



**CITY OF OAK PARK, MICHIGAN
REGULAR COUNCIL MEETING OF THE
36th OAK PARK CITY COUNCIL
August 7, 2017
7:00 PM**

MINUTES

The meeting was called to order at 7:00 PM by Mayor McClellan in the Council Chambers of City Hall located at 14000 Oak Park Boulevard, Oak Park, MI 48237. (248) 691-7544.

PRESENT: Mayor McClellan, Mayor Pro Tem Burns, Council Member Rich,
Council Member Radner

ABSENT: Council Member Speech

OTHERS

PRESENT: City Manager Tungate, City Clerk Norris, City Attorney Duff

APPROVAL OF AGENDA:

**CM-08-334-17 (AGENDA ITEM #4) ADOPTION OF THE AGENDA AS
PRESENTED – APPROVED**

Motion by Radner, seconded by Burns, CARRIED UNANIMOUSLY, to approve the agenda as presented.

Voice Vote: Yes: McClellan, Burns, Rich, Radner
 No: None
 Absent: Speech

MOTION DECLARED ADOPTED

Mayor McClellan noted that a revised agenda item for 15F referencing a name change from Balfour Court to Curtis Court was provided to Council.

CONSENT AGENDA:

CM-08-335-17 (AGENDA ITEM #5A-F) CONSENT AGENDA - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to approve the Consent Agenda consisting of the following items:

- A. Regular Council Meeting Minutes of July 17, 2017 **CM-08-336-17**
- B. Special Council Meeting Minutes of July 27, 2017 **CM-08-337-17**
- C. Retirement Board Meeting Minutes of April 24, 2017, June 26, 2017 and July 10, 2017
CM-08-338-17
- D. Zoning Board of Appeals Meeting Minutes of June 27, 2017 **CM-08-339-17**
- E. Payment Application No. 3 for the 2017 Water Main Replacement Project, M-649, to Aielli Construction Co. for the amount of \$102,697.87 **CM-08-340-17**

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to approve the following Special Event request subject to all departmental approvals:

Name	Event	Fee
Book Beat 26010 Greenfield	Outdoor book sale and store celebration August 27, 2017 Noon – 5:00 PM	\$100 (paid)

Voice Vote: Yes: McClellan, Burns, Rich, Radner
 No: None
 Absent: Speech

MOTION DECLARED ADOPTED

ACCOUNTING REPORTS:

CM-08-343-17 (AGENDA ITEM #11A) APPROVAL FOR PAYMENT OF INVOICES SUBMITTED BY SECREST, WARDLE, LYNCH, HAMPTON, TRUEX & MORLEY, P.C. FOR LEGAL SERVICES IN THE TOTAL AMOUNT OF \$8,289.13 - APPROVED

Motion by Radner, seconded by Rich, CARRIED UNANIMOUSLY, to approve payment of invoices #1302505 and 1312391 submitted by Secrest, Wardle, Lynch, Hampton, Truex & Morley, P.C. for legal services in the total amount of \$8,289.13.

Roll Call Vote: Yes: McClellan, Burns, Radner, Rich
 No: None
 Absent: Speech

MOTION DECLARED ADOPTED

BIDS:

CM-08-344-17 (AGENDA ITEM #12A) BID AWARD FOR 2017 MISCELLANEOUS SEWER REPAIR PROJECT, M-671, TO BRICCO EXCAVATING OF OAK PARK, MI FOR THE TOTAL AMOUNT OF \$117,260.00 - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to award the bid for 2017 Miscellaneous Sewer Repair Project, M-671, to Bricco Excavating of Oak Park, MI for the total amount of \$117,260.00.

Roll Call Vote: Yes: McClellan, Burns, Radner, Rich
 No: None
 Absent: Speech

MOTION DECLARED ADOPTED

ORDINANCES:

CM-08-345-17 (AGENDA ITEM #13A) FIRST READING OF AN ORDINANCE TO PROVIDE FOR A SERVICE CHARGE IN LIEU OF TAXES FOR A HOUSING DEVELOPMENT KNOWN AS COOLIDGE PLACE LOCATED AT 2111 COOLIDGE HIGHWAY - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to approve the first reading of the following ordinance to provide for a service charge in lieu of taxes for a housing development known as Coolidge Place located at 2111 Coolidge Highway:

CITY OF OAK PARK, MICHIGAN

TAX EXEMPTION ORDINANCE- COOLIDGE PLACE PILOT

An Ordinance to provide for a service charge in lieu of taxes for a housing development for low income persons and families to be financed with a federally-aided Mortgage Loan pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*) (the "Act").

THE CITY OF OAK PARK ORDAINS:

SECTION 1. This ordinance shall be known and cited as the City of Oak Park Tax Exemption Ordinance-Coolidge Place

SECTION 2. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing development that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City acknowledges that the Sponsor, Spero Housing, (as defined below) has offered, subject to receipt of an allocation under the LIHTC Program by the Michigan State Housing Development Authority, to rehabilitate, own and operate a housing development identified as Coolidge Place on certain property located at 21111 Coolidge Highway, in the City, to serve low income persons and families, and that the Sponsor has offered to pay the City on account of this housing development an annual service charge for public services in lieu of all *ad valorem* property taxes.

SECTION 3. Definitions.

- A. Annual Shelter Rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing development representing rent or occupancy charges exclusive of Utilities.

- B. Authority means the Michigan State Housing Development Authority.
- C. LIHTC Program means the Low Income Housing Tax Credit program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.
- D. Low Income Persons and Families means persons and families eligible to move into a housing development.
- E. Mortgage Loan means a loan that is Federally-Aided (as defined in Section 11 of the Act) or a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of a housing development, and secured by a mortgage on the housing development.
- F. Sponsor means Spero Housing and any entity that receives or assumes a Mortgage Loan.
- G. Utilities mean charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing development.

SECTION 4. Class of Housing Developments.

It is determined that the class of housing developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing developments for Low Income Persons and Families that are financed with a Mortgage Loan. It is further determined that Coolidge Place is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing development identified as Coolidge Place and the property on which it will be located shall be exempt from all *ad valorem* property taxes from and after the commencement of construction or rehabilitation. The City acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing development in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing development for exemption from all *ad valorem* property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to rehabilitate, construct and operate the housing development, the City agrees to accept payment of an annual service charge for public services in lieu of all *ad valorem* property taxes. Subject to receipt of a Mortgage Loan, the annual service charge shall be equal to fifteen percent of the Annual Shelter Rents actually collected by the housing development during each operating year, however it is expressly understood and agreed that in any event, the minimum annual service charge to be paid for years one through 18 will be equal to the projections submitted by Sponsor in support of its request for the PILOT as approved by City Council.

SECTION 6. Contractual Effect of Ordinance.

Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 7. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing development that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing development if the housing development were not tax exempt.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before May 1 of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1 et seq.).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate for so long as a Mortgage Loan remains outstanding and unpaid and the housing development remains subject to income and rent restrictions under the LIHTC Program.

SECTION 10. Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provisions of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

SECTION 11. Inconsistent Ordinances.

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

SECTION 12. Effective Date.

This ordinance shall become effective ten (10) days from the date of its passage and shall be published as required by the Charter of the City of Oak Park.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Community and Economic Development Director Marrone summarized the ordinance that would provide for a PILOT incentive for the Coolidge Place development.

Service Fee/PILOT housing is an agreement between a municipality and a property owner (private or public) to pay a service fee instead of property taxes. Regardless of the amount of rent paid, the Income Tax Act provides that a renter living in Service Fee/PILOT housing must calculate the property tax credit using only 10% of rent paid.

Ms. Marrone explained that often, Service Fee/PILOT housing is low income or senior citizen housing that can include an apartment or single family home rentals. Coolidge Place is a low income project to provide better housing for seniors and families in need. The tenants will go through a strict screening process.

CITY ATTORNEY:

City Attorney Duff informed Council that work continues on ordinances pertaining to the implementation of civil infractions and a target date for their consideration would be in September.

CITY MANAGER:

Administration

(AGENDA ITEM #15A) Granzon Street Resurfacing Update. City Manager Tungate announced the completion of the Granzon Street Resurfacing Project and encouraged residents to help water the grass between the sidewalk and street.

Recreation

CM-08-346-17 (AGENDA ITEM #15B) MUNICIPAL CREDITS AND COMMUNITY CREDITS CONTRACT WITH SMART (SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION) FOR FISCAL YEAR JULY 2017 – JUNE 2018 - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to authorize the Recreation Department to renew their Municipal Credits and Community Credits Contract with SMART (Suburban Mobility Authority for Regional Transportation) for fiscal year July 2017 – June 2018.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Recreation Director Stasiak reviewed the request to renew the Municipal Credits and Community Credits Contract with SMART. This agreement allows the Recreation Department to operate/administer a senior transportation program. SMART intends to provide Oak Park \$28,842 of Municipal Credits and \$38,803 of Community Credits for fiscal year July 2017 – June 2018.

Community and Economic Development

(AGENDA ITEM #15C) Sherman Pop-up Park recap. Ms. Marrone provided a recap of the Sherman Pop-up Park initiative and reviewed the results of a survey given to residents.

CM-08-347-17 (AGENDA ITEM #15D) RESOLUTION SUPPORTING THE MEDC REDEVELOPMENT READY COMMUNITIES PROGRAM - APPROVED

Motion by Rich, seconded by Radner, CARRIED UNANIMOUSLY, to adopt the following resolution supporting the MEDC Redevelopment Ready Communities Program:

**CITY OF OAK PARK
OAKLAND COUNTY, MICHIGAN**

RESOLUTION AUTHORIZING THE IMPLEMENTATION OF RECOMMENDATIONS NECESSARY TO RECEIVE REDEVELOPMENT READY COMMUNITIES CERTIFICATION FROM THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC)

WHEREAS, The City of Oak Park has engaged in the MEDC Redevelopment Ready Communities Program, including entering into a Memorandum of Understanding with the MEDC and undergoing an evaluation of the City's redevelopment practices as reported in the Redevelopment Ready Communities Community Assessment Report and Evaluation of Findings dated July 2017; and

WHEREAS, The MEDC has developed a program for certifying Redevelopment Ready Communities and the City of Oak Park desires to achieve that certification by implementing best practices and recommended strategies for redevelopment; and

WHEREAS, The City of Oak Park has updated its Master Plan and development readiness is appropriately addressed in that document; and

WHEREAS, the program includes evaluating the strong partnerships with city boards and commissions related to development including the City Council, City Planning Commission, Zoning Board of Appeals and Corridor Improvement Authority; and

WHEREAS, after review of the Redevelopment Ready Community Report of Findings, the City of Oak Park is willing to complete the tasks as outlined, which will involve interaction with the aforementioned city councils and boards; and

WHEREAS, certain recommendations have and will be made by the MEDC that are required in order for the City to attain Redevelopment Ready Communities Certification;

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Oak Park, Michigan, hereby authorizes the implementation of recommendations made by MEDC that are necessary to receive Redevelopment Ready Communities Certification from MEDC.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich, Speech
	No:	None
	Absent:	None

MOTION DECLARED ADOPTED

Ms. Marrone reported that Christopher Germaine from the MEDC presented the RRC Report of Findings at the July 5, 2017 City Council Meeting. She explained the proposed resolution will accept the Report of Findings as presented and confirm the City's participation in moving forward with the RRC Certification Process.

CM-08-348-17 (AGENDA ITEM #15E) PURCHASE AGREEMENT WITH SPERO HOUSING FOR PROPERTIES LOCATED AT 21111-21435 COOLIDGE HIGHWAY - APPROVED

Motion by Rich, seconded by Radner, CARRIED UNANIMOUSLY, to authorize the City Manager to enter into a purchase agreement with SPERO Housing for properties located at 21111-21435 Coolidge Highway.

Roll Call Vote: Yes: McClellan, Burns, Radner, Rich
 No: None
 Absent: Speech

MOTION DECLARED ADOPTED

CM-08-349-17 (AGENDA ITEM #15F) ACCEPTANCE OF THE CURTIS COURT DEDICATION FROM BALFOUR COMPANY LLC - APPROVED

Motion by Rich, seconded by Radner, CARRIED UNANIMOUSLY, to approve the following resolution accepting the Curtis Court dedication from Balfour Company LLC:

CITY OF OAK PARK
OAKLAND COUNTY, MICHIGAN

RESOLUTION TO APPROVE THE ACCEPTANCE OF THE CURTIS COURT DEDICATION FROM BALFOUR COMPANY LLC

At a Regular Meeting of the City Council of the City of Oak Park, Oakland County, Michigan, held at Oak Park City Hall located at 14000 Oak Park Boulevard on Monday, August 7, 2017 at 7:00 p.m.

The following preamble and resolution was offered by Rich and seconded by Radner to approve the City of Oak Park's Acceptance of the Curtis Court Dedication as follows:

WHEREAS, there exists a private road, which serves several properties in the City of Oak Park on the south side of Balfour Ave, West of Coolidge, between Gardner and Karen Streets; and

WHEREAS, the owner, Balfour Company LLC, desires to dedicate and convey Curtis Court, as described in the attached Exhibit A, to the City of Oak Park for public highway purposes, which the City will hereafter own and maintain; and

THEREFORE, BE IT RESOLVED that the Oak Park City Council, on behalf of the City of Oak Park, accepts the Quit Claim Deed from Balfour Company LLC, a Michigan limited liability company, dedicating and conveying Curtis Court to the City of Oak Park.

IT IS FURTHER RESOLVED that the road described in the attached Exhibit A shall be dedicated as Curtis Court.

IT IS FURTHER RESOLVED, that Curtis Court, as described in the attached Exhibit A, is accepted as of this date into the City of Oak Park's local street system as a public highway for public highway purposes. It is open for public use and under the jurisdiction and control of the City of Oak Park.

IT IS FURTHER RESOLVED, that the City Attorney shall record the Quit Claim deed with the Oakland County Register of Deeds and, together with the City Administration, undertake any other appropriate steps to incorporate Curtis Court into the City of Oak Park's local street system, including but not limited to furnishing information the State of Michigan to place Curtis Court into the Oak Park local street system for purposes of obtaining funds under 1051 PA 51, as amended.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Ms. Marrone indicated that the Balfour Company created four new home sites and a road from two previous existing lots. The private road, commonly known as Curtis Court, serves these properties in the City of Oak Park on the south side of Balfour Ave, West of Coolidge, between Gardner and Karen Streets. The owner, Balfour Company LLC, desires to dedicate and convey Curtis Court, to the City of Oak Park for public highway purposes, which the City will hereafter own and maintain. She explained that adopting this resolution will authorize the execution of a Quit Claim Deed from Balfour Company LLC, a Michigan limited liability company, dedicating and conveying Curtis Court to the City of Oak. The street is open for public use and will be under the city's jurisdiction and control.

Department of Public Works

CM-08-350-17 (AGENDA ITEM #15G) CONTRACT EXTENSION FROM OWEN TREE SERVICE FOR THE 2017 CITY TREE BLOCK PRUNING PROJECT, M-674 IN THE TOTAL AMOUNT OF \$100,000.00 - APPROVED

Motion by Burns, seconded by Rich, CARRIED UNANIMOUSLY, to approve a contract extension from Owen Tree Service for the 2017 City Tree Block Pruning Project, M-674 in the total amount of \$100,000.00.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Deputy Director of Public Works Fortura indicated that Owen Tree Service, the contractor for the 2015 and 2016 City Tree Block Pruning Projects, has indicated they would like to execute the second year extension of their unit prices from these projects to perform the 2017 City Tree Block Pruning Project, M-674. He explained the current contract allows for up to a two (2) year extension. Funding is available in the Major and Local Street Funds for this expenditure.

Technical and Planning

CM-08-351-17 (AGENDA ITEM #15H) INTER-GOVERNMENTAL COST SHARING AGREEMENT WITH THE CITY OF FERNDALE TO CONSTRUCT THE WEST NINE MILE ROAD TRANSPORTATION ALTERNATIVES PROGRAM (TAP) PROJECT SUBJECT TO FINAL REVIEW BY THE CITY ATTORNEY - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to approve an inter-governmental cost sharing agreement with the City of Ferndale to construct the West Nine Mile Road Transportation Alternatives Program (TAP) project subject to final review by the City Attorney.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Assistant City Engineer Surles summarized the request to enter into an inter-governmental cost sharing agreement with the City of Ferndale for construction of the West Nine Mile Road Transportation Alternatives Program (TAP) 2018 Project. The agreement calls for the City of Ferndale to reimburse and make payment to the City of Oak Park for the construction and engineering costs undertaken in the their jurisdiction.

CM-08-352-17 (AGENDA ITEM #15I) RESOLUTION SUPPORTING CERTIFICATIONS AND AUTHORIZATIONS REQUIRED TO IMPLEMENT THE WEST NINE MILE ROAD TRANSPORTATION ALTERNATIVES PROGRAM (TAP) PROJECT - APPROVED

Motion by Radner, seconded by Rich, CARRIED UNANIMOUSLY, to approve the following resolution supporting certifications and authorizations required to implement the West Nine Mile Road Transportation Alternatives Program (TAP) project subject to final review by the City Attorney:

CITY OF OAK PARK
OAKLAND COUNTY, MICHIGAN

RESOLUTION IN SUPPORT OF TAP PROJECT IMPLEMENTATION

- WHEREAS, The City of Oak Park has discussed the feasibility of redesigning Nine Mile Road with the intent to create a downtown atmosphere and include bike lanes, streetscapes, and provide safe alternative transportation options along the Nine Mile Corridor; and
- WHEREAS, The City of Oak Park has worked with the Center for New Urbanism and Project for Public Spaces to engage the public for input and support of the project; and
- WHEREAS, The City of Oak Park has worked with the engineering firm of OHM Advisors to design and provide cost estimates for the project that includes a road diet, bike lanes, trailhead, streetscape and new lighting; and

WHEREAS, The City of Oak Park will partner with the City of Ferndale on this project to help increase connectivity between communities; and

WHEREAS, The City of Oak Park supports the acceptance of a Transportation Alternative Grant from the Michigan Department of Transportation (MDOT) and Southeast Michigan Council of Governments (SEMCOG) to assist with partial funding of the project;

WHEREAS, The City of Oak Park certifies that the financing is secured, available and committed for use in constructing the project;

WHEREAS, The City of Oak Park authorizes Kevin Yee, P.E., Assistant City Manager/Director of Public Works/City Engineer to act as the City's agent during project development and to sign a project agreement on the City's behalf upon receipt of a funding award for the project;

WHEREAS, The City of Oak Park commits to owning, operating, and implementing a maintenance program over the design life of the facilities constructed with TAP funds for the project;

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Oak Park, Michigan, hereby supports the Nine Mile Redesign Project and actions required for Transportation Alternative Program implementation.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

CALL TO THE AUDIENCE:

Ervin Milton and Sharon Vogal invited everyone to attend a performing arts event on October 22, 2017 celebrating the Bicentenary of the birth of Baha'ullah, the founder of Baha'I Faith.

CALL TO THE COUNCIL:

Mayor McClellan discussed the State's budget deficit.

Mayor Pro Tem Burns discussed the recent Summerfest event hosted by the City and thanked everyone for coming out.

Council Member Radner recognized his sister and nephew who were in the audience.

Council Member Rich wished everyone a good night.

ADJOURNMENT:

There being no further business to come before the City Council, Mayor McClellan adjourned the meeting at 8:20 P.M.

T. Edwin Norris, City Clerk

Marian McClellan, Mayor