



The City of Auburn Hills

City Council Meeting

Minutes

August 23, 2010

CALL TO ORDER: by Mayor McDonald at 7:00 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle Kittle, Knight, McDaniel, Newkirk
Absent: None
Also Present: City Manager Auger, Assistant City Manager Tanghe, Police Chief Olko, City Assessor Bennett, Finance Director Barnes, Building Official Spencer, Facilities & Roads Manager Brisson, Fire Chief Burmeister, City Attorney Beckerleg, City Engineer Juidici, TIFA Chair Bennett, Police Sgt. Groehn, Planning Commissioner Mitchell, Patrol Officer Walker
16 Guests

4. APPROVAL OF MINUTES

4a. Regular City Council Meeting – August 9, 2010

Moved by Mr. Newkirk; Seconded by Mr. McDaniel.

RESOLVED: To approve the August 9, 2010 Council Meeting minutes as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.128

5. APPOINTMENTS & PRESENTATIONS

5a. Reappointment of Glen Nelson to the Tax Abatement Review Committee

Moved by Ms. Hammond; Seconded by Mr. Newkirk.

RESOLVED: To confirm the reappointment of Glen Nelson to the Tax Abatement Review Committee a term ending July 31, 2014.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.129

6. PERSONS WISHING TO BE HEARD

Paul Winkworth, Forester Square resident expressed his support of a special assessment to improve the roads in Forester Square. After hearing Mr. Kittle's remarks regarding the Subway that will be moving in to the downtown and later reviewing his HyattPalma report, Mr. Winkworth said he believes Forester Square is an integral part of the downtown.

Dan Gliniecki, 3835 Pierce, Forester Square, explained he and many of his neighbors are frustrated with the road conditions at Forester Square and are in favor of a special assessment. He would prefer to see work start as soon as possible and hopes the Council will support a Special Assessment District. Mr. Gliniecki stated, to the best of his knowledge, the majority of residents also support a special assessment to fix the roads.

7. CONSENT AGENDA

Mr. Kittle requested Items 7a.2., 7b., 7c., and 7e. be removed from the Consent Agenda; Mr. Auger requested Item 7f. be removed.

7a. Receive Board and Commission Minutes

7a.1. Tax Abatement Review Committee – August 9, 2010

7a.3. Special Planning Commission – August 11, 2010

7a.4. Public Safety Advisory Committee – August 16, 2010

7a.5. Planning Commission – August 17, 2010

7d. Motion - 2010 Pavement Maintenance Program- TIFA District Projects

RESOLVED: To approve the costs associated with crosswalk ADA improvements at Featherstone/Squirrel, University/Dexter, and University/Snellbrook. Further to slurry seal street surfaces at Executive Hills Drive and Chrysler Drive. All projects are utilizing unit pricing provided by low bidder, Ajax Paving Industries, Troy Michigan, from the 2010 Pavement

Maintenance Program. Funding is available from TIFA A (27350/60838) \$20,000.00, TIFA B (27360/60838) \$59,641.00, and TIFA D (27370/60838) \$120,688.00.

Moved by Ms. Doyle; Seconded by Mr. Newkirk.

RESOLVED: To approve Consent Agenda Items 7a.1., 7a.3., 7a.4., 7a.5. and 7d.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.130

7a.2. Tax Increment Finance Authority – August 10, 2010

Moved by Mr. Kittle; Seconded by Ms. Doyle.

RESOLVED: To receive and file the Tax Increment Finance Authority, August 10, 2010 as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.131

7b. Motion – Approval of Revised Resolution – Continental Automotive PA 328

Moved by Mr. Kittle; Seconded by Mr. McDaniel.

RESOLVED: To approve the revised resolution as attached to correct the time period for the exemption to reflect the ending date as December 30, 2019.(Attachment A)

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.132

7c. Motion – Approve Bid for Library Track Lighting Upgrades

Moved by Mr. Kittle; Seconded by Mr. McDaniel.

RESOLVED: To approve the purchase of 150 LED lighting luminaries from GexPro, 2727 Product Drive, Rochester Hills, MI 48309 in the amount of \$ 30,750.00. Funding for the project is available from TIFA D (27370/60931).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.133

7e. Motion – Extend Street Marking Project

Moved by Mr. Kittle; Seconded by Ms. Hammond.

RESOLVED: To extend the 2009 Street Marking Bid to P.K. Contracting, 1965 Barrett, Troy MI 48084 at a cost of \$11,679.64 Local Streets (24430/60899), and \$55,271.48 Major Streets (24420/60899) for a total project cost not to exceed \$66,951.12.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk

No: None

Motion carried (7-0)

RESOLUTION NO. 10.08.134

7f. Motion - To Accept Methodology to Transfer Year-End Unencumbered Appropriation Balances

Interested party: Police Sgt. Groehn

Moved by Mr. McDaniel; Seconded by Ms. Doyle.

RESOLVED: Postpone accepting the methodology to transfer year-end unencumbered appropriation balances to the September 7, 2010 Council meeting.

VOTE: Yes: Doyle, Hammond, Kittle, McDaniel McDonald, Newkirk

No: Knight

Motion carried (6-1)

RESOLUTION NO. 10.08.135

8. OLD BUSINESS - None

9. NEW BUSINESS

9a. Motion – Public Hearing and Request to Approve IDD District, TK Holdings, Inc.

Mayor McDonald opened the public hearing at 7:58 p.m.

Christine Quest, representing TK Holdings, explained the recently approved parking lot addition did not fall within the Industrial Development District as did the building addition. The parking lot addition is part of a separate parcel, which is not part of the Industrial Development District. Since the separate lot is not part of the existing Industrial Development District, a new Industrial Development District is being sought.

Hearing none, Mayor McDonald closed the public hearing at 8:05 p.m.

Moved by Mr. Knight; Seconded by Ms. Doyle.

RESOLVED: To approve the request for establishment of an IDD for TK Holdings with the adoption of the attached resolution (Attachment B).

**VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk
No: None**

Motion carried (7-0)

RESOLUTION NO. 10.08.136

9b. Motion - Public Hearing and Request to Approve IFEC – TK Holdings Inc.

Mayor McDonald opened the public hearing at 8:07 p.m.

Hearing none, Mayor McDonald closed the public hearing at 8:08 p.m.

Moved by Mr. Kittle; Seconded by Mr. McDaniel.

RESOLVED: To approve the request for an 8-year IFEC for TK Holdings Inc for a total cost of \$600,000 by adopting the attached resolution (Attachment C).

**VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel McDonald, Newkirk
No: None**

Motion carried (7-0)

RESOLUTION NO. 10.08.137

9c. Motion – Approval of Special Land Use Permit / City Grind Skate Park

Moved by Mr. Kittle; Seconded by Ms. Hammond.

RESOLVED: To accept the Planning Commission’s recommendation and approve the Special Land Use Permit for City Grind Skate Park subject to staff and consultant conditions.

**VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Newkirk
No: None**

Motion carried (7-0)

RESOLUTION NO. 10.08.138

9d. Motion – Approve Public Safety Study by ICMA Consulting Services Group

Moved by Mr. Knight; Seconded by Mr. Newkirk.

RESOLVED: To have City Manager to engage with ICMA Consulting Services Group on a Public Safety Study and fund it in 2010 budget year by savings from the 2010 Police and Fire Budgets.

**VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Newkirk
No: McDaniel**

Motion carried (6-1)

RESOLUTION NO. 10.08.139

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Kittle:

- Suggested using the Sister City Committee’s purchasing agent to help investigate new ideas and ways the City could save; there is also a need for procurement strategies.

Ms. Hammond:

- Asked if any Council Member would be attending the MML conference. Ms. Doyle stated she would be attending.
- Kudos to Fieldstone for hosting her class reunion, noting she heard many compliments regarding the staff, grounds and everything as a whole.

Mayor McDonald:

- Noted the director of the Boys and Girls stated Fieldstone hosted the best ever Boys & Girls Club outing.

Mr. Knight:

- Asked if the residents of Forester Square had ever submitted a petition as one of the earlier speakers suggested. Mr. Auger stated there was never a formal petition, just an informal survey of residents taken by residents.
Mr. Auger explained the residents are asking the City to front them money, approximately \$1.2 - \$1.3 million to fix the roads and pay the City back over a 15 year period.
- Regarding the lighting for the library, he felt the low bidder should have been held accountable for their low bid and required to do the work, since it was withdrawn after the bids were opened.
- Asked if a motion to postpone is discussable, and would like an answer next week. The purpose of requesting to ‘table’ Item 7f., was to have more discussion on the topic.

Will the discussion regarding the fund balance at the next meeting become a debate over the City Attorney’s opinion and somebody else’s opinion? He doesn’t feel there is a need for a legal debate; that is why the City retains an attorney.

- Expressed concern with the growing number of inaccuracies in items submitted to Council, which ultimately requires Council to take amendatory action.
- Found the sewer cleaning and repairing equipment very interesting.

Mr. McDaniel:

- Requested that the Public Act 328 be included on the next TARC meeting agenda and requested the information be forwarded to Committee members prior to the meeting.
- Asked that he receive copies of the Pension Board minutes for the months of May and August.

Ms. Doyle:

- Questioned what Council's next step will be for the residents of Forester Square. Mr. Auger stated vacant property was up for auction at the county. The City will wait to see what happens with that to determine what steps are next, but that won't be determined for another month or two.
Mr. Auger noted that Mr. Cohen has held a meeting with the residents and has scheduled another.
- Thanked Mr. Knight and Mr. Bennett for being advocates for the farmers market by wearing their Auburn Hills' Farmers Market t-shirts.
- Complimented Mr. Auger for the advocacy he has been doing in the media for the Piston's and the Palace. A very strong voice in the media for getting Auburn Hills' side of the story out in terms of what it might cost the residents of southeastern Michigan to build another stadium.

11. CITY ATTORNEY'S REPORT – none.

12. CITY MANAGER'S REPORT

- Prior to the next Council meeting, there will be a 2011 budget workshop.
- No action will be taken by Auburn Hills on the tri-party agreement until Rochester Hills has taken action on the item.

13. ADJOURNMENT

Hearing no objections, the meeting was adjourned at 9:13 p.m.

Respectfully submitted,

Mayor James D. McDonald

Linda F. Shannon, City Clerk

Attachment A

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN APPLICATION FOR EXEMPTION
OF NEW PERSONAL PROPERTY
FOR
CONTINENTAL AUTOMOTIVE SYSTEMS HOLDING US, INC.**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 at 7:00 p.m. on the **23rd day of August, 2010**

The following resolution was offered by Councilperson Kittle and supported by Councilperson McDaniel:

WHEREAS, **Continental Automotive Systems Holding US, Inc**, has made application for Exemption of New Personal Property located at **2400 Executive Hills Drive** with the Clerk of the City of Auburn Hills pursuant to the requirements of Act No. 328, Public Acts of 1998, as amended, and

WHEREAS, the Clerk has notified in writing the Assessor of the City of Auburn Hills and the legislative body of each taxing unit which levies ad valorem property tax within the City of Auburn Hills so that they shall be afforded an opportunity to be heard at this public hearing to determine whether the Exemption of New Personal Property shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **17th day of August, 2009** at a regularly scheduled meeting; and

WHEREAS, comments on granting of the Exemption of New Personal Property were heard and considered; and

WHEREAS, the City of Auburn Hills established an Industrial Development District known as the **Samelson Development Company Industrial Development District** on December 1, 1986, as required by PA 198 of 1974, after a public hearing held on December 1, 1986, and

WHEREAS, the **Samelson Development Company Industrial Development District** is an Eligible district as defined in Act No. 328, Public Acts of 1998 section 7e, and

WHEREAS, it is hereby found and determined by the City of Auburn Hills Council that **Continental Automotive Systems Holding US, Inc.** is qualified as an Eligible taxpayer as defined in Act No. 328, Public Acts of 1998 section 7h, and is engaged primarily in research and development at **2400 Executive Hills Drive, Auburn Hills, and**

WHEREAS, City Council has further determined that the granting of the Exemption of New Personal Property is necessary to reduce unemployment, promote economic growth, and increase capital investment; and

NOW, THEREFORE, BE IT RESOLVED that the application for Exemption of New Personal Property is hereby approved with the following conditions:

That the period of time for which the Exemption of New Personal Property shall remain in force and effect shall be 10 years.

And that the starting date for the certificate is December 30, 2009 and the ending date is December 30, 2019.

And that **Continental Automotive Systems Holding US, Inc** agrees to operate the personal property for which the **New Personal Property Exemption** is granted, in the City of Auburn Hills for the term of the certificate, plus an additional **4 years** of business operation at their normal level (to include the retained and new jobs created during the **10 year exemption period**) after the date of the expiration. Lastly, that **Continental will drop their claim to the Tax Tribunal regarding their assessment.**

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members
Hammond, Kittle, Knight, McDaniel, Newkirk
NAYS: None
ABSENT: None
ABSTENTIONS: None

RESOLUTION ADOPTED 10.08.132

STATE OF MICHIGAN)) SS
COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the 23rd day of August, 2010 the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 24th day of August, 2010.

Linda Shannon, City Clerk

LEGAL DESCRIPTION:

T3N, R10E, SEC 26 PART OF NW 1/4 BEG AT PT DIST N 88-20-02 E 622.06 FT & S 38-24-46 W 156.83 FT & N 88-20-02 E 1513.30 FT & S 05-38-17 E 255.58 FT & S 14-34-28 E 167.76 FT & S 23-30-38 E 64.38 FT & S 00-40-14 E 672.28 FT FROM NW SEC COR, TH S 69-52-25 E 698.73 FT, TH S 02-44-18 W 350 FT, TH S 34-32-24 W 412.95 FT, TH S 55-56-57 W 259.14 FT, TH N 35-37-38 W 851.81 FT, TH ALG CURVE TO LEFT, RAD 866 FT, CHORD BEARS N 38-36-06 E 489.97 FT, DIST OF 496.75 FT TO BEG 14.07 A8-23-89 FR 002

Also known as Tax Parcel 14 26 126 005

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR TK HOLDINGS INC, INC.,**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **23rd day of August, 2010**.

The following resolution was offered by Councilperson Kittle and supported by Councilperson McDaniel:

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **23rd day of August, 2010** the City Council of Auburn Hills established an Industrial Development District, commonly referred to as the **TK Holdings New Industrial Development District**; and

WHEREAS, TK Holdings Inc, Inc., has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to **proposed new real property** within the **TK Holdings New Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the at **23rd day of August, 2010** a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before **July 28, 2010**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the **real property** is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate will exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force, under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.
2. The application for an Industrial Facilities Exemption Certificate with respect to a facility on the following described parcel of real property situated within the **TK Holdings New Industrial Development District** to wit;

T3N, R10E, SEC 23 PART OF NW 1/4 BEG AT PT DIST N 86-55-00 W 952.60 FT & N 34-35-00 W 1101.49 FT & N 01-26-00 E 398.50 FT FROM CEN OF SEC, TH N 01-26-00 E 395 FT, TH S 88-34-00 E 510 FT, TH S 01-26-00 W 395 FT, TH N 88-34-00 W 510 FT TO BEG, ALSO BEG AT PT DIST N 86-55-00 W 952.60 FT & N 34-35-00 W 1101.49 FT & N 01-26-00 E 398.50 FT & S 88-34-00 E 510 FT FROM CEN OF SEC, N 01-26-00 E 385 FT, N 86-25-53 E 683 FT TO WLY R/W LINE OF 1-75 EXPRY, TH S 08-42-48 E 316.90 FT, TH S 08-12-30 E 85.60 FT TO NLY R/W LINE OF KOPPY BLVD, TH ALG CURVE TO LEFT, RAD 80 FT, CHORD BEARS N 89-19-06 W 146.92 FT, DIST OF 186.19 FT, TH ALG CURVE TO RIGHT, RAD 60 FT, CHORD BEARS S 58-32-44 W 68.03 FT, DIST OF 72.33 FT, TH N 86-55-00 W 249.24 FT, TH ALG CURVE TO LEFT, RAD 235 FT, CHORD BEARS S 84-04-24 W 73.61 FT, DIST OF 73.61 FT, TH ALG CURVE TO RIGHT, RAD 175 FT, CHORD BEARS S 83-14-54 W 49.83 FT, DIST OF 50 FT, TH N 88-34-00 W 175.06 FT TO BEG 11.10 A 6-3-10 FR 006 & 013

is hereby approved.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 8 years, and the starting date for the certificate is December 30, 2010 and the ending date is December 30, 2018.

4. The total project cost approved is \$600,000.

5. TK Holdings Inc, Inc. agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional 2 years after the date of the expiration.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Member Doyle, Kittle,
Knight, McDaniel, Newkirk
NAYS: None
ABSENT: None
ABSTENTIONS: None

RESOLUTION ADOPTED 10.08.137

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **23 day of August, 2010**.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 24th day of August, 2010.

Linda F. Shannon, City Clerk