



FINAL

SPECIAL MEETING MINUTES

A Special meeting of the Farmington City Council was held on September 29, 2014, in Maxfield Education Center, 32789 Ten Mile Rd, Farmington, MI. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:00 PM by Mayor William Galvin.

1. ROLL CALL

Attendee Name	Title	Status	Arrived
Greg Cowley	Councilmember	Present	
William Galvin	Mayor	Present	
JoAnne McShane	Councilmember	Present	
Steve Schneemann	Mayor Pro Tem	Present	
Jeff Scott	Councilmember	Present	

City Administration Present

Director Christiansen
City Clerk Halberstadt
City Manager Pastue
Attorney Schultz

2. APPROVAL OF AGENDA

Motion to approve the agenda as amended, adding "City Manager Report Regarding Status of Director of Public Safety" as Item No. 4.

RESULT:	APPROVED AS AMENDED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Greg Cowley, Councilmember
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

3. PUBLIC COMMENT

No public comment was heard.

4. CITY MANAGER REPORT ON STATUS OF POLICE CHIEF

Pastue discussed the qualifications and appointment of Frank Demers as the interim Director of Public Safety effective October 1, 2014.

Council expressed support for Demer's appointment.

McShane requested Demers meet with Council to discuss the direction and goals of the city.

5. ENERGY REDUCTION COALITION LIGHTING CONVERSION PROGRAM

A. Review of Energy Reduction Coalition Lighting Conversion Program Agreement

Present: Mike McClear - VP Business Development, Energy Reduction Coalition (ERC); Mike Jones, Manufacturer's Rep, DG Energy

Pastue advised that he and City Attorney Schultz have been meeting with representatives of ERC to discuss an agreement that would convert pedestrian lights in the Downtown to energy efficient LED. He expressed support for this public-private endeavor that provides an opportunity to reduce energy and maintenance costs without the significant front-end investment. It also reduces labor time dedicated toward maintenance of downtown lights.

Mr. McClear and Mr. Jones were present to discuss a proposed agreement with Farmington. Mr. McClear spoke about a plan to study the conversion of downtown pedestrian lights to LED, identify the savings that this would represent in the form of reduced energy cost and maintenance, and the implementation plan.

Discussion followed regarding ongoing lighting maintenance and associated costs. It was clarified this program would be for downtown lights only. Pastue advised that if the program is successful in the downtown then consideration would be given to expanding it to other areas of the city.

Responding to a question from McShane, Pastue responded the ERC program is cutting edge and he is unaware of any major competitors.

Cowley questioned whether the city should be undertaking this program at this time given the city's limited funds. He questioned the \$10K fee for the assessment. He asked how the city can be assured that ERC will be around in 10 years.

Schultz pointed out that if ERC closes up shop, the city will simply keep the lights.

Responding to a question from McShane, McClear stated they are not now allowed to assign their contract.

Responding to a question from Scott, Pastue pointed out if down the road ERC does not hold up their end of the contract, the city's risk is minimal because no investment has been made.

Discussion followed regarding the cost and maintenance of the lighting and who would be responsible.

Cowley stated he finds it difficult to invest in a \$10K assessment for 300 lights when he doesn't know if a 3-year old company will be around in 20 years.

Pastue pointed out municipalities do not have a good handle on street lighting. He stated ERC would provide the inventory that is needed.

McCleaer provided detail of what is involved with the assessment. He noted that it would essentially be free if the city signed an agreement with ERC. He stated ERC can guarantee the city will save at least 20% with new lighting.

Discussion followed regarding the color temperature of the LED lighting and the steps ERC will take to match what is currently in use.

Responding to a question from Schneemann, McCleaer stated there are two arms of the company, one is non-profit and the other is for profit. They have a total of 20 staff members.

Discussion followed regarding the timing of this project with the Georgetown University Energy project. Discussion continued regarding the MDEC energy efficient grant program.

Responding to a question from McShane, McCleaer stated the review period is one year and the notice period is one year.

6. PROPOSED KIMCO PLANNED UNIT DEVELOPMENT AGREEMENT

A. Review of Proposed Kimco Planned Unit Development Agreement and Site Plan

Pastue advised the purpose of this agenda item is to discuss a planned unit development agreement for the Fresh Thyme store proposed on the Kimco property. He noted the project does not meet the DDA's vision and master plan. However, he believes the project is a good use for the site. He stated the first question Council has to answer is whether consideration should be given to this project. If so, then a number of other related issues need to be addressed.

Scott expressed his disappointment that the project does not even come close to the vision plan developed for the downtown. He stated it is a re-purposing of a 50-year old strip center. He pointed out that all other Fresh Thyme locations are in strip centers and none in a downtown. He commented that if what the city wants is status quo, then why re-do Farmington Road and the streetscape.

Scott expressed concern that Kimco wants control beyond the boundary of their property. He pointed out they have the truck well and trash compactor into the right-of-way. They will be taking over and reconfiguring DDA property to the south to allow for their trucks to maneuver. He noted they want control over what the city will build to the north. He questioned how the city will benefit in return for all of these demands. He ventured that Fresh Thyme would bring the center close to full capacity and as a result Kimco would have no incentive going forward to make any other improvements.

Schneemann pointed out residents have indicated time and time again that they want access to a grocery in the downtown and he includes himself in that group. Unfortunately, he does not believe the Fresh Thyme project is the right solution. It goes against what the city has been working towards as far as the master plan for the downtown. He agreed completely with Scott's comments regarding the project. He stated the project is out of scale and would change the dynamic of the downtown in a negative way.

Cowley confirmed with Pastue that negotiations are still ongoing. He is at "yes" for the project right now. He stated the city needs a market in the downtown, a name that will attract other people and retailers. With regard to the master plan, he does not believe Kimco would consider changing the strip center to a multi-story development. He pointed out this is the most dialogue the city has had with Kimco in the past 16 years. He does believe the cut-through is important to connect to the parking lot behind the center.

Cowley doesn't believe the center can be changed without a willing partner in Kimco. He stated if council chooses to pass on this project they are doing a great disservice to the downtown. This project would go a long way toward building an argument to push parking to the top of the list. He is a strong "yes" for the project with emphasis on a cut-through.

McShane pointed out that at a recent Planning Commission meeting, Kimco indicated if they were forced to do a cut-through or if a deal was not reached by the end of the year, they would walk away from the project. She stated the three items that should be negotiated include: cut-through, control of events, and contributed parking. She pointed out the city has had so many resident and business volunteers that have worked and contributed financially to make an awesome downtown. She noted, however, Kimco has given nothing toward the improvement of the downtown.

McShane stressed the importance of connecting the neighborhoods to the downtown which would be facilitated by a cut-through. She noted there are 88 parking spaces behind the Kimco Center and additional ones could be added by using the park for that purpose. She expressed concern regarding placement of the dumpsters, plans for the rear south of the property, and the impact on the future development of the property next to The Orchards. She would like to see Fresh Thyme in Farmington, but does not want to be held hostage by the inability to create a downtown that the community is working so hard to achieve through the visioning process. She would have difficulty supporting the project if the three items identified were not addressed.

Galvin took exception to Kimco's comment that if an agreement was not reached by the end of the year the project would be at risk. He stated it does not benefit the community for Kimco or any other developer to make threats or imply that the delays have been caused by council and city administration. Nothing could be further from the truth. He pointed out Kimco has maintained a vacant property for the past 8 years. He stated during this time Kimco continued to

collect rent from various tenants while our local economy and property values suffered. During that same time, city administration, city council and our citizens, publicly expressed a desire to work with Kimco and find ways to redevelop that property in that portion of downtown Farmington.

Galvin noted that on April 7th of this year, almost six months ago, Kimco finally made a redevelopment presentation to council. Since that time council has heard nothing from them. He stated that it is wrong to imply that somehow the city is dragging its feet on re-development. He referred to the April 7th meeting minutes that confirmed council has been consistent in their comments and concerns regarding the Fresh Thyme project. Council is giving Kimco a road map through its comments, the vision plan, and the master plan, as well as information provided by the city attorney and city administration, but they appear not to be listening.

Galvin stated it appears Kimco is developing a vacancy around a specific client without regard to the remainder of the center. He believes their suburban strip mall approach is a great business plan and would work in certain areas of Farmington, but not the downtown. They should be encouraged to look at the Mooney Street property. He spoke about the community's desire for a walkable, place-making city in which to live. He noted a number of recognitions Farmington has received from Main Street Oakland County and the Michigan Municipal League for place-making, walkability, redevelopment projects. It is not consistent with the suburban, drive-by strip mall, promoted by Kimco. He stated this is not about Fresh Thyme or maybe even Kimco, but rather it is about a misfit relationship. It was a great relationship more than 50 years ago, but Farmington has evolved since then.

Responding to a question from Galvin, Pastue stated the city has not seen the agreement between Kimco and Fresh Thyme. He stated typically the city does not get involved in the tenant/property owner relationship.

Galvin suggested that if Fresh Thyme was given the opportunity to see the vision plan they may buy into it.

Discussion followed regarding the taxable value of the property.

Galvin stated Fresh Thyme is a doable project, but not in the form presented by Kimco. He discussed three words: cooperation, creativity, and adaptation. He noted the city experienced a great deal of cooperation from the developer of the senior living center. They listened to everyone in the community and made the necessary modifications. He pointed out the creativity of the developer of the Flanders property. They came up with five different site plans in response to issues related to the property. He spoke about the adaptation by the developers for the K-Mart property in trying to make the site work.

Galvin expressed disappointment in Kimco's lack of response to what the city is trying to communicate. He asked if it was worthwhile to provide Kimco with Council comments that were already given to them in April.

Scott advised that if the plan is approved as presented nothing will happen to the Fitness 19 building. Fitness 19 will be the prominent tenant on Farmington Road even after the city puts \$1.5 million into Farmington Road streetscape. The seal will be maintained to the south, continuing the center as a barrier to the adjoining neighborhoods and any future developments. He understands the tax implications of not moving forward with this project, but he is looking 20-30 years down the road at the same old strip center that is not working now. A Center the city must live with because it was developed in the 1950's. He stated the council needs to keep an eye on the big picture of what Farmington can become. He noted that council was elected to have a vision and ensure its implementation.

Cowley stated this is the number one requested project from the DDA during the nine years he served on the board. He pointed out there is very little opportunity to change the center as long as it is owned by Kimco. He stated the city needs an anchor in the downtown to support more volume to bring in more business. He believes the businesses in the downtown will be hurt if this project does not go forward. He stated Fresh Thyme would be a destination which is what the city and DDA have been trying to do. He understands Kimco does not show any support or concern for the development of the downtown. He stressed the city needs this project and he is amazed council would even consider not approving it. He believes the city should negotiate with Kimco and reach an agreement.

Scott noted a recent study indicated there is a market for businesses in the downtown. If there is a market entrepreneurs will come.

Cowley responded the city needs name, destination businesses with a proven product.

Schneemann recommended council give city administration a list of "must haves" for the project.

Schultz stated tonight's meeting is about identifying council's expectations for the project that can be brought back to Kimco as part of the negotiation process. He pointed out Kimco could put a grocery store in the center without council approval if they did not need any kind of relief from the city.

Galvin questioned why the city doesn't find a third-party entity that can take the property over from Kimco.

Discussion followed regarding the proposed parking configuration, accommodation for the truck well, and modifications to the south parking.

Scott stated he can get to "yes" if the following changes are made to the center: multiple stories of mixed use, except for Fitness 19 building, with retail on the first floor with residential above, and a cut-through.

Cowley again pointed out this is the first opportunity to do a deal with Kimco in over 15 years. He noted Kimco does not care about the city's downtown or

master plan. He stated like it or not Kimco owns the center, so unless either the city buys them out or finds someone to buy them out, the city is not doing anything with that piece of property.

Galvin advised there is more to consider with this project than just Fresh Thyme in that they could be gone in 10 years and the city would be stuck with the redesign.

Galvin stated that if the project goes forward the city needs to get a message out to its citizens that we are going to dash the master plan and forget their vision for the downtown.

Cowley pointed out that other than the multiple stories of mixed use, the project fits the master plan better than most people think. Kimco is a company that does not build multiple story developments.

McShane commented that no one is nixing the project. She believes there is room to negotiate and compromise.

Schultz believes the comments from council have given city administration what it needs to go back to Kimco for further negotiations.

Pastue stated the fundamental question is whether council is willing to do the project if it does not fit within the master plan. There are certain details of the project where an agreement could be reached, but the question is regarding non-negotiable issues. He expressed concern with the circulation on Orchard Street. He could live with the reconfiguration of the north parking lot.

Schneemann concurred with Cowley that Kimco is not a multi-story developer. He stated with Kimco as the landowner this project is about as good as the city will see unless they break the center up in much smaller rental spaces.

Christiansen advised that since the April council meeting the city has had multiple meetings with Kimco and as a result have established a good relationship. He discussed Kimco's original plan for the space and how it has evolved into their current plan. He stated the project has four areas of change: 1) tear down and rebuild a new building with a truck well; 2) re-purpose the south lots which they don't own; 3) reconfigure the north parking at their expense; and 4) building facade and the signage.

Galvin pointed out all five councilmembers have stated they want the cut-through to be part of the project.

Cowley asked if Kimco would approve the cut-through if paid for by the city. Christiansen responded that proposal would have to be brought back to Kimco.

Discussion followed regarding how the cut-through could be accommodated in the center.

Galvin asked each councilmember to summarize their must-haves for the

project.

Scott referred to his earlier comments regarding getting to "yes" on the project.

Schneemann asked about Kimco's earlier request to control downtown events. Christiansen responded Kimco is comfortable with the events as they currently function.

Schneemann stated he would like to see: 1) more openness to the façade, open up to the back, more of an urban look 2) cut-through at Yoder Drive, and 3) more thought put into the south lot and how it impacts adjoining neighborhood.

Cowley pointed out the Kimco Center has been the number one eyesore in the downtown. He stated putting a destination market there is huge. He is willing to forego the master plan because Kimco is not the right player to adhere to its vision. He spoke about the value of the project to the city in terms of tax revenue and employment. He would be willing to put some money into the cut-through. He stated whatever the city wants should be done now because it is unlikely it will be done in the future.

McShane commented Kimco can say there is a parking problem, but by not putting in the cut-through they create more of a problem. It makes no sense to build the project without doing the cut-through which would connect 88 spaces in the back. She stated the cut-through connects the community and the neighborhood. She would like them to contribute to the revised parking if that is what they want. She would like to see this project move forward.

Galvin would like to see a drive-able, cut-through as first choice and pedestrian as the second choice. He asked regarding placing the main entrance at the cut-through, facing east. Christiansen pointed out the Coney Island is between what would be the cut-through and Fresh Thyme.

Discussion followed regarding the challenges of placing the main entrance at the cut-through.

Galvin stated the city must have control of parking and city events. He would like a second level somewhere in the center which would help grow the TIF.

Pastue stated the Fresh Thyme project is a very good use of the site, especially as it is combined with other businesses moving into the downtown.

Schultz stated they will take council's comments to Kimco and will try to get everything aligned on a path as quick as possible.

Christiansen pointed out Kimco was given the opportunity to review the master and vision plans. They have been made aware of the city's long term comprehensive goals.

Council recessed at 8:15 p.m. and reconvened at 8:23 p.m.

7. PROPOSED KMART PLANNED UNIT DEVELOPMENT AGREEMENT

A. 1680 : Review of Proposed KMart Planned Unit Development Agreement and Site Plan

Pastue advised the purpose of this agenda item is to discuss a planned unit development agreement for redevelopment of the K-Mart Center. He stated the two major issues include: the Suburban Collection use regarding the staging and prepping of vehicles on the south 8 acres of the property; and the 3-story mixed use building on Grand River. He pointed out the agreement is structured to ensure the front building is constructed within a specific time frame of the total project.

Schultz stated the draft agreement is a depiction of what will be built reflecting the detailed site plan. He noted the city is in total support of the project, but pointed out the only remaining item for discussion is tying the vehicle storage development to developing the building on Grand River. He stated the penalty included in the agreement for not developing the Grand River building would be vacation of the vehicle storage.

Schneemann stated the only way the vehicle storage makes sense is if it is out of sight which it would be if there is a building along Grand River. He questioned the replacement of a masonry screen wall with the same type of wall.

Christiansen responded the existing panel wall is in bad shape. He stated the developer will restore it and landscape the entire perimeter.

Schneemann expressed concern regarding whether there will be compliance with the PUD requirement that the Grand River building be constructed within a specified time frame. He stated if the facility is that valuable to Suburban Collection they will agree to the Grand River building, but if it is not constructed within the time frame he doubts they will vacate the property.

Schneemann further expressed concern regarding the banal look of the proposed building which is unfortunate because of its location as the gateway to Farmington.

Cowley confirmed with the City Attorney that the potential two owners of the property will both be required to comply with the requirements of the PUD. He further confirmed that if things "unraveled" both owners would be held responsible. He pointed out the developer has exhausted all other avenues in trying to develop this property.

Cowley questioned if Suburban Collection's business model fails, would the development of that property preclude any future development.

Schneemann responded no, the property could still be developed for other uses including residential.

Christiansen discussed the specifics of the project including the timeline, ownership of the properties, and repurposing the site. He stated the Tile Shop

and the Suburban Collection would be done first.

Responding to a question from Cowley, Christiansen confirmed that if the gas station is acquired as part of this development the PUD would have to be amended.

Cowley expressed support for the project, but would like to lock down the PUD.

McShane requested that the agreement prohibit trucks from loading and unloading after 10:00 p.m. She noted the east side of the development property abuts Jamestown Apartments with 100's of residents. She further noted to the south there are a number of Chatham Hills homes that abut the property. She advised it is important to keep these residents in mind when developing standards for trucks, lighting, etc.

McShane concurred with Schneemann regarding the banal façade of the Grand River building. She liked the proposed redo of the Tile Shop. She believes there needs to be a time limit on the development of the Grand River building. She does not think that the court would force Suburban Collection out if the building is not constructed within the time frame.

Schultz stated if the Grand River building is important to Council the developer has to find a way to give assurances that it will be built.

Pastue advised the PUD was drafted to state the Grand River building is critical for the screening of the Suburban Collection structure.

McShane stated a PUD should be reserved for a higher quality development that could otherwise not be achieved under existing zoning. She commented this development could be a good solution for the K-Mart property if the Grand River building is constructed. She stated without that building all that is created is a parking lot with cars.

Schultz advised if there really is an objection to the architecture of the building it should be resolved up front through the PUD.

Christiansen pointed out the façade proposal is very preliminary.

Scott would like to ensure that within the PUD the Suburban Collection handles only new cars, no damaged or used cars, no tractor trailer storage, no parking to spill out on the other lots. He expressed concern regarding the potential noise, but believes it is addressed through the city's noise ordinance. He stated the one thing he did not see is cross access for the Tile Shop and Office Building along the stretch on the north side of lot 4. He noted if the Tile Shop has 3-4 semi-trucks they have no way to get out. He suggested the site plan should be modified.

Scott stated the landscape screening should be installed on the south side of lot 2 prior to development. He suggested installing a filter for the storm system. He noted there is a lot of parking without any trees. He would not be voting for

this project if not for the Grand River building.

Schneemann questioned what the property would look like if the Grand River building was not built in the first 3 years.

Christiansen responded the owner would hold the development of that site until the market warrants moving forward. However, the perimeter landscaping and site improvements would be completed because they would have to serve as cross access easement for the Tile Shop and for the entire property to function.

Schneemann stated his support for the development as long as it is all done simultaneously. McShane concurred with Schneemann.

Discussion followed regarding designating a specific timeline to the entire development.

Galvin would like the wall to the far south of the property that abuts the Chatham Hills property replaced with an 8' high wall. He noted the wall that abuts Jamestown is 8 feet high. He questioned whether the traffic patterns of trucks need to be limited, or weight limits on other roads need to be reviewed, in order to prohibit trucks from using residential streets. He expressed support for allowing 12 months for the development of the Grand River building.

Discussion followed regarding the likely traffic patterns of the trucks.

Galvin suggested councilmembers provide Attorney Schultz with their ideas on the façade for the Grand River building.

Pastue stated that since this building is a gateway to the city there may be a reason to include final council approval in the PUD agreement. He will recommend a 3-year freeze on taxes through the Commercial Rehabilitation District. Galvin concurred with this recommendation.

McShane reiterated she would like to see the Grand River building developed the same time as the Suburban Collection property. She questioned why give the developer 12 months if he is ready to do it now.

Galvin believed starting the Grand River building project within 12 months is reasonable.

Schultz recommended using a step plan in terms of timeframes for submitting permits, site plans, etc.

Schneemann expressed concern regarding the development of the Grand River building if during the 12-month period the vehicle storage is in place, but the economy turns south or something else adversely affects the project. He questioned how much money the city is willing to spend to force development of the building versus Suburban's defense of their right to keep the cars.

Schultz advised the city could require development of the Grand River building

first before the development of the Suburban Collection property.

Christiansen stated he believes Suburban will do what is necessary to ensure their vehicle storage moves forward. He suggested that Suburban may occupy some of the Grand River building.

Schneemann recommended allowing Suburban to bring their cars on site after construction on the Grand River building has begun.

Galvin noted people would like to see the K-Mart building gone and would rather see a sea of parking for twelve months.

Scott stated he would like to see a time limit for completion of the Grand River building.

Schultz stated he will need to add to the agreement a timeline for final site plan approval.

Pastue stated he would like to see the PUD agreement on the October 20th agenda.

8. PROPOSED FLANDERS RESIDENTIAL PLANNED UNIT DEVELOPEMENT AGREEMENT

1. Review of Proposed Flanders Residential Planned Unit Development Agreement and Site Plan

Christiansen briefly reviewed the proposed site plan for the Flanders property which included the following changes: park went from 1.68 to a 2.26 acres, no double-loaded horseshoe road, number of lots from 34 to 33, and reduced size per lot. He advised the entire site needs to be de-watered. He noted the price point is approximately \$240k. He stated improvements to the park is still an open issue.

Council expressed their support for the project.

Pastue advised the city will keep negotiating the park improvements. He expressed support for limestone or something other than asphalt for the park trail.

9. PURCHASE OF A 2015 FORD F250 SUPER CAB

1. Consideration to Authorize the Purchase of a 2015 Ford F250 Super Cab for the Department of Public Services

Pastue reviewed a request from the Department of Public Services to purchase of new mower.

Motion to approve purchase of a new mower for the Public Works Department from Weingartz of Farmington Hills in the amount of \$13,397.

The votes were taken in the following order: Galvin, McShane, Schneemann, Scott, Cowley.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Cowley, Councilmember
SECONDER:	Steve Schneemann, Mayor Pro Tem
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

10. CLOSED SESSION

1. Motion enter closed session to discuss City Attorney's correspondence regarding litigation.

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

The votes were taken in the following order: McShane, Schneemann, Scott, Cowley, Galvin.

Council entered closed session at 9:26 p.m.

2. Motion to exit closed session.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Steve Schneemann, Mayor Pro Tem
AYES:	Cowley, Galvin, McShane, Schneemann, Scott

Council exited closed session at 9:41 p.m.

11. COUNCIL COMMENT

Responding to a question from Cowley, Pastue provided an update on the status of the redevelopment of Maxfield Training Center.

Schneemann commented he recently attended a ribbon cutting at Waste Management. He stated they have a whole fleet of natural gas vehicles. He was very impressed with what they are doing.

Galvin noted he recently had lunch with the new Farmington Public Schools Superintendent, George Heitsch. He stated the superintendent expressed interest in working with the city and understood the importance of redeveloping the Maxfield Training Center property.

12. ADJOURNMENT

1. Motion to adjourn the meeting.

<p>RESULT: APPROVED [UNANIMOUS] MOVER: JoAnne McShane, Councilmember SECONDER: Jeff Scott, Councilmember AYES: Cowley, Galvin, McShane, Schneemann, Scott</p>

The meeting adjourned at 9:46 p.m.

William E. Galvin, Mayor

Susan K. Halberstadt, City Clerk

Approval Date: _____