

City of Northville
CITY COUNCIL SPECIAL MEETING MINUTES
March 30, 2015

Mayor Christopher Johnson called the meeting to order at 7:00 p.m. in the Northville City Hall Council Chambers, 215 West Main Street, Northville, Michigan.

Present: Mayor Christopher Johnson, Mayor Pro Tem James Allen, and Councilmember Nancy Darga, Sam Ekong, and Ryan McKindles

Absent: None

Also Present: City Manager Patrick Sullivan, Finance Director/Treasurer Sandi Wiktorowski, Police Chief Michael Carlson, DDA Executive Director Lori Ward, City Clerk Dianne Massa, reporter from Northville Record, and nine citizens

CITIZENS COMMENTS

None

APPROVAL OF AGENDA

Motion Darga, seconded by Allen to approve the agenda as presented. **Motion carried unanimously.**

REQUEST TO TRANSFER CLASS C AND SDM LIQUOR LICENSE

Mishelle Lussier, owner of BSIDE Ventures L.L.C. and Table 5 Restaurant, has requested to transfer into the City ownership of a Class C and SDM Liquor License with Sunday Sales and Entertainment permit currently owned by Karl A. T. Samuels, Jr., owner of Hurrikain Entertainment, L.L.C., located at 12213 Telegraph Road, Taylor, Michigan. The business will be located at 102 E. Main, which is currently being renovated to accommodate this business.

Ms. Lussier completed the Liquor License Review Committee Application. The Plan of Operation indicates the following:

- The intention to operate a full-service restaurant and bar, doing business as BSIDE Ventures, L.L.C. The name of this restaurant has not yet been determined.
- The restaurant will offer seating for 50 patrons, 10 of which will be at the bar.
- There is no designated parking for this location, so parking will be in City parking lots and streets.
- For entertainment, it was noted that on occasion, the business will provide closed private parties for events such as weddings, where small bands and DJs will play music.
- Business hours are planned to be 11:00 a.m.– 11:00 p.m., Monday through Thursday, and 11:00 a.m. – 12:00 a.m. (midnight) Friday and Saturday. Sunday times have not yet been determined.
- The anticipated ratio of food to alcohol sales will be 75% food and 25% alcohol.

Notice of this public hearing has been provided in accordance to the City's Liquor Management Ordinance. All fees and costs have been paid by the applicant. For more than six years, Ms. Lussier has successfully operated Table 5 Restaurant, also located in downtown Northville. The Police Department conducted a background investigation and has not found any negative contacts or violations involving Ms. Lussier or Table 5. The State of Michigan has approved the request by Ms. Lussier to transfer ownership to BSIDE Ventures, L.L.C. from Hurrikain L.L.C. as of March 18, 2015. The Liquor License Review Committee unanimously voted to recommend that City Council take no action to object to this license.

Motion McKindles, seconded by Allen to approve the request to transfer a Class C and SDM License with Sunday Sales and Entertainment permit into the City to be located at 102 E. Main Street. **Motion carried unanimously.**

PROPOSED FISCAL YEAR 2015-2016 BUDGET AND FIVE-YEAR PLAN

In accordance with City Charter, the proposed budget document is to be presented to the Northville City Council on or before the first meeting in April each year. Accordingly, the FY 2016 Annual City Budget notebook is included with the March 30, 2015 City Council Agenda packet.

The Northville City Council is being presented with a balanced budget. The Taxable Value of the City increased 4.13% and the State Equalized (Assessed) Value increased 10.35%. This will provide for an additional \$204,000 in tax revenue in the General Fund. The FY2016 Annual Budget and Five-Year Plan (2015 – 2019) study session meetings have been scheduled for the following dates at 7:00 p.m. at the Northville City Council Chambers: Thursday, April 16, 2015, Wednesday, April 29, 2015.

Department Heads will present their respective budgets at the two study sessions. After each budget study session meeting, the City Council will be asked for additional direction and/or revisions to the budget before it is finalized and sent for publication in the local newspaper on May 7, 2015. The public hearing and requested budget adoption is scheduled for May 18, 2015.

Motion Allen, seconded by Darga to move the April 16, 2015 budget session to 7:00 p.m., April 14, 2015. **Motion carried unanimously.**

REQUEST TO SELL CITY-OWNED PROPERTY ON EAST CADY STREET

In 2014, City Council was approached by Andrew Daily of Remerica Downtown One Realty regarding the possibility of trading or selling city-owned property on E. Cady Street to facilitate a mixed use development project. The location is the paved parking lot on the south side of Cady Street, across from the Cady Parking Deck. The developer currently owns Lot 170, directly west of the city parking lot. At that time, City Council decided to postpone any decision to sell the land until the Planning Commission had amended the Master Plan, and until the Cady Street Overlay Ordinance had been adopted.

In recent months, both of those actions have taken place. The Remerica proposal and supporting documents from the 2014 request was again provided to City Council for its consideration. City Administration was seeking direction from City Council as to whether or not to pursue issuing Requests for Proposals (RFP) for the sale and development of this property.

City Council Comments and Discussion: Lengthy discussion ensued pertaining to selling the property for development, or holding on to it for future parking use in the area.

City Council comments supporting retaining the land included:

- Land was purchased for parking purposes and the property is viewed as a potential future use for an overflow parking lot in this area.
- Transition of Northville Downs may occur. The City should hold the property to see how development in the area transpires.
- The cost of deck parking. This cost may require an assessment of all downtown properties.
- The cost to improve parking at this area is less expensive than the cost of a parking deck.
- Sale of the property takes away one of two critical options for expanding the Cady Deck.
- Purchasing parking credits is not an option for this area.
- Parking has been a consistent complaint of downtown businesses and patrons.
- Concern with losing land the City currently owns should public parking become a future need. The City needs to look to the future on potential parking needs in this area.
- During special events, parking on E. Cady Street is used. If the land was sold, how would the City accommodate parking for special events?

City Council comments supporting the sale of the land included:

- The proposed development is consistent with the Master Plan and this developer is willing to develop the property within the vision of the Master Plan.
- The need to start “somewhere” with developing the south side of E. Cady Street.
- The parking deck is not at capacity; additional parking does not seem to be a need in this area.
- Would prefer to issue the RFP to see what is out there in the market in terms of development and projects.
- There is no control on what happens to Northville Downs, or when it might happen.
- The Cady Deck could be expanded. Two deck expansion options include 1) expanding to the east which would require acquisition of additional property to the east (to Hutton Street), or 2) expanding the deck to the south.
- During the summer months, the upper level of Cady Deck is well-used and parking availability is difficult to find.

Additional City Council discussion pertained to:

- Questions on the future of Northville Downs. Revenue to the City continues to decline.
- Lot 176 is an “L-shaped” parcel owned by the Northville Driving Club.
- It has been said that Northville Downs will sell its land as a “package” instead of parcel-by-parcel. Do we know their philosophy on selling their unused land?
- Trying to figure a way to help the developer without hurting the City. The City already owns the property. Selling it now and purchasing property in the future for additional parking would be more costly.
- The number of parking spaces available on the city-owned property currently being used to provide parking.
- If the property was sold for development and future parking was needed, where would the City be able to acquire another parcel? Concern with the cost to purchase additional parcels for public parking at today’s market price.

Comments from the developers of Lot 170 included:

- Discussions with Matt Jobin (Cady Parking Deck engineer) on the history of the construction of the Cady Deck found that the Cady Deck was not expanded when first constructed due to the

need to move Cady Street to accomplish this. Moving Cady Street would have been a large expense.

- Not certain expanding the Cady Deck to the south would be ideal as Cady Street would still need to be moved. Transitioning the Cady Deck to the east would be the less expensive option.
- Additional parking is not needed now; it might be needed in the future. If Northville Downs is redeveloped and the downtown thrives, more common parking will be needed.
- Belief that the south side of E. Cady Street can be self-parked. There should not be a need for a parking deck expansion or public parking provided development on the south side of E. Cady Street does not put pressure on the available parking on the north side of E. Cady Street.
- A comment stating that parking on the south side of E. Cady Street is under-utilized during special events.
- The NCBA has performed unofficial parking reviews, which found there is “stress” on the north parking lots and no “stress” on the south lots.
- The benefit of a development project outweighs any parking challenges or waiting to see what will happen to Northville Downs. There is a need to get development of the south side of E. Cady Street moving forward. Discussions on the future of Northville Downs have occurred for more than 20 years. It would be short-sighted to put future parking before the start of developing Cady Street.
- There is a need for more people in the downtown; more people will make for a vibrant downtown. Development on E. Cady Street will increase downtown foot traffic.
- Their discussions with Northville Downs found that Northville Downs is the only harness racing venue in the area. They do plan to make their business plan work.
- Comments questioning why years ago, City Council was willing to sell the property to Cambridge Development, and now appears to be hesitant to sell the property to another developer.
- The proposed development project would be self-parked. If the City required the south side of E. Cady Street to be self-parked, the City would not need to be providing public parking.

As a majority of City Council were in support of issuing an RFP, comments from City Council pertaining to proceeding with an RFP included:

- The RFP should be designed to be flexible and every conceivable proposal should be considered. While there is support for the “in-town” developer, the City needs to be certain that it is getting the best development for the City. There needs to be a level playing field.
- Proposals could be for all of the lots or a portion of the lots (five lots in total) in this area of the south side of E. Cady Street (Lots 171-175)
- Title work might need to be done pertaining to Lot 173 as it was believed an agreement with Northville Downs allowed them the right of first refusal if the property was not used for a public use and was sold for a private use. If there is a right of first refusal, this would be noted in the RFP and the RFP would include that a developer would also need to buy the Northville Downs right of first refusal.
- Proposal must provide and preserve a public thoroughfare (spine) to the downtown.
- Inclusion of a reverter clause if a project is not developed within a specific time frame.
- The RFP would not require the sale of the property if the City Council is not satisfied with the proposals. The City would have the right to reject the proposal.
- The City Attorney should review the proposed RFP.

Staff was directed to work with the RFP Committee (Ekong and McKindles) to modify the draft Request for Proposal for the sale of city-owned property and present it to City Council for further consideration.

In response to a question from the developers of Lot 170, City Council confirmed that putting out an RFP would need to encompass the points noted above, including the right to reject proposals, and the inclusion

of a reverter clause. Developers do risk the expense of developing a proposal that might be rejected by City Council.

MAYOR AND COUNCIL COMMUNICATIONS

Due to conflicts and a lack of quorum, it was requested the April 6th regular City Council meeting be moved to another date.

Motion Darga, seconded by Ekong to move the April 6th City Council meeting to 7:00 p.m. on April 9th.
Motion carried unanimously.

There being no further business to come before Council, the meeting was adjourned.

Adjournment: 8:32 p.m.

Respectfully submitted,

Dianne Massa, CMC
City Clerk

Christopher J. Johnson
Mayor

Approved as submitted: 05/04/2015