND SEWER RATES FOR 2018

Finance Director Kleinow made the following report:

To continue to provide the same level of service to our residents and fund anticipated capital improvements, a rate increase is necessary. The following shows the rate changes by category based on a 5/8" meter:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$Change</u>	<u>%Change</u>
Readiness to Serve	6.70	7.82	1.42	22.19%
Debt Service	14.42	16.76	2.34	16.23%
Industrial Damage	55.12	57.47	2.35	4.26%
Water/Sewer	67.22	69.49	2.27/unit	3.38%

These revised rates were used as the basis for the budgeted expenditures and estimated revenues that were presented at the public hearing on May 14, 2018. For the average homeowner, this will increase their bill \$9.43 per billing, which is a 5% increase over last year.

ORDINANCE ADOPTION

Motion by Council Member Williams, second by Council Member Stempfle that the water and sewage rates for 2018-19 are approved to comply with the State of Michigan requirements and the following ordinance be adopted:

ORDINANCE NO. 433

An Ordinance to amend and re-state Section 78-143 of the Code of Ordinances
of the City of Grosse Pointe, Water and Sewer Rates

(For complete text of Ordinance No. 433 - see Ordinance Book of the City of Grosse Pointe)

UNANIMOUSLY ADOPTED.

PURCHASE OF PUBLIC SAFETY VEHICLES

Public Safety Director Poloni made the following report:

Bids were received for two new police vehicles, 2018 Police Interceptor Explorers for the amount of \$4,590. The new vehicles will be assigned to the patrol division and will replace the two oldest vehicles. Pricing received from Gorno Ford, which utilizes the bid pricing through Oakland County Joint Purchasing Program satisfies the City's competitive bid requirements. The 2018-19 budget included \$74,000 for new vehicles. The actual price of each vehicle is \$27,795 including change over of equipment. Vehicles will not be delivered until after July 1, therefore, utilizing the funds from the 2018-19 budget.

Motion by Council Member Parthum, second by Council Member Williams, to approve the purchase of two 2018 Police Interceptor Explorers under the Oakland County Joint Purchasing Program, in the amount of \$55,590.

UNANIMOUSLY ADOPTED.

AWARD OF BID – VILLAGE STREETScape REPAIRS

Public Service Director Randazzo made the following report:

The City received three bids for brick paver and concrete removal and replacement in the St. Clair and Kercheval plaza area, and also the southeast corner of Notre Dame and Kercheval near the Pet Supplies Plus location in The Village. The Spaulding concrete between the brick pavers will be removed and replaced with brick pavers. The City currently has the bricks in stock to replace the concrete strips. The following bids were received:

Ferguson Landscaping	\$26,500
Three C's Landscaping	\$34,215.39
Domenico Landscaping	\$36,004

Motion by Council Member Stempfle, second by Council Member Williams, to award the bid to Ferguson Landscaping, for brick paver and concrete work in the Village, in an amount not to exceed \$26,500.

UNANIMOUSLY ADOPTED.

PUBLIC COMMENT

Leticia Johnson, candidate for State Representative District 2, announced a meet and greet event at the Ewald Library.

STAFF REPORTS

City Clerk Arthurs reported that Project Bloom will be planting flowers this week at Neff Park and next week in The Village. Project Bloom is looking for volunteers to help. Parks and Recreation Director Hardenbrook updated Council on preparations for the park and pool opening, maintenance and repairs. City Manager Dame

reported that staff review has not taken place regarding pro forma documents for the hotel project but the documents are anticipated within the next two weeks. He also reported that the 2018 road project will begin in mid-June.

COUNCIL COMMENT

The City Council commented on the following topics:

- Appreciation was expressed to the City Manager and Finance Director and city staff for their work on presenting a balanced budget.
- It was noted that binoculars have been installed at the end of the pier in Neff Park.

CLOSED SESSION

Motion by Council Member Stempfle, second by Council Member Parthum to go into closed session for ongoing collective bargaining.

ROLL CALL

Ayes: Parthum, Stempfle, Tomkowiak, Turnbull, Walsh, Williams, Boettcher

Nays: None

Absent: None

The Council met in closed session from 7:46 p.m. to 8:04 p.m. The City Council reconvened in open session at 8:04 p.m. There was no further action taken by Council.

On Motion, the meeting was adjourned at 8:05 p.m.

Julie E. Arthurs, City Clerk
City of Grosse Pointe