

City of Northville
CITY COUNCIL REGULAR MEETING MINUTES
July 20, 2015

Mayor Christopher Johnson called the meeting to order with the Pledge of Allegiance at 7:30 p.m. in the City of Northville Municipal Building, City Council Chambers, 215 W. Main Street, Northville, Michigan, 48167.

ROLL CALL

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

Absent: None

Also Present: City Manager Patrick Sullivan, City Clerk Dianne Massa, Public Works Director James Gallogly, and four citizens.

PRESENTATIONS

A. Citizens Comments None

APPROVAL OF AGENDA AND CONSENT AGENDA

Motion Darga, seconded by Allen to adopt the agenda and consent agenda as presented:

Approve City Council Minutes of: None

Receive Bills List: Checks #94153 to #94306, Checks #94307 to #94398, EFT #500208

Receive Board and Commission Minutes: None

Receive Departmental Reports: None

Board and Commission Appointments:

- Arts Commission: Reappoint Joanne Bandoni-Menhart and Sue Taylor to three-year terms expiring 06/30/18
- Beautification Commission: Reappoint Douglas Bingham, Sally Hayes, Liliana Miyahara, Diane Pittaway to three-year terms expiring 07/01/18
- Board of Zoning Appeals: Reappoint Ryan McKindles (regular member), Michelle Aniol (alternate member), John Callahan (alternate member) to three-year terms expiring 07/01/18
- Planning Commission: Reappoint Steve Kirk, Carol Maise, Anne Smith each to three-year terms expiring 06/30/18

Special Event Request / Ford Field Festival / August 21-22, 2015

Special Event Request / New Hope Family Fun Festival / August 30, 2015

Special Event Request / Buy MI Now Festival - Beer Garden /July 30 – August 2, 2015

Special Event Request / Turn the Town Teal - Ovarian Cancer Awareness / September 2015

Request to Dispose of Assets / Gator Utility Vehicles / Parks and Recreation

Motion carried unanimously.

RESOLUTIONS AND ORDINANCES

A. Amendment to Article 13 PR-1 District in the Zoning Ordinance / Second Reading

At its June 2, 2015 meeting, the Planning Commission conducted a public hearing to consider text amendments to Article 13 Performance Related Industrial District (PR-1) in the City of Northville's Zoning Ordinance. The proposed text amendments would modify the district language to allow the current activities at the cider mill as permitted uses in the district. However, it limits the accessory uses of wholesale/retail sales and consumption to the products manufactured on site. Standalone businesses, such as restaurants or bars, which are not accessory to the manufacturing business, are specifically prohibited.

Following the public hearing, the Planning Commission recommended approval of the proposed text amendments to City Council. Communication from the City's Planning Consultant and the proposed zoning ordinance text amendments were provided for City Council review. At its regular meeting on July 6, 2015, City Council introduced the proposed ordinance amendment for first reading.

Motion Allen, seconded to Darga to waive second reading and adopt the amendments to Article 13 Performance Related Industrial District (PR-1) in the City of Northville Zoning Ordinance pertaining to current activities at the cider mill as presented. **Motion carried unanimously.**

B. Amendment to Article 25 Board of Zoning Appeals / Dimensional Variance Criteria / First Reading

At its May 19, 2015 meeting, the Planning Commission conducted a public hearing to consider text amendments to Article 25 Board of Zoning Appeals pertaining to the Dimensional Variance Criteria in the City of Northville's Zoning Ordinance. The Planning Commission worked with the Board of Zoning Appeals (BZA) to refine the language and the BZA supports the proposed zoning ordinance text amendments.

The proposed text amendments would reduce the number of criteria used by the BZA to evaluate a dimensional variance. This would assist the BZA in reaching a consensus on whether a specific variance request meets the criteria. The modified ordinance would eliminate some redundancy, yet preserve the criteria that are supported by case law. The changes include the following:

- In the original language, "public safety" was mentioned in two criteria. This has been consolidated into a single criterion.
- The "relationship to adjacent land uses" criterion was eliminated, as it has not been the subject of case law and is not considered a mandatory criterion for BZA consideration.
- Examples of "self-created" have been added to the proposed ordinance amendment to assist the BZA in determining what is, and what is not, a self-created situation.

The proposed changes were reviewed by the City Attorney, who determined that they are supported by the Zoning Enabling Act and applicable case law. The Planning Commission is recommending approval of the proposed changes to Article 25. Communication from the City's Planning Consultant and the proposed zoning ordinance text amendments were provided for City Council review.

City Council Comments and Discussion: Lengthy discussion ensued pertaining to the definition of "self-created" and the definition of applicants "predecessor." A comment voiced concern that new property owners might purchase property, not realizing their lot was not in compliance with the zoning ordinance and then could not build a new home or modify the existing home as they had planned, placing a burden on the property owner. Other comments countered that the burden needs to be on the buyer and not on

the City. It is the responsibility of the buyer to do their due diligence to determine if the property they wish to purchase is suitable for their needs. It was also noted that the Planning Commission was concerned with improper lot splits and the proposed changes address this matter.

Further discussion centered on possible situations such as the City creating a non-compliance issue for property (i.e. setback reduction) and an unforeseen improvement is needed or if someone purchases a historic home. Is the ordinance creating situations where a house would not be sellable? It was pointed out that the Zoning Ordinance does provide for exceptional or extraordinary circumstances or conditions through the “Practical Difficulties” criteria that could allow the variance. It was also reiterated that potential property owners need to look at the age and condition of a house and calculate setbacks before they decide to purchase or decide to do new construction to see if the property meets their needs and also meets the ordinance.

Motion Allen, seconded by McKindles to introduce for first reading the proposed amendments to Article 25 Board of Zoning Appeals, Section 25.04 Powers and Duties in the City of Northville Zoning Ordinance as presented, with second reading and possible adoption scheduled for August 3, 2015.

Motion carried unanimously.

NEW BUSINESS

A. Agreement with the Southeast Michigan Street Lighting Coalition

In May 2015, City Council directed Staff to send a letter to the Michigan Public Service Commission (MPSC) expressing concern about a recent request being made by DTE Energy to raise the rates on LED street lighting. This issue was researched and a letter was prepared and sent to MPSC. In sending this letter to MPSC, the City’s concerns were automatically posted on the MPSC website in their electronic record, and then subsequently picked up by the Southeast Michigan Street Lighting Coalition. This Coalition is made up of several municipalities that are trying to intervene in the MPSC rate case by challenging the basis of the proposed street lighting rate increase. In addition, the Coalition is seeking implementation of energy rates for street lights that reward energy efficiency.

Currently the Southeast Michigan Street Lighting Coalition has about 17 municipalities that have joined together in this effort. These are all communities within the DTE service region and include cities like Ann Arbor, Dearborn, Ypsilanti, Saline, Southgate, Royal Oak and St. Clair Shores. The Southeast Michigan Street Lighting Coalition is requesting that the City of Northville consider joining them in their efforts to address energy rates for LED lighting with MPSC and DTE Energy.

In October 2013, City Council approved the replacement of 174 street light fixtures throughout the City of Northville. At that time, this street light replacement program removed all of the old Mercury Vapor fixtures and some high wattage High Pressure Sodium Vapor (HPS) lights in the neighborhoods and replaced them with new energy efficient LED fixtures. This street lighting improvement was completed in 2014. The cost for this work was approximately \$35,000. However, with the new LED fixtures providing an annual energy savings of approximately \$11,800, the City expected to recover these funds within three years.

One year into this program, DTE is proposing to raise energy rates on the new LED fixtures and reduce the rates on the HPS lights. This change will reduce Northville’s annual savings which had been programmed to recover the cost of the 2014 street lighting improvements. The rate change will make it difficult for the City to afford the cost of street lighting upgrades in the future.

Joining the Southeast Michigan Street Lighting Coalition could help Northville in its efforts to obtain fair energy rates for energy efficient fixtures, and improve street lighting quality and reliability in its neighborhoods. Alone, Northville may not have much of a voice on this important issue, but joining an organized group with the same goals could help Northville and all the communities in the Coalition achieve successful results.

Joining the Coalition will require that the City pay its fair share of allocated Coalition expenses. The City will be required to adopt a resolution supporting the Coalition's intervention in this MPSC rate case, and sign a Memorandum of Understanding required by the Coalition. Over time, should the City of Northville wish to terminate its participation in the Coalition, a 60-day written notice is all that is required. Also, should the Coalition require additional fees which the City cannot or may not wish to contribute to, the City may leave the Coalition if it so chooses.

In order to finance the operations of the Coalition, community members will need to contribute an initial assessment in an amount reflective of the Community's share. This initial amount is based on each member's number of DTE Energy-owned street lights in the community. For Northville, with less than 1,000 lights, this assessment will be \$1,000. If City Council approves joining this Coalition, these funds would come from the City's line item for street lights.

City Council Comments and Discussion: Discussion ensued pertaining to the number of other communities that have joined the coalition, with the hope that more communities will consider joining too. The Michigan Municipal League has been a driving force in the creation of this coalition. The City made the investment to upgrade its lighting due to energy savings figures provided by DTE. LED lighting uses less energy and it is believed that this has reduced DTE revenues, which is why DTE now wants to change the rate structure. The Coalition wants to challenge DTE to find a solution that is favorable to all. This is a rate case outside of the Legislature; however, strategically steps should be taken to get political support from the Legislature. Joining the Coalition will afford the communities the opportunity to have an attorney represent the municipalities in front of the MPSC rate case.

Motion McKindles, seconded by Darga to approve a resolution supporting the intervention by the Southeast Michigan Street Lighting Coalition in the MPSC's Rate Case U-17767. It is further moved that City Council join the Coalition by authorizing the Public Works Director to sign the Coalition's "Memorandum of Understanding" and contribute \$1,000 to the Coalition's budget. **Motion carried unanimously.**

B. City of Detroit/Great Lakes Water Authority Agreement to Assign Wholesale Customer Water Service Control

On June 12, 2015, the City of Detroit and the Great Lakes Water Authority (GLWA) entered into a lease agreement transferring all rights, duties, liabilities, responsibilities and obligations of Detroit's water facilities from Detroit to the Great Lakes Water Authority. One of the requirements of this agreement is that all wholesale customers give their consent to the assignment of their contract to GLWA.

On June 24, 2008, the City of Northville and Detroit entered into a water service contract. This contract made Northville a wholesale customer of Detroit, and thus the City of Northville has been asked to give its consent to the assignment of this contract to GLWA. An "Agreement to Assign Wholesale Customer Water Service Contract" has been prepared for the Detroit Water and Sewerage Department (DWSD), the Great Lakes Water Authority and the City of Northville to sign.

For years, metro-Detroit communities have argued for greater control of the Detroit Water and Sewerage Department. This will occur with the lease agreement approved by the City of Detroit and the Great Lakes Water Authority. Control will be shared by Detroit, Wayne County, Oakland County and Macomb County.

It is generally agreed that this shift in control of DWSD from Detroit to GLWA is good for the entire metro-Detroit region, but this change is contingent on each wholesale customer giving consent to the transfer of their Wholesale Customer Water Service Contract from Detroit to the Great Lakes Water Authority.

It is unknown how this transfer of control of DWSD from Detroit to GLWA will affect water rates, and it is possible that the area will see an increase in water rates in the years to come. However, this change seems to be the best path towards providing fair and equitable rates for the entire metro area.

Motion Darga, seconded by Ekong to approve a resolution authorizing the Mayor and City Clerk to sign an Agreement to Assign Wholesale Customer Water Service Contract between the City of Detroit Water and Sewerage Department, the Great Lakes Water Authority and the City of Northville. **Motion carried unanimously.**

MAYOR AND COUNCIL COMMUNICATIONS

A. Mayor and Council Communications

Allen spoke of the Historic District Commission approval given to the new Center Street Grille (old Starting Gate location). Allen also noted that Kroger will be on the July 21st Planning Commission agenda for preliminary and final site plan approval for upgrades to the former Hiller's grocery store, 425 N. Center Street.

Brief discussion ensued pertaining to the pharmacy planned for inside of Kroger, the proximity of this pharmacy to CVS pharmacy, and how the Kroger pharmacy might impact CVS.

Darga voiced concern with new development that does not reflect Northville's heritage and if there was something the City could do to encourage developers to do projects that reflects Northville's history. Darga also questioned if there was something the City could do to protect the vibrancy of current businesses (i.e. the location of a new pharmacy near a current pharmacy and how the new pharmacy could have a negative impact on the current pharmacy).

B. Staff Communications None

Being no further business, the meeting was adjourned.

Adjournment: 8:15 p.m.

Respectfully submitted,

Dianne Massa, CMC
City Clerk

Christopher J. Johnson
Mayor

Approved as submitted: 8/3/15