

FARMINGTON CITY COUNCIL
SPECIAL MEETING

A special meeting of the Farmington City Council was held on Tuesday, May 15, 2007, in Council Chambers, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:14 p.m. by Mayor McShane.

COUNCIL MEMBERS PRESENT: Buck, Knol, McShane, Wiggins, Wright.

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: City Manager Pastue, Recording Secretary Schmidt, Treasurer Weber.

APPROVAL OF AGENDA

05-07-89 MOTION by Wright, seconded by Wiggins, to approve the agenda as submitted. MOTION CARRIED UNANIMOUSLY.

PRESENTATION – DOWNTOWN DEVELOPMENT AUTHORITY PROPOSED BUDGET, DDA EXECUTIVE DIRECTOR ANNETTE KNOWLES

Annette Knowles, Executive Director of the Farmington Downtown Development Authority (DDA), presented the DDA budget for Fiscal Year 2007-2008. She stated the DDA is trying to be more pro-active, is linking budget activities with items in the work plan and she reviewed goals and objectives.

Knowles reviewed the work plans for Main Street; Marketing and Promotions including hiring a marketing coordinator; Organization Committee; Design Committee; and Economic Restructuring Committee.

Mayor McShane asked if the ongoing image building process is tied in with creating a marketing program to increase awareness and build Downtown image. Knowles replied that it is and the DDA is trying to broaden certain trade areas in the City through marketing efforts.

Greg Cowley, DDA President, discussed the vision of the Downtown and the Economic Restructuring Committee's task to learn about economic conditions and growth opportunities.

Councilmember Buck asked if there is flexibility regarding personal property tax abatements. Councilmember Knol replied abatements are legislated by the State. Knowles noted tax increment financing revenue would be used, but only for public improvements. Knol stated the Commercial Re-Development Act changed and it can be used for tax abatement, which applies to multi-family and commercial properties if they meet certain qualifications. Discussion followed regarding incentives for new business and other areas comparable to Farmington.

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Buck asked about attracting diners for existing restaurants. Cowley responded that the right type of chain restaurant would bring in more diners. Knol stated the Parking Study is key for new businesses to come to Farmington.

Director Knowles continued to review the DDA budget noting proposed revenues and expenditures for 2007-2008.

Discussion followed regarding land acquisition under capital outlay. Responding to a question from Councilmember Wiggins, Knowles stated funds from the Principal Shopping District (PSD) is earmarked for maintenance and promotion of the Downtown.

Responding to a question from Mayor McShane, Knowles stated the line item for professional services includes: consultant studies, update Development Plan, and marketing analysis. She further replied that rental fees covered DDA office space and that the Farmer's Market administrator works out of his home. Knowles also noted they would eventually like to consolidate space.

Wright discussed fund balance comparisons from the previous budget to the proposed budget. He asked about future trends and improvements. Knowles responded that committees continue to perform well with limited resources, staying within budget for future activities, provide validity to specific fund sources, and an effective planning process. Cowley discussed measurement tools that could be used by the DDA.

Buck commended the DDA for doing a great job, noted the opening of the Farmer's Market and suggested providing more activity in the Downtown on Monday, Tuesday and Wednesday.

Knol stated businesses are willing to pay tax dollars when they see results, and she voiced her appreciation for the DDA's accountability.

McShane commended Director Knowles for a well-put together budget and for the DDA's efforts to bring in new business.

Council took a break at 7:20 p.m. and resumed the meeting at 7:33 p.m.

Pastue stated any line item changes regarding the DDA Budget needed to be done before its adoption on June 4, 2007.

REVIEW OF CITY MANAGER'S FISCAL YEAR 2007-08 PROPOSED BUDGET

Pastue stated long-term budget objectives are to maintain existing level of services, millage rate of 14.4163, Standard and Poors AA bond rating, 25% expense fund balance ratio, street funds exceeding fund balance targets, continue to maintain the City's infrastructure, and evaluate operational efficiencies.

Pastue listed state and regional economy challenges. Discussion followed regarding retiree health care and funding.

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Pastue reviewed restructuring administrative and department functions and personnel expenses.

Pastue presented the City Manager's budget that included Street Funds, Water and Sewer Fund, Theatre Fund, and Capital Improvement Fund.

Responding to a question by Councilmember Wright, Pastue stated that the 12% change in personnel expenses under the Water and Sewer Fund is the combination of salaries and fringes.

Wright noted residents in his neighborhood have been required over time to redo their plumbing from their house to the street. Discussion followed regarding the financial responsibility of the City and residents to complete this service.

Councilmember Wiggins asked if the water and sewer fees from Detroit included administration fees. Pastue responded that quarterly fees are included. Discussion followed regarding an estimated rate change of 2.8% based on 20,000 gallons of water per quarter. Pastue reviewed long-term considerations and fund balance for the Water and Sewer Fund.

McShane and Knol suggested paying the water and sewer bill on-line with a credit card. Weber reviewed his findings regarding fees and provided details of credit card use. Discussion followed regarding on-line and administration fees.

Buck asked for clarification of the Water and Sewer Fund balance. Discussion followed regarding rate structure.

McShane asked Pastue if he knew how many hours Assistant City Manager Richards spends on the Civic Theatre. Pastue responded he did not know, but indicated Richards is working on special rental requests and his time spent on the theatre is changing.

Discussion followed regarding resident and non-resident fees for the Civic Theatre.

Pastue discussed appointing an advisory person for the theatre. Buck suggested the theatre could be used as a marketing opportunity to bring people into the City for dinner and a movie.

Responding to a question from Knol, City Manager Pastue stated the Civic Theatre website is up-to-date.

Buck inquired if there is a potential to combine the positions of Marketing Co-coordinator for the DDA and Civic Theatre advisory person. Knol suggested that the whole operation be moved to the DDA. Buck discussed how to create more collaboration with the DDA. Discussion followed regarding expansion of the DDA. Buck suggested collaborating with the DDA to sell more admission tickets for the Civic

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Theatre. McShane noted the City is changing and concurred with Buck regarding a coordinator for the DDA and the Civic. Knol suggested hiring a Community Development Director to handle parks and recreation and planning.

McShane stated she would like to see the costs for in-kind services and staff hours for the Founders Festival included in the budget.

Wright inquired if there is a committee that works with the City and represents the citizens' interest in the Civic. Pastue replied there was a committee in the past. McShane stated she would like to have a review of Civic Theatre goals.

Pastue noted attendance has been declining at the Civic Theatre and that it is industry wide.

Pastue voiced concern about Capital Improvement expenditures due to the economy and State finances.

Pastue noted the line item regarding Farmington Hills Skate Park. Buck stated he would like to see Farmington Hills Parks and Recreation budget to determine what was allocated for Farmington activities. Knol stated the switchback ramp at Shiawassee Park should take precedence over the skate park since the grant would be lost if not used.

Discussion followed regarding shared services with Farmington Hills and related budget funding. McShane expressed concern with the line item for shared services with Farmington Hills. McShane stated her support for sharing services, but funding detail needs to be provided. Council concurred to change item "h" under Capital Improvement Fund to read "Recreational/Shared Projects - \$30,000".

Council concurred to discuss the remainder of the proposed budget at another session.

Pastue finished presenting the Capital Improvement Fund.

Knol requested that copies of the power point presentation on the remainder of the budget be sent to Councilmembers prior to the next budget meeting.

OTHER BUSINESS

There was no other business.

PUBLIC COMMENT

There was no public comment.

COUNCIL COMMENT

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Buck noted a Walkability Meeting with the DDA on Thursday morning at 7:30 a.m. starting at City Hall.

Buck further noted the DDA scheduled a marketing meeting on Friday.

McShane noted Starbucks will undergo remodeling.

ADJOURNMENT

05-07-90 MOTION by Wright, seconded by Knol, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 9:26 p.m.

JoAnne M. McShane, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: June 18, 2007