



FINAL

SPECIAL STUDY SESSION MEETING MINUTES

A Special Study Session meeting of the Farmington City Council was held on May 6, 2013, in Conference Room A, Farmington City Hall, 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 J.T. Buck.

1. ROLL CALL

Attendee Name	Title	Status	Arrived
J.T. Buck	Mayor	Present	
Greg Cowley	Councilmember	Present	
William Galvin	Mayor Pro Tem	Present	
Kristin Kuiken	Councilmember	Present	
JoAnne McShane	Councilmember	Present	

City Administration Present

- Director Christiansen
- City Clerk Halberstadt
- Treasurer Weber
- Director Knowles
- Attorney Schultz (left 6:55 pm)
- Director Schulz (left at 6:10 pm)

2. APPROVAL OF AGENDA

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Cowley, Councilmember
SECONDER:	Kristin Kuiken, Councilmember
AYES:	Buck, Cowley, Galvin, Kuiken, McShane

3. BUSINESS ITEMS

- A. Consideration to Approve Class C Liquor License with Additional SDM, Outdoor Service and Sunday Sales Permits for Kim's Korea House Located at 32758 Grand River, Farmington, MI 48336**

Motion to approve the transfer of Class C Liquor License for Kim's Korea House located at 32758 Grand River, Farmington, MI 48336.

RESULT: APPROVED [UNANIMOUS]
MOVER: JoAnne McShane, Councilmember
SECONDER: William Galvin, Mayor Pro Tem
AYES: Buck, Cowley, Galvin, Kuiken, McShane

4. CLOSED SESSION

A. Review of On-Going Litigation

B. Land Acquisition

C. Labor Negotiations

Motion to enter closed session to review on-going litigation, land acquisition and labor negotiations.

RESULT: APPROVED [UNANIMOUS]
MOVER: William Galvin, Mayor Pro Tem
SECONDER: Kristin Kuiken, Councilmember
AYES: Buck, Cowley, Galvin, Kuiken, McShane

Council entered closed session at 6:10 p.m.

Motion to exit closed session.

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

Council exited closed session at 8:00 p.m.

5. REVIEW OF PROPOSED FISCAL YEAR 2013-14 BUDGET

A. Review of Proposed Fiscal Year 2013-14 Budget

Weber discussed two amendments to the proposed 2013-14 budget. The first was to increase the Parking Budget in the General Fund by \$13,000 to reflect the cost of repairs and resurfacing for Page's municipal lot. The second item is to increase the budget for meter replacements in the Water and Sewer Fund by \$16,000. He stated the Public Works Department has tested some meters at the large multi-family apartment complexes in the city and found they were not recording low flows. As a result, the city needs to change to a compound meter which will more accurately record their usage which will increase revenues.

B. Downtown Development Authority

DDA Executive Directors Knowles reviewed the proposed FY2013-14 DDA Budget. She discussed core themes and related goals.

Discussion followed regarding funds for wayfinding signs and lighting, effectiveness of events in terms of return on the dollar, and the need for the DDA board to participate in the visioning process.

Discussion continued regarding the high cost of generators at the Founders Festival and status of the budget reserve.

C. Corridor Improvement Authority

Treasurer Weber reviewed budget for Corridor Improvement Authority.

D. Brownfield Redevelopment Authority

Treasurer Weber reviewed the Brownfield Redevelopment Authority budget.

6. DISCUSSION - SALE OF OLD COURTHOUSE PROPERTY**Discussion - Sale of Old Courthouse Property**

Christiansen discussed offers received for the sale of the Courthouse Property. He indicated all four of the offers were below asking price. He advised City Manager Pastue is not recommending the city accept any of the proposals. He stated consideration should be given to demolishing the building so the site would be clean for residential development which the city believes would be the highest and best use of the property.

Christiansen advised the property is on the market for \$425,000. He reviewed the offers as follows:

- Residential developer building approximately 20 homes - offer less than half of \$425,000
- Mixed use scenario on vacant portion of property - offer about half of \$425,000
- Mixed use, but predominately office use - offer at a little more than half of \$425,000
- Institutional use - offer was three-quarters of \$425,000

Responding to a question from Buck, Christiansen stated the annual revenue to the city on a \$2 million development would be approximately \$80,000 - \$100,000.

McShane questioned whether the asking price is too high or whether the interested parties are lowballing to see what the market will bear.

Christiansen responded he does not believe the asking price is too high, citing

the array of offers. He stated they need an additional 60-90 days with current price.

McShane asked regarding rumors that the school board is willing to sell the whole "top of the hill." She asked if the city is looking at the possibility of packaging the properties together. She asked if there had been any discussion with the schools regarding this opportunity.

Christiansen responded he has had dialogue with the schools regarding vacant properties, but the school property adjoining the courthouse property has not been part of the discussion. He noted the city has received development interest regarding packaging the courthouse and school properties.

Responding to a question from Galvin, Christiansen stated the city has recommended not pursuing the first three offers because of price and the fourth because it would not put the property back on the tax roll.

Discussion followed regarding the feasibility of 20 homes on the courthouse property and the cost of infrastructure and demolishing the building.

Discussion continued regarding the merits of accepting the offer for residential development or waiting for a possible opportunity of joining with the schools on a much larger development project.

Kuiken pointed out there should be a time limit on how long we wait for developing the property.

Christiansen noted that waiting 60-90 more days to market the property at the current price point may result in a couple more offers and would also allow for discussions with the school to take place.

McShane stated it is imperative that the city works with the schools to encourage them in the most expeditious way possible to join with us in economic development.

Buck pointed out this property is long overdue to be sold and redeveloped. He noted several years ago the city had a party interested in developing the whole "top of the hill" property but couldn't get it to work. He expressed support for accepting the offer for development of 20 homes on the site. He stated it is such a small portion of the total hill that it does not exclude any future development on the top of the hill.

Galvin stated the need to give the developers a drop dead date. He asked about leaving one lot open to be able to link to the school property in the future.

Christiansen stated the courthouse property can stand on its own as a residential development that can be incorporated as part of a larger more comprehensive development. He stated this has been part of the discussion with the developer, but not the schools as yet.

Buck noted 15-20 homes that were walkable to the downtown would bring in revenue sooner than later. He does not want to see much more delay in redeveloping the property.

Cowley recommended engaging the school system in a discussion of joining together on developing the whole property.

Galvin noted it may take the city to show the schools the importance and value of that property.

Discussion followed regarding the length of time that would be needed for a larger development that would include the school property.

Buck pointed out with the first offer of residential development, construction could begin by next spring with new homes built and occupied by end of the summer. He stated a larger development may not be realized until 2015 or 2016.

Kuiken pointed out the real estate market is hot right now with a low inventory of homes. She stated it is prudent to wait to see if better offers on the property are received, but a deadline needs to be established.

McShane noted the possibility of a planned staged development where portions of the land are developed in staged periods of time.

Cowley pointed out this is a revenue opportunity for both city and schools.

Christiansen advised Council to keep in mind the big picture understanding that the city has several redevelopment opportunities. He stated the city wants to make sure it is moving in the right direction before making a decision.

7. DISCUSSION - FLANDERS SCHOOL SITE AND MAXFIELD TRAINING CENTER

1. 1248 : Discussion - Flanders School Site and Maxfield Training Center

Christiansen discussed a recent meeting with school officials regarding the Flanders and Maxfield Training Center (MTC) properties. He stated a proposal to the Farmington Public Schools has been prepared outlining a collaborative process in which the city would be willing to assist them with the sale of these properties.

Christiansen advised the City of Farmington Hills should also be part of this collaborative process for two reasons: 1) their River Walk residential development is adjacent to the Flanders property, and 2) redevelopment of the Flanders site would decommission two baseball fields used by their Parks and Recreation Department.

Christiansen advised the schools are ready to demolish the Maxfield Training Center building. He stated the parties have agreed to give the city 120 days to

determine whether the building should remain or be demolished.

Christiansen distributed a draft of the proposed letter to the schools and reviewed its contents relative to the Flanders and MTC properties.

Buck stated the conversation at the recent meeting with the schools was highly constructive. At that meeting he strongly recommended the city with its strong economic development resources take the lead on the development of both the MTC and Flanders properties.

Discussion followed regarding the economic incentives to the school for marketing the properties.

McShane suggested setting a deadline for a response to letter from the schools.

McShane stated if cooperation or desire is not there to collaborate, she would encourage the schools to put For Sale signs on their properties immediately.

Christiansen stated that the process going forward with the schools includes an initial proposal from the city followed by the creation of an ad-hoc committee to develop recommendations.

Christiansen advised that Farmington Public Schools would like to be relieved of the holding costs associated with maintaining the MTC property. He pointed out funds have been appropriated for the demolition of the building. As indicated earlier, the city is asking the schools to delay taking any action for 120 days.

Discussion followed regarding the merits of keeping the MTC building for opportunities such as educational use. Buck noted in the past Oakland County had looked at the site for a vocational institute. He believes residential is the best use of that facility.

Galvin pointed out the market is always right. He stated the job at hand is to get the properties redeployed at the best and highest market price. He noted all parties involved need to win somehow in development of these properties. He stated the courthouse property is most important because it shows the schools how we will lead in economic development. He further stated the MTC property is our master stroke that could lead to a new center of downtown. He noted we need to go slow and hit a home run. He recommended going full steam ahead with the Flanders property.

Cowley stated voters need to understand the significant opportunity all 3 properties present for creating new revenue. He expressed support for the city marketing the properties.

8. PUBLIC COMMENT

No public comment was heard.

9. COUNCIL COMMENT

Cowley recognized the great things going on in Farmington, but pointed out the need for parking is going nowhere. He emphasized the need to establish a parking authority.

McShane requested feedback from Director Knowles regarding the evaluation from Bob Donohue of Oakland County Main Street regarding downtown events.

Knowles stated the evaluation was in the form of a spreadsheet. She stated there were no conclusions drawn. She noted the feedback was that the DDA events were focused more on community rather than business.

McShane cited the recent success of Ladies Night Out in the downtown. She suggested adding more of these events.

McShane noted this past weekend a business in the city held a mammoth garage sale on their front lawn. She requested the city look into this ordinance violation.

Kuiken noted how much she and her family the enjoyed the South Farmington Baseball parade over the past weekend.

Buck requested the property sales be placed back on the May 20 Council meeting agenda.

10.ADJOURNMENT

Motion to adjourn the meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	JoAnne McShane, Councilmember
SECONDER:	Kristin Kuiken, Councilmember
AYES:	Buck, Cowley, Galvin, Kuiken, McShane

The meeting adjourned at 10:05 pm.

Mayor J.T. Buck

Susan K. Halberstadt, City Clerk

Approval Date: May 20, 2013