

CITY OF FENTON COUNCIL PROCEEDINGS
Monday, August 25, 2014
City Hall Council Chambers
301 South LeRoy Street

Mayor Sue Osborn called the meeting to order at 7:31 PM.

The invocation for the evening was the Lord's Prayer and was followed by the Pledge of Allegiance.

Present: Bland, Grossmeyer, Jacob, King, Lockwood, McDermott, Osborn.
Absent: None.
Others Present: Lynn Markland, City Manager; Chris Patterson, Legal Counsel; Tonya Lall, Assessor and Dan Czarnecki, Director of Public Works.

Mayor Osborn called for a moment of silence to observe the passing of former City Councilman Benjamin Smith. The Mayor and Council offered their condolences to his family.

MAYOR'S COMMENTS

Osborn commented she spent the morning with Doug Tebo and members of the Phillips family at Oakwood Cemetery. She stated the FACT Committee is in the process of hiring a coordinator for all three school districts so there is more cohesiveness between the entities. She wished all a nice Labor Day weekend.

CITY MANAGER'S REPORT

Markland commented the Community Center project is going well. The floor is being poured and hopefully the first level walls will go up this week. He stated the pre-construction meeting for the streetscape project will be rescheduled.

COUNCIL MEMBER COMMENTS

Lockwood commented residents have called her regarding brush pick up. Czarnecki stated any resident can call City Hall and get on a list for brush picked up. Lockwood asked for a status of getting a traffic study done at the intersection of Torrey and North Roads. Bland responded a request has to be made from the City to the State to conduct a study. Lockwood asked that the marketing plan for the Streetscape plan be brought to City Council. She gave an update on the Land Bank meeting and stated fundraising for the Community Center is ongoing.

Bland commented he is glad to be feeling better and able to attend meetings. He thanked those that helped with the Lions Club Craft Show and that tickets for the Lions Club fundraiser are now available.

King gave an update on activities taking place at the Loose Senior Center.

LEGAL COUNSEL REPORT

Patterson commented he has been working on the Medical Marijuana ordinance and has revised the ordinance to incorporate comments received at the July work session and he will be attending the Planning Commission Thursday night where the ordinance will be discussed.

CITIZEN COMMENTS – Jason Gieseler and Kam Proos asked to speak on the Public Hearing for the Eagles on the Water’s Edge Townhomes Special Assessment District.

CONSENT AGENDA

Osborn reviewed all items that were on the Consent Agenda.

A motion was made by Bland and seconded by McDermott to approve the consent agenda containing the following items:

- Authorize payment of invoices in the amount of \$311,960.21.
- Approve and place on file the minutes of the July 15, 2014 Downtown Development Authority meeting, the August 4, 2014 City Council work session, the July 28, 2014 and August 11, 2014 City Council meetings.
- Approve the request from the Knights of Columbus to conduct the annual Mentally Impaired Drive on October 10, 11 and 12, 2014 at the intersections of Adelaide Street and High Street and Adelaide Street and North Road.

King commented she supports the Knights of Columbus but does not think volunteers should be working at street intersections.

YEAS: Bland, Grossmeyer, Jacob, King, Lockwood, McDermott, Osborn.
NAYS: None.
ABSENT: None. Motion carried by a roll call vote.

PUBLIC HEARING

Osborn stated a public hearing will be held to hear objections to the Eagles on the Water’s Edge Townhomes Special Assessment District.

Mayor Osborn opened the public hearing at 7:48 p.m.

Kam Proos, owner of 706, 786 and 753 Eagle Drive, commented he is in favor of the assessment and asked how it will be administered.

Markland responded the assessment will be for a ten year period and the City will be borrowing the money for it. The property owners will pay back the assessment along with interest and a 1% administration fee.

Jason Gieseler, 870 Eagle Drive, Townhomes Homeowners’ Association President, stated he is not against the assessment but asked to figure out a way to include the property the City owns in the assessment as future owners will benefit from this assessment. Currently, the assessment is being spread equally among current property owners and asked that something be figured out so that future development pays towards this assessment.

Markland stated the City is in unchartered territory as the City has never received part of a development through tax reversion and stated there are a number of different issues that need to be looked at. He will look into the issues Mr. Gieseler mentioned. He stated the Association approached the City about the assessment as the Association did not have the resources to complete the improvements and the original request did not include the City owned properties. He stated it is a Council decision whether or not to participate in the assessment. He stated the City owned property is being looked at to develop in a way other than originally planned. He stated the Council has the authority to adjust the assessment up or down based on the cost of or

any alterations to the project and noted the original plan was to top coat the streets. The project has been expanded to include parking lot upgrades and drainage improvements.

Osborn stated maybe there is some way to pass the cost of the assessment on to whoever purchases the City owned lots.

Markland stated one of the reasons the City accepted the property is because no one purchased the property when it originally went up for tax sale. If the City did not accept the property, it would have gone to the Land Bank. The City accepted the property to make sure it was developed in a way the community and City would expect it to be developed. If the property was owned by the Land Bank, they would collect the taxes for the first five years after they sold the property and the City would have lost any ability to gain revenue for five years after the property was developed.

Osborn stated the only thing being done tonight is establishing a special assessment district. She asked if anything has to be decided tonight regarding the City properties. Markland responded no.

Mr. Geiseler asked Council to keep in mind the roads are private and future maintenance is the responsibility of the property owners.

Sean Orzol, 12164 McIntosh Lane, Tyrone Township, owner of 810 Eagle Drive stated he agrees with the comments made by Mr. Geiseler. He asked that the City properties be subject to a partial assessment and thinks there is precedence for doing so. This has been done in other developments in Florida where vacant land was assessed a portion of the assessment. He thinks the City is doing the residents a favor by pushing through this assessment and that the City and future developer of the City property will benefit from this assessment. The developer will be driving heavy equipment on the roads during construction and asked that the City require a bond so any damage done to the roads are fixed. He would like the City to work with the residents and Association when the property is developed as they will be responsible for maintaining the property because it is private. He stated if the property is developed with fewer units than originally planned then maintenance costs would be split over fewer units.

Mayor Osborn closed the public hearing at 8:00 p.m.

Bland commented when the property is developed, any changes will have to go through the Planning Commission and the Association needs to attend those meetings to make their opinion known.

Markland stated there have been preliminary discussions with the Homeowners Association about the property. The property will likely be developed with less density as originally planned, but it needs to be looked at as to what will sell in today's market.

Lockwood agrees bonding should be required of the future developer to fix any damage done to the roads and landscaping. She asked how the 82 units will be assessed and asked for clarification if the assessment goes with the property if sold. Markland responded the assessment will be split evenly over the 82 units, which is what was requested of the City and normally assessments are paid at closing.

Lockwood asked if all property owners were notified of tonight's public hearing. Markland responded yes. Czarnecki responded that in addition to the property owners, notices were also mailed to tenants.

King asked if there is an option to pay the assessment up front instead of being assessed for ten years. Osborn responded yes.

Nate Kaplan, 826 Eagle, asked what the interest rate would be. Markland stated it is difficult to guess, but rates are at historical lows and there is the advantage of having the City's full faith and credit for borrowing money. He further stated municipal rates are normally lower than what is available at a bank and he would guess 3-4%. He is not sure what a ten year note will sell for and stated if the bids come in lower than estimated, the assessment would be adjusted down.

RESOLUTION 14-15

A motion was made by Osborn and seconded by Bland to approve Resolution 14-15, a resolution to set the Water's Edge Townhomes Special Assessment and authorize the Fenton City Assessor to prepare a special assessment roll covering the cost of such improvements to be raised by special assessment.

YEAS: Grossmeyer, Jacob, King, Lockwood, McDermott, Osborn, Bland.

NAYS: None.

ABSENT: None. Motion carried by a roll call vote.

ASSESSING SERVICES AGREEMENT WITH THE CITY OF LINDEN

Markland stated the City Manager of Linden, the City of Fenton Assessor and himself have been discussing shared services and the possibility of the City of Fenton providing contractual assessing services to the City of Linden. The contract would be for two years and the City of Linden would pay the City of Fenton \$20,000 per year for the services. The Assessing Department would provide Linden an average of four hours of office time per week and the new full-time clerical person would work one full day in the Assessing Department. He also stated some work would be contracted out to update the property sketches for the files.

Osborn asked if there is a clause to terminate the contract if things do not work out as anticipated. Markland responded the agreement can be terminated without cause upon thirty days written notice.

A motion was made by Lockwood and seconded by Grossmeyer to approve the City of Fenton and City of Linden Agreement for Assessing Services. Motion carried by a voice vote.

CALL TO THE AUDIENCE – Doug Tebo, 409 Bent Oak, recapped events with the Phillips family that took place today stating they toured the Cemetery and Museum, visited Freedom Park and visited the former Phillips' family homes on Shiawassee Avenue. He also stated the History Walk is scheduled for September 14th from 1:00 p.m. to 4:00 p.m.

Meeting was adjourned at 8:22 PM.

Mayor Sue Osborn

City Clerk, Renee Wilson

Date approved: September 8, 2014