

CITY COUNCIL MEMBERS
Jason Lindauer, Mayor
Cheri Albertson, Mayor Pro-Tem
Peter Feeney
Frank Hammer
Melissa Johnson
Jane Pacheco
Marcia White

DRAFT
CITY OF CHELSEA
REGULAR COUNCIL MEETING
TUESDAY, SEPTEMBER 5, 2017
311 S. MAIN ST.
CHELSEA, MI 48118

CITY MANAGER
John P. Hanifan

CITY CLERK
Laura Kaiser

DEPUTY CLERK
Karon Barbour

Call to Order

Present: Mayor Lindauer, Council Members Albertson, Feeney, Hammer, Johnson, Pacheco, City Manager Hanifan, City Clerk Kaiser
Absent: White

Mayor Lindauer called the meeting to order at 7:00pm.

Pledge of Allegiance

Approval of Consent Agenda

1. Meeting minutes of the August 21, 2017 regular meeting
2. Approval of Bills

MOVED Hammer SECONDED Feeney to approve the consent agenda. All Ayes. Motion Carried.

Approval of Regular Agenda

MOVED Albertson SECONDED Feeney to approve the regular agenda. All Ayes. Motion carried.

Public Comments

1. Chelsea Area Fire Authority Fire Chief, Rob Arbin presented information to council regarding the upcoming millage request. The current millage of 1.7877 expires next year. The new millage request is for 2.4 mills.
2. Lynn Fox of the Human Rights Commission let council know that she and other members are present to answer any questions they have regarding the By-laws.
3. Dan Kaminsky of the Human Rights Commission spoke to council regarding the Human Rights Commission By-laws. He said the commission has worked hard and put a lot of thought into the document and appreciates council considering their comments.

Presentations – none

Public Hearing – none

Council Business

1. Human Rights Commission By-laws Amended

(submitted by City Manager Hanifan)

Attached for review and approval are the By-laws for the Human Rights Commission (HRC) with proposed amendments. Also attached is the amended complaint form the HRC is recommending the City use. Attached are the comments from the Human Rights Commission.

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MOVED Pacheco SECONDED Feeney to table this agenda item to allow for a work session to be scheduled. All Ayes. Motion Carried.

MOVED Albertson SECONDED Pacheco to suspend Roberts Rules of Order for the purpose of amending the agenda. All Ayes. Motion Carried.

MOVED Albertson SECONDED Feeney to amend the agenda and include item 1a – Set Work Session with Human Rights Commission. All Ayes. Motion Carried.

1a. Set Work Session with Human Rights Commission

(Item added to agenda)

MOVED Johnson SECONDED Hammer to set work session with the Human Rights Commission to discuss the HRC By-laws for Monday, September 18th, 2017 at 6:00 pm in the City Council chambers. All Ayes. Motion Carried.

2. Pierce Park Design Request for Proposals (RFP)

(submitted by City Manager Hanifan).

On June 2, 2014 the City Council established a Parks and Recreation Plan Steering Committee to develop the Parks and Recreation Master Plan 5 year update. The Parks Committee is working on enhancements/design improvements to Pierce Park. The Pierce park section of the Parks Plan is attached. The Committee and staff are requesting permission from council to issue an RFP for design services.

MOVED Hammer SECONDED Feeney to authorize staff to issue a Request for Proposals (RFP) for design services for Pierce Park. All Ayes. Motion Carried.

3. Consent Judgement Attorney's Fees

(submitted by City Manager Hanifan)

As part of the Consent Order, City agreed to pay attorney fees as follows; \$25,000 to the Finnegan Heberle Law Firm and \$5,000 to Attorney Ken Klaus. Council should amend the 2017-2018 City General Fund budget to reflect the use of cash balance to cover AD Consent Order fees by increasing revenue account 101.000.694 (other income) by \$30,000 and increasing the associated expense account 101.420.801 (professional service fees) by \$30,000 (101.420.801000).

MOVED Albertson SECONDED Johnson to pay attorney fees as specified: \$25,000 to Finnegan Heberle and \$5,000 to Ken Klaus. All Ayes. Motion Carried.

MOVED Pacheco SECONDED Hammer to approve budget amendments as specified. All Ayes. Motion Carried.

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4. Amendment to City Manager's Contract

(submitted by Mayor Lindauer & City Council)

City and City Manager desire an amendment to the City Manager's current employment agreement (attached). The amendments are:

- Extension of the agreement, with an expiration of June 30, 2021
- Nine (9) months of severance in the event of dismissal

MOVED Pacheco SECONDED Albertson to approve amendments as submitted and authorize Mayor to sign amended agreement. All Ayes. Motion Carried.

5. Ordinance No. 116-2017-15 First Reading

(submitted by Planning & Zoning Director Linfield)

First reading of Ordinance No. 116-2017-15 to amend Section 4.17B Central Business District (C-5), of the Chelsea Zoning Ordinance, to provide for a new special use category for the manufacturing of beverages not associated with a bar, lounge or restaurant. The following text amendment language was petitioned by Ugly Dog Distillery, LLC.

"14. Manufacturing of beverages when combined with accessory uses such as retail sales, tasting room or special event space, provided that the manufacturing operation does not exceed 6,000 square feet and storage of ingredients and finished inventory are housed in the building until the event of use, including sale."

On 8/15/17, the Planning Commission held a public hearing regarding the proposed language. (Comments received at the public hearing were all in support of the amendment.) That same night, the Planning Commission made a motion to recommend that City Council consider the proposed amendment contingent upon legal review.

On 9/1/17, the attached legal review was received from Keusch, Flintoft & Fink, PLLC. As a result of the legal review, the following revised text amendment language was recommended. (Attached Ordinance No. 166-2017-15 is based on the proposed language from the legal review.)

"14. Manufacturing of beverages when it is in combination with a permitted use such as indoor retail sales, and establishment serving alcoholic beverages (tasting room) or a place of assembly (special event space). The amount of floor space allowed to be used by the manufacturing activities will be determined on a permit by permit basis depending on the size and nature of the building."

Council Members Pacheco and Johnson expressed concern with the language of the ordinance and how it would apply to future requests and the pros and cons of using a percentage method in the permitting process.

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MOVED Hammer SECONDED Albertson to accept the First Reading of Ordinance No. 166-2017-015 AND place Second Reading of Ordinance No.166-2017-015 on the council agenda for September 18, 2017 for Second Reading and adoption. 5 Ayes, 1 Nay (Johnson). Motion Carried.

6. Request Public Hearing for Gestamp's IFT Application

(submitted by City Clerk Kaiser)

PA 198 of 1974 - Plant Rehabilitation Industrial Development Districts Act (known as the Industrial Facilities Exemption) is designed to provide a stimulus in the form of significant tax incentives to industry to renovate and expand aging plants, build new plants, and promote establishment of research and development laboratories and retain employment. A summary of this Act is attached. More information can be found at www.michigan.gov/propertytaxexemptions

Gestamp North America of 5800 Sibley Road has submitted an application for IFT (Industrial Facilities Tax) exemption for real property in the amount of \$15,219,155 to establish a new chassis manufacturing operation at the former Jaytec facility.

Pursuant to PA 198 of 1974 a public hearing on the proposed request must be held. City Council is asked to set the Public Hearing for this application for Monday, October 2, 2017 at 7:00 p.m.

MOVED Hammer SECONDED Feeney to set the public hearing to review the application for Industrial Facilities Tax Exemption for Gestamp North America for Monday, October 2, 2017 at 7:00pm. All Ayes. Motion Carried.

Staff Reports

- City Manager Hanifan said the Traffic Calming Campaign has been launched to help change driver behavior to improve safety. They are focusing on Stops, Signals and Speeds. Mr. Hanifan thanked council for extending his employment contract and that he enjoys working for the city. A work session with the Human Rights Commission is scheduled for Monday, September 18th at 6:00 pm in the council chambers.

Council Reports

- Council Member Albertson asked drivers to slow down on Freer Road. Ms. Albertson participated in the Chelsea Fair Parade and said the weather was perfect and the parade was awesome. She enjoyed riding in the city vehicle with Mayor Lindauer and two young Chelsea citizens. City Manager Hanifan added a comment that if anyone sees bad driving behavior they should contact the police department.
- Council Member Feeney also said to report any careless speeding and driving to the police department.

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- Council Member Hammer reported that Washtenaw County has extended the public hearing dates for the Solid Waste Plan. Mr. Hammer was very pleased that the Flanders motorcycle was driven in the Chelsea Fair Parade. However, he was sad to report that the person who identified the Flanders motorcycle in California and was instrumental in the rebuilding of the bike has passed away.
- Council Member Johnson spoke about the Traffic Calming Campaign and asked everyone to use extra caution at cross walks and to stop at the white line. The campaign can be reviewed on the City website. She strongly encourages people to report any traffic violators. The Transportation committee will be working on traffic strategies for Freer Rd. and Washington St. The Parks committee meets next Tuesday, September 12th at 9:00am. These meetings are open to the public.
- Council Member Pacheco reported on the August 23rd WWRA meeting. She explained that recycle containers belong to the property. Please leave the recycle containers at the property if you move. Reggie the Recycling Raccoon made an appearance at the Chelsea Fair Parade. WWRA has part-time and full-time job openings. Ms. Pacheco will be attending the joint work session with Planning Commission on Wednesday, September 6th to discuss the draft Master Plan. The draft Master Plan is open for public input until September 11th, 2017 and is on the City website home page.
- Council Member White was absent.
- Mayor Lindauer enjoyed representing City Council in the Chelsea Fair Parade along with Council Member Albertson. He said it was a wonderful, memorable event and it was his privilege to participate. He thanked City employee, Bruce Rhees for driving and for his professionalism. Mayor Lindauer will attend the Administrative and Finance Board meeting of Ann Arbor Spark.

Adjournment

MOVED Hammer SECONDED Johnson to adjourn at 8:17 pm. All Ayes. Motion Carried.

Approved:

Jason F. Lindauer, Mayor

Laura Kaiser, Clerk